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**HOUSE OF REPRESENTATIVES STANDING COMMITTEE
ON EDUCATION AND TRAINING**

**Inquiry into combining school and work:
supporting successful youth transitions**

Submission by the Department of Education, Employment and Workplace Relations, including information from the Department of Families, Housing, Community Services and Indigenous Affairs

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Executive summary

This submission considers the characteristics of young Australians who combine school and work, and the effect that this can have on transitions. It outlines the Australian Government's support for young people combining school and work as well as recent initiatives and developments that will contribute to delivering better outcomes for young Australians.

The majority of research, debate and policy development has been based around what we know about young people's transitions and the characteristics of those most likely to make a successful transition. There is less research focused on young people combining school and work and the complex interaction of factors influencing young people's education and employment outcomes.

The data presented in this submission relates to formal employment. The lack of information about informal work has hampered the ability to draw conclusions. Analysis of the difference between the development of work-related skills through structured educational approaches for example, compared with the benefits gained by undertaking paid work outside of a formal learning environment has not been possible.

School students combining school and work

A large proportion of school students in Australia now combine school and work. This proportion has increased significantly in the past two decades. Of the 37 per cent of young people between 15 and 19 who combine school and work, most school students (46 per cent) work low to moderate hours (6 to 10 hours per week). Over 30 per cent of school students who are in employment work more than 10 hours per week, and roughly 10 per cent work for more than 16 hours per week.

Young people from middle and higher socio-economic backgrounds are more likely to combine school and work, suggesting that young people are motivated by choice rather than necessity.

The impact of combining school and work

Research into the impact of combining school and work in Australia shows that there are both positive and negative effects. Working low to moderate hours while at school appears to provide a number of benefits, including an introduction to the labour market, skill development and some financial independence. Students working longer hours (10 or more per week) are more likely to experience negative effects on school completion and achievement from combining school and work than those working average hours (6-10 per week). Students who work longer hours, however, are relatively successful in moving into full time work or an apprenticeship or traineeship straight after school.

Government support for those combining school and work

Government support for young people combining school and work recognises that much is to be gained for Australian communities and the economy from high rates of participation and engagement, and high levels of educational attainment, skills and social capital. Importantly, the Government recognises education as the key to driving improvements in participation and productivity.

The Government supports students combining school and work in three broad areas. Firstly, the Government provides support for those not fully participating, or at risk of not participating, to either re-engage or maintain their engagement in their learning. Secondly, through income support arrangements, the Government seeks to ensure that those without financial means are able to participate in education and training, and that income support arrangements do not create a disincentive to participation. Finally, the Government administers a fair and protective workplace relations system that covers young workers.

School-based training pathways

This submission shows the value of including vocational learning, exposure to the world of work, and the opportunity to learn in environments outside of the school setting to making the school experience more relevant and engaging for a wider range of students. Vocational learning also equips young people with generic competencies for effective participation in work.

School-based training pathways such as Vocational Education and Training (VET) in Schools and Australian School-based Apprenticeships provide young people in school with flexible approaches to engage in hands-on, experiential learning; the opportunity to gain a qualification that is recognised by industry and education systems throughout Australia; and can provide the motivation for young people with vocational aspirations to complete their secondary schooling. The Australian Government's major infrastructure program, Trade Training Centres in Schools, supports their delivery.

Improved data collection for students engaged in school-based training pathways would allow more effective program and policy development and the targeting of resources across all jurisdictions. There is a need for ongoing research in this area as participation in school-based training pathways continues to grow.

New directions

A number of recent developments are aimed at meeting the educational aspirations of young Australians. Through the development of a National Curriculum, the recognition of skills gained through employment, coordination of policy through the Australian Government's Office for Youth, and the introduction of more flexible methods of delivery for senior secondary certificates, governments are working to deliver improved outcomes for young people.

Limited body of evidence

For most students, combining work and study has been found to be a positive experience and generally leads to positive labour market outcomes. For a small proportion of students however, there is insufficient evidence to evaluate the effectiveness of the pathways they take while at school, and what influence combining school and work may have.

There is not enough information on the size, the characteristics, or the aspirations of the group of young Australians that are experiencing negative effects from the combination of school and work. Some young people may be moving into pathways that do not necessarily meet their needs or align with their aspirations. A more complete picture of those students who may be combining school and work to the detriment of their education would better inform policy development in this area.

Introduction

The Australian Government is committed to improving educational outcomes for all young Australians, and ensuring they have the best possible opportunities to equip themselves with the skills and education necessary to lead happy, healthy, fulfilling and productive lives as contributing members of society.

High quality education and training are critical to ensuring young people have the necessary skills to compete in a global economy. Recognition of the importance of this is reflected in the Government's commitment to delivering an education revolution, from high quality and accessible early childhood education, to quality schooling, and from training and up-skilling our workforce, to world class higher education and research.

The pathways young people take in their transition through school and from school into further education, training or employment are varied. Much research, debate and policy development has been based around what we know about young people's transitions and the characteristics of those most likely to make a successful transition. This has included examining background characteristics, academic performance and post-secondary education. There is less research focused on young people combining school and work and the complex interaction of factors influencing young people's education and employment outcomes.

Managing the demands of study and part time or casual employment is now part of everyday life for many Australian school students. Some regard part time or casual employment as a rite of passage to adulthood. It enables young people to gain some financial independence, teaches them the skills valued in the workplace, and provides an opportunity to be treated much like an adult. Students themselves are generally positive about the experiences of work while at school, and recognise the value of work in teaching them both organisational and social skills.

Combining school and work can also create competing demands on students' time however, which could potentially affect their studies. The large numbers of young people now in the part time and casual workforce heightens the importance of ensuring that young people's workplace experiences are positive ones. Long or excessive working hours may affect students' ability to complete their school work, pay attention in class, and they may appear unmotivated and disinterested to teachers. Educators do not always appreciate the importance young people place on their part time or casual employment, either suggesting they should focus entirely on their schooling, or failing to recognise that competing demands exist. Research shows that excessive hours of part time work can lead to poorer school achievement (see Chapter 1), but for young people not wishing to go on to post school education or training, research also shows that part time employment can be an important stepping stone to full time employment.

Many employers are supportive of young people combining school and work, by providing flexible working hours and changing shifts to accommodate busy study or exam periods. There are also instances of schools recommending to parents that their children do not spend more than 10 hours a week in employment, because of the risk of a detrimental effect on successful completion.

Some anecdotal accounts suggest that a minority of employers do not fully understand or appreciate the competing demands of their young employees, and may engage students in long working hours, or at times that interfere with their schooling. In such instances,

inexperience and the power disparity between adult employers and young students can result in students complying with inappropriate requests.

The Australian National Schools Network at their national forum in August 2008, prompted greater consideration of students combining school and work through their proposal for an Intergenerational Compact for Australia's young people. The goal of the Intergenerational Youth Compact is to promote safe and fair conditions for young people at school and at work, and to encourage effective management of the competing demands of study and part time or casual employment.¹

Background to this submission

The Australian Government takes a national leadership role in education and training and works with the state and territory governments and non-government education authorities, industries, and a range of contracted service providers to provide high quality policy, advice and services for the benefit of Australians.

The Department of Education, Employment and Workplace Relations (the Department) provides advice to the Government and administers programs to achieve the Government's objectives for education, training, transitions, youth affairs, employment and workplace relations. The Department implements Government policies and programs to provide education and training opportunities for all Australians, to increase employment participation and to ensure fair and productive workplaces.

Education, training and workforce participation are central to the goal of building a productive and socially inclusive nation, one which values diversity and provides opportunities for all Australians to build rewarding social and economic lives. The Government's focus on youth and social inclusion have required a rethink of how policy and programs across portfolios and levels of government can work together to combat economic and social disadvantage, and deliver better outcomes for young Australians. Social inclusion is about making sure that all citizens have the opportunity to participate fully in the economic, social and civic life of our country. It is about moving ahead collectively, in terms of prosperity and social progress, and ensuring no one is left behind.

The Office for Youth has been established in the Department to coordinate the Australian Government's significant investment and effort for young people across Government. The Office for Youth leads the Australian Government's commitment to working for and with young people, acknowledging that young people are valuable participants in Australian society and are crucial to our nation's economic and social prosperity. The Office for Youth is guided by three principles: universality – every young person is important; engagement – in order to be effective, governments must stop talking to young people and start engaging with them; inclusion – the Office for Youth acknowledges there are gaps in opportunity and achievement between young people doing well and those faced with disadvantage and social exclusion.

The Department provides a range of youth transitions programs and initiatives that cater to the diverse needs, preferences and aspirations of individuals, both educational and vocational,

¹ Australian National Schools Network *Draft policy paper on an Inter-generational Youth Compact*, available at: www.ansn.edu.au/files/ANSN_Youth_Compact.pdf.

and give young people the valuable experience and knowledge necessary to make successful transitions. The Department also administers the federal workplace relations system.

Broadly, the Government's priorities for school-age young people are focused on education and training, followed by combined activities, then employment. Nevertheless the Government recognises the importance of work opportunities in achieving successful, lifelong career transitions, and is supportive of young people in part time employment.

In respect of preparing young people for work, the primary focus of the Department's programs is the provision of vocational learning experiences which provide work-relevant skills, contribute to students' engagement in education and training, and ultimately to achieving better educational outcomes through higher levels of attainment. Chapter 2 demonstrates that higher educational attainment contributes to sustainable employment outcomes and greater levels of productivity, participation, and career satisfaction. Experience with work and work-based learning is important to successful transitions.

One of the key planks in the Australian Government's network of policies to support young people's successful transitions through education to employment is the provision of family payments and education allowances. The Department of Families, Housing, Community Services and Indigenous Affairs (FAHCSIA) has policy responsibility for Family Tax Benefit (FTB) Parts A and B, Carer Payment and Carer Allowance. The Department of Education, Employment and Workplace Relations has policy responsibility for Youth Allowance and ABSTUDY.

Young people of school age are allowed to work, as long as state laws (which differ) are complied with – including minimum working age. The Department supports a range of approaches to young people gaining experience with the world of work and recognises the value of positive experiences of work for young people. The Government's Fair Work Bill underpins these benefits by ensuring the safety and protection of young workers.

The Government understands the significant role of part time employment in the lives of many young people, as well as the 'informal' work of some, including working with family members or casually. The Government also understands there are a number of young people who care for a family member who has a disability, medical condition or who is frail aged. This affects their ability to stay engaged in their study and to obtain part time work, and they may require additional assistance to make a successful transition into employment and adulthood. Young carers may experience tensions between education, paid work and unpaid work in the home (caring). Young carers may not regard their caring responsibilities as 'work' (income support for young carers is mentioned in Chapter 2).

In terms of combining school and work, the Australian Government's primary role is to help young people get the most out of workplace experiences by managing *structured* approaches to attaining work-related skills, as a part of formalised education.

A range of Government programs in support of this are discussed in this submission, mostly in the context of school-based training pathways (Chapter 3) and their impact on successful transitions. Consideration is also given to new and different approaches that could support the combination of study and work, including developments relating to recognition and accreditation of the benefits of work undertaken by school students (Chapter 4).

It is also worth noting that the youth labour market is sensitive to conditions in the aggregate economy. As employment growth slows and job vacancies fall, young people (typically new

entrants in the labour market) find it more difficult to get employment, particularly full time work. In the era of global competition and the current economic downturn it is all the more important to ensure all young people are supported to equip themselves with the necessary education and skills to both gain valuable experience of work whilst at school, and be able to compete in a tight labour market during and after their school years.

The Department of Education, Employment and Workplace Relations welcomes the opportunity to make a submission to the Inquiry. This submission provides information to assist the Committee with its deliberations by providing details on research into students combining school and work, and a focus on Australian Government policy and programs of relevance to the Inquiry's Terms of Reference.

The Department's submission aims to assist the Inquiry by providing information on:

- what we know about Australian students combining school and work, including the relationship with educational and employment outcomes;
- Australian Government support for young people combining school and work, which includes policies in relation to educational attainment and improving school-to-work transitions, income support assistance, and workplace relations reforms;
- the importance of school-based pathways and their effectiveness, including information on programs that provide students with opportunities to gain authentic workplace experience and vocationally-oriented training, and some assessment of their effectiveness; and
- some consideration of new directions for the future: policy developments and reviews, new and different approaches, and enhancements the Australian Government is seeking through collaborative reform across education sectors.

Notes

Generally, 'employment' refers to formal work (i.e. legal and covered by Industrial Relations, tax legislation etc). 'Work' can be used to describe a broader range of circumstances (e.g. informal work – often with family members/businesses that may or may not be remunerated, and may be undertaken by young people under the legal work age). In this submission both terms are used interchangeably, except where informal work is specified.

Most data refers to formal employment only, and relevant Australian Bureau of Statistics (ABS) employment-related data is collected for people of working age (i.e. 15 years and above).

'Students' often refers to those at school (where specified), but can also mean those studying at TAFEs or other education/training institutions. 'Young people' includes all those in or out of education (particular age references are specified for some data).

Full time apprentices and trainees are counted as full time employed by the ABS, and part time education (i.e. part time apprentices and trainees are counted as part time employed, and in part time education). Full time school students undertaking a school-based apprenticeship or traineeship are counted as being in full time education, while employed part time. The term 'Apprenticeship' generally refers to both Apprenticeships and Traineeships.

The Terms of the Reference for the Inquiry (see Appendix A) refer to work and study as competing demands in students' lives. This is expected primarily in situations where employment is not formally related to a young person's study, and the hours of work and study clash, or the total time commitment hinders the student's ability to perform to the standard they would be capable of without interference. This combination of school and work is considered in Chapter 1.

In instances where a student's employment forms part of their credit for a senior secondary certificate (through an Australian School-based Apprenticeship/Traineeship, or the work-related Skills stream of the Victorian Certificate of applied Learning for example), work is much less likely to be a competing demand, but rather paid training and experience. These flexible approaches to senior secondary schooling generally involve some type of school-based training. They are presented in Chapter 3.

1 Combining school and work

What do we know about Australian students who combine school and work?

What are the factors and effects of combining school and work?

Overview

While there are many anecdotal accounts about students combining school and work, there is relatively little detailed data and conclusive research findings. This chapter provides information on what we know about Australian students combining school and work, drawing on information from the Australian Bureau of Statistics data and research based on the Longitudinal Surveys of Australian Youth.

Information on how many young people are combining school and work across senior secondary school years, how this varies between male and females and geographical location, trends over time, and the characteristics of school students in employment are all explored in this chapter. Consideration is also given to research findings on the effect of combining school and work on Year 12 completion, and post-school implications. Some international research findings and comparisons are included.

The research presented in this Chapter shows that working while at school can have both positive and negative effects depending on the hours of work. However, the relationship between school and work is complex and can be affected by a range of factors, including the personal characteristics of the student and their level of engagement in school. This makes it difficult to establish direct causal links and means that some evidence on the potential benefits or risks of working while at school needs to be treated with caution.

Who combines school and work?²

According to the Australian Bureau of Statistics (ABS), a total of 716,211 young people aged 15 to 19 were attending school in Australia in 2007. Thirty seven per cent (or 262,808) were in employment for one hour or more per week.

The table below shows the percentage of school students in employment by Year level and sex. Overall, the proportion of school students in employment increased with Year level, from about one quarter of students in Year 10 and below, to nearly half of Year 12 students. The trend was different for males and females.

Table 1: Proportion of school students aged 15 to 19 in employment by sex and year level (as a percentage of the total in each sex and year group), 2007

	Males	Females	Total
Year 10 or below	23	31	26
Year 11	30	48	39
Year 12	43	46	45
Total	31	42	37

ABS, Survey of Education and Work, 2007

Gender and location

Female school students were more likely than male school students to be working (42 per cent overall compared to 31 per cent). This was particularly marked in Year 11, when almost half of all female students were in employment, compared with only a third of males.

The employment rate of school students showed some variation by geographic location. It was lower in NSW (31 per cent) than in the rest of Australia (around 40 per cent). It was also lower in capital cities (32 per cent) compared to the rest of Australia (45 per cent).³

Weekly work hours

Most school students were working low to moderate hours, with a significant proportion working around 6 to 10 hours per week. Very few students were working longer hours (16 hours or more). However, slightly higher proportions of students in Years 11 and 12 were working longer hours. The following table shows the breakdown of hours by year level.

² This section is based on unpublished data from the Australian Bureau of Statistics Survey of Education and Work, 2007.

³ This finding is consistent across both ABS and LSAY data. However, we have been unable to establish what factors might be involved to explain these differences.

Table 2: School students aged 15 to 19 – hours worked per week by year group (as a percentage of all school students in employment in each year group), 2007

Hours per week	Year 10 or below (per cent)	Year 11 (per cent)	Year 12 (per cent)	Total (per cent)
1 to 5	28	21	22	23
6 to 10	46	46	46	46
11 to 15	21	24	21	22
16 or more	5	9	11	9
Total	100	100	100	100

As a proportion of those school students aged 15 to 19 who were in employment, males were slightly more likely than females to be working longer hours (16 or more hours per week). It is worth noting that, overall; only a relatively small number of students are working such hours. As a proportion of all school students in this age group, the incidence of long hours (16 or more hours per week) among male and female students was almost identical, at around 3 per cent of the school population (see Table 3).

Table 3: School students aged 15 to 19 – hours worked per week by year group (as a percentage of the total school students in each year group), 2007

Hours per week	Year 10 or below (per cent)	Year 11 (per cent)	Year 12 (per cent)	Total (per cent)
Not working	74	61	55	63
1 to 5	7	8	10	9
6 to 10	12	18	20	17
11 to 15	5	10	9	8
16 or more	1	4	5	3
Total	100	100	100	100

ABS, Survey of Education and Work, 2007

Greater numbers of students combining school and work

There has been a steady but significant increase in both the number and proportion of school students aged 15 to 24 in employment over the past 21 years. Between 1986 and 2007 the proportion of schools students in employment increased from 25 per cent to 37 per cent.

Students' views

The Longitudinal Surveys of Australian Youth (LSAY) suggest that students themselves are positive about the experience of work while at school. Those working while in Year 10 saw benefits in terms of developing organisational and social skills, such as getting along with others.⁴ Those who were employed while at school at age 17 were also happier with many aspects of their life, including their financial independence and social life, than those who did not work.⁵

⁴ Sheldon Rothman, *The Year 9 class of 1998 in 1999 – activities and aspirations*, LSAY Cohort Report, ACER, Melbourne, 2000.

⁵ Lyn Robinson, *The effects of part-time work on school students*, LSAY Research Report 9, ACER, Melbourne, 1999.

Characteristics of school students in employment

LSAY collects information on the background characteristics of school students that is not available from ABS data (such as school achievement and socio-economic status), as well as information on students' reasons for undertaking work while at school. The National Centre for Vocational Education Research (NCVER) has been using this information to examine trends in part time employment among secondary school students who were attending school between 2003 and 2007.⁶

Two LSAY research reports from the late 1990s have also analysed the relationships between student background characteristics, their participation in employment while at school, and subsequent employment outcomes. These reports used data collected from school students who were 17 years old in 1992. While labour market conditions and background income and education factors may have changed over the ensuing years, findings about the relative importance of background characteristics and motivational factors on combining school and work are still expected to be relevant.

These studies reveal a broadly similar picture to that shown by the ABS data in terms of the year level and gender of students undertaking part time work, their working hours, and the growth in the proportion of students combining school and work.

They also show that school students with part time jobs are more likely to come from middle rather than lower socio-economic backgrounds (based on parental occupation, parental education and family wealth), and to be working by choice rather than necessity. Students with parents in semi-skilled or unskilled jobs, for example, are less likely to combine work and school than those with parents in white-collar jobs.⁷ School students with part time jobs are also more likely to be in the mid-range of school achievement, with the lowest and highest achieving students showing relatively low employment rates.⁸ In addition, students not intending to complete Year 12 are more likely to be working, and to be working longer hours.⁹

LSAY data also indicate that students from government and catholic schools are more likely to be working than those from independent schools. Between 2003 and 2007, 50 per cent of Year 10 LSAY respondents in government schools and 57 per cent of those in catholic schools were working compared to 44 per cent of those in independent schools.¹⁰ (These proportions are also increasing: in 1992, 37 per cent of government school students were reported to have part-time jobs compared to 29 per cent of students from non-government schools.¹¹)

Financial motivation (such as money to support themselves) was mentioned by most students as a reason for working. However, other factors appear to be equally important for many, including independence, enjoyment and gaining experience in the workforce. Financial necessity appears to be a significant factor for only around 10 per cent of those school students who are working.¹²

⁶ Anlezark, A and Lim, P (forthcoming), *Combining work and school study: Hours worked, characteristics and effect on school and post-school outcomes*, NCVER Adelaide, 2009

⁷ *ibid.*, p. 14

⁸ *ibid.*; see also Lyn Robinson, *School students and part-time work*, LSAY Research Report 2, ACER, Melbourne, 1996, pp. 21-27

⁹ Anlezark and Lim, *op. cit.*, p. 4

¹⁰ Anlezark and Lim, *op. cit.*, p. 17

¹¹ Robinson (1999), *op. cit.*, p. 27

¹² Robinson (1999), *op. cit.*, p. v

A number of students combining school and work receive income support assistance from the Australian Government. Chapter 2 of this submission provides details on this type of support, and analysis of young people on income support who are also combining school and work, and their long term outcomes.

Effects of combining school and work

Research undertaken using LSAY data suggests that working a low to moderate number of hours while at school provides a number of benefits to students, including an introduction to the labour market, skills and some financial independence. Working longer hours, however, may have negative effects on school completion.

Overall, it seems that working part time while at school may be beneficial for those students who are not intending to pursue further education, as it enables them to gain knowledge of the labour market and workplace requirements, and develop skills and contacts which enable them to make a smoother transition from school.

Year 12 completion

There appears to be no impact on Year 12 completion and academic performance from working moderate hours while at school, but there may be some negative effects on school completion and achievement for students working longer hours. (This may, however, also reflect students who are disengaging from school and choosing to work longer hours.) For students in Year 9, the threshold appears to be around 5 hours a week. For those in Years 10 to 12 it appears to be around 10 hours a week.

In the case of Year 9 students, working more than 5 hours a week was associated with an increased likelihood of not completing Year 12. These students, however, were relatively successful in moving into full-time work or an apprenticeship or traineeship straight after school. This suggests that they may be choosing to work longer hours in order to improve their post-school employment prospects.

For those in Year 10, working from 1 to 10 hours a week was found to have a small but positive impact on Year 12 completion. Working longer than 10 hours a week, however, was associated with an increased likelihood of non-completion of Year 12. Working longer hours in Year 12 was also associated with lower school achievement (in terms of tertiary entrance scores).¹³

Similarly, for those who stayed on in school to at least age 17, working more than 10 hours a week was associated with a slightly lower Year 12 completion rate and slightly poorer school achievement (in terms of tertiary entrance scores).¹⁴ Again, however, the decision to work longer hours might reflect a process of disengagement from school rather than being a causal factor in reduced educational achievement. For instance, as noted earlier, students who are

¹³ Anlezark and Lim, op. cit., pp. 19-21

¹⁴ Robinson (1999), op. cit., pp. 22-23

not intending to complete Year 12 are more likely to be working and to be working longer hours.¹⁵

Managing the combination of school and work better

The Department funded a Youth Connection Pilot study from September 2005 to June 2006 in northern Adelaide as a part of the Employment Innovation Fund, Project Number EIF-0108. The aim of the pilot was to improve the links between 'at risk' students from Years 10 to 12 and Job Network Members prior to leaving school, in an attempt to improve their opportunity to find employment, particularly (then) New Apprenticeships.

A key finding from the pilot was that students with part time or casual employment reported that on a number of occasions employers contacted students while at school and asked them to come in to work. The students often prioritised work over school; reasons given were: a) to get out of school; b) for the money; and c) for fear of losing employment. Part of the pilot included the Job Network Members helping students to be assertive in declining work requests and communicating to employees their need to do schooling.

There appear to be gender differences in terms of the impact of part time work on Year 12 completion. In particular, some of the research using LSAY data suggests that working longer hours is more strongly associated with school non-completion for boys than for girls. The study suggests that this may be related to the greater range of labour market options available (particularly in the apprenticeship system) for males who leave school early. Girls retain their commitment to education because they need to demonstrate achievement in the formal education system (irrespective of their employment status while at school) in order to have successful post-school transitions.¹⁶

Effects for school leavers

In terms of post school effects for those who did not go to full time study after leaving school (including early school leavers and Year 12 completers), part time employment during secondary school reduced the likelihood of post-school unemployment by age 19, and the likelihood of experiencing lengthy periods of unemployment. School leavers not in full time study who had worked part time while at school were also more likely to make better initial transitions into the labour market. Income was not affected in general, except that those who worked longer hours in Year 12 were earning higher hourly rates by age 19. Those who worked longer hours were also likely to have better post-school labour market outcomes than those who worked fewer hours or did not work at all.¹⁷

Another recent Australian study using LSAY data has found that part time work is an important factor in making a successful transition from school to work, particularly for students with poor

¹⁵ Anlezark and Lim, op. cit., p. 4

¹⁶ Margaret Vickers, Stephen Lamb and John Hinckley, *Student workers in high school and beyond: the effects of part-time employment on participation in education, training and work*, LSAY Research Report 30, ACER, Melbourne, 2003, pp. 11-12

¹⁷ Anlezark and Lim, op. cit.; Robinson (1999), op. cit., pp. 26-29

academic achievement.¹⁸ (This study focuses more on volunteering and VET in Schools. The findings are discussed in more detail in Chapter 3.)

International evidence

A review of recent international literature on school students and part time work tells a similar story in regards to the positive and negative effects of combining school and work.¹⁹

United States of America

One USA study based on data from the National Educational Longitudinal Study found that any form of employment during high school had small but consistently negative effects on a range of school achievement measures and post-school outcomes. These effects increased with increasing hours of employment. The one benefit was found to be a slight reduction in the length of post-school unemployment.²⁰

Another USA study of high school students in south-west Virginia found significant differences in school achievement between students who were working relatively low hours (less than ten hours a week) and those who were working longer hours – with longer hours of work associated with poorer results. These differences were particularly pronounced for students who were working more than 20 hours a week.²¹

Scotland

Similar findings were reported in a major study into the part-time employment of secondary school students undertaken by the Scottish Government between 2003 and 2006. This study reported the findings of earlier research, which showed that ‘working long hours tended to have a negative impact while working for a small number of hours might have a positive effect on attainment’.²²

The Scottish study also collected qualitative information on the advantages and disadvantages of having a part-time job while at school. Perceived advantages included the opportunity to develop independence and confidence, increased motivation and a greater awareness of the need for qualifications for future career plans. The main disadvantage related to the potential negative impact on school work.²³

¹⁸ Polidano, C., Zhao, X. and Harris, M., ‘Volunteering, Vocational Education and Training and Part-time Work in Successful Labour Market Entry for High School Graduates’, paper presented at the Australian Labour Market Research Workshop, Wellington, 2008, December 11-12

¹⁹ Literature review conducted by DEEWR library

²⁰ Marsh, H. W. and Kleitman, S., ‘Consequences of employment during high school: Character building, subversion of academic goals or a threshold?’, *American Educational Research Journal*, Washington, 2005, vol. 2, issue 2

²¹ Singh, K., Chang, M. and Dika, S., ‘Effects of part-time work on school achievement during high school’, *The Journal of Educational Research*, Bloomington, 2007, vol. 101, issue 1

²² Howieson, C., McKechnie, J. and Semple, S., *The Nature and Implications of the Part-time Employment of Secondary School Pupils*, Scottish Executive Social Research, Edinburgh, 2006, p. v

²³ *ibid*, pp. vi-vii

Comparison with Australia

While direct comparisons with Australia can be difficult due to differences in areas such as the labour market, education and income support system, these studies seem to be showing broadly similar findings to those reported in the Australian research.²⁴ Low to moderate hours of work appear to have little negative impact on school achievement or completion and may also have some benefits in terms of the development of work skills. Higher hours of employment appear to have a slightly negative impact on school achievement but may have a positive impact on post-school employment prospects.

The Organisation for Economic Cooperation and Development is conducting a thematic review of policies to facilitate the transition from school to work and improve the employment prospects of youth (the 'Jobs for Youth' review). The final Australian country report is due in April 2009 and is likely to contain key findings and recommendations for further improving the school to work transition for young people. The Department recommends this report to the Inquiry.

²⁴ See also Payne, J., 'The impact of part-time jobs in years 12 and 13 on qualification achievement', *British Educational Research Journal*, Oxford, 2003, vol. 29, issue 4

Conclusion

A large proportion of school students in Australia now combine school and work. This proportion has increased significantly in the past two decades. Of the 37 per cent of young people between 15 and 19 who combine school and work, most school students (46 per cent) work low to moderate hours (6 to 10 hours per week). Over 30 per cent of school students who are in employment work more than 10 hours per week, and roughly 10 per cent work for more than 16 hours per week.

Young people from middle and higher socio-economic backgrounds are more likely to combine school and work, suggesting that young people are motivated by choice rather than necessity.

Trends in relation to boys (who leave school early more often than girls but fare better in the workforce as early leavers) combining school and employment seem to suggest that they benefit from it. However, the trends may in fact indicate another story: a correlation with disengagement. Establishing causal effect is the key here, and more research is required to better understand the work and study motivations of those who work greater hours, and those who have disengaged from their schooling.

Research into the impact of combining school and work in Australia shows that there are both positive and negative effects. The key findings can be summarised as follows:

- Working a low to moderate number of hours while at school appears to provide a number of benefits, including an introduction to the labour market, skills and some financial independence.
- There may be negative effects on school completion and achievement for students working longer hours (around 5 hours a week or more in Year 9, and around 10 hours a week or more in Years 11 and 12).
- Students who work longer hours, however, are relatively successful in moving into full time work or an apprenticeship or traineeship straight after school.
- Working longer hours appears to be more detrimental to boys than girls in terms of school completion.
- International research shows broadly the same findings as Australian research, low to moderate hours of work appear to have little negative impact on school achievement or completion, however higher hours may have a slightly negative impact on school achievement.

For the minority who may be working out of necessity, it is important to ensure that income support arrangements adequately prevent them from compromising their studies whilst earning. Students from lower socio-economic background should also be assisted if they are missing out on benefits from moderate hours of part time work.

For those who may choose to work more in preference to pursuing their education, greater consideration of the relative merits of more work experience and higher educational attainment is required to enable policies to better support these young people's needs and aspirations.

2 Supporting school and work

Australian Government support for young people who combine school and work

Overview

Education is a key element in building a just, participative, and productive society. The Australian Government, through the Council of Australian Governments, has committed to lifting Year 12 or equivalent attainment to 90 per cent by 2020 and supports a range of initiatives aimed at engaging young people in their learning, to lift attainment and improve transitions from school.

The Government provides financial support to students and their families to mitigate financial barriers to undertaking education. Through income support arrangements the Government seeks to ensure that those without financial means are able to participate in education and training, and that income support arrangements do not create a disincentive to participation – especially for young people.

The Government also recognises that large numbers of young people combine school with part time and casual work. As such, the Government's Fair Work Bill 2008, introduced into Australian Parliament in November 2008, has sought to ensure that young workers are well protected and supported in the workplace.

This Chapter provides information on various forms of Australian Government support for young people combining school and work, including initiatives aimed at maintaining young people's engagement in their learning, income support, and the workplace relations framework that covers young people. (The value of school-based training pathways to achieving outcomes for students who are at risk of disengaging from their education is considered in Chapter 3.)

Engagement and successful transitions

To respond effectively to issues such as increasing international competition and the ageing population, we need a workforce which is highly skilled, flexible and able to adapt to a constantly changing environment. In 2006, the Council of Australian Governments (COAG) began to address this with the human capital stream of its National Reform Agenda:

A healthy, skilled and motivated population is critical to workforce participation and productivity, and hence Australia's future living standards. By focusing on the outcomes needed to enhance participation and productivity, the human capital stream of reform aims to provide Australians with the opportunities and choices they need to lead active and productive lives.

The current COAG agenda seeks substantial reform of Australia's education and training systems to boost productivity and participation, improve human capital outcomes for all Australians and reduce entrenched disadvantage in Indigenous and other communities. The Productivity Commission has estimated that early childhood, schooling and skills and workforce development reforms could boost participation by 0.7 percentage points and productivity by up to 1.2 per cent by 2030. This corresponds to an increase of GDP of around 2.2 per cent, or around \$25 billion in today's dollars.²⁵

It is critical to Australia's future prosperity that measures are in place to support young people's inclusion in society, their learning and skill development, and their transitions to full participation in the workforce.

We know that educational attainment is one of the best predictors of participation, productivity and a successful transition in later life. The knowledge, values, skills, attitudes and general experiences gained in compulsory schooling will influence young people well beyond the years they spend there. Engagement with education and training, as with full time work, in the years immediately after leaving school is closely related to durable, successful transitions. Year 12 attainment strongly influences long term workforce behaviour, and the effects of making a shaky start to one's career may linger for a long time.

The Australian Government's social inclusion and participation agendas seek to increase rates of full time engagement (in education and employment), for young people. This will contribute to a just and participative society. Coupled with this is a preference for young Australians to attain Year 12 or its equivalent, and for an increase in the educational/skill level of the workforce. This serves to increase the productive capacity of the economy.

The Australian Government, through COAG, has committed to working with the states and territories to lift Year 12 or equivalent attainment to 90 per cent by 2020. This recognises that higher educational attainment and better transition support lead to more effective transitions, which increase individuals' time in the workforce, and increase young people's base qualifications – promoting higher labour force participation and productivity over the life span.

Education has been shown to have a significant effect on productivity. An increase in literacy of 1 per cent can boost productivity by 2.5 per cent, and GDP by 1.5 per cent. For the individual, each additional year of schooling increases annual income by around ten per cent,

²⁵ Productivity Commission 2006, *Potential Benefits of the National Reform Agenda*, Report to the Council of Australian Governments, Canberra.

and the achievement of post-school qualifications equates to remuneration of seven more years paid work.²⁶

Influencing the factors which correlate highly with Year 12 attainment, especially literacy and numeracy competence, is critical to achieving the 2020 target. Other key influences on attainment and subsequent transitions are students' engagement in learning, the vocational education options (particularly during secondary schooling) and pathways available to them, their aspirations and motivation, and their career planning and development.

Supporting engagement, attainment and successful transitions

In seeking quality educational outcomes, the Australian Government recognises the need to support young people to stay engaged and motivated in their education, through a combination of formal and informal learning around a personal pathway that is relevant to their needs and aspirations. In addition to quality vocational education and training (VET) opportunities (which include workplace-based training) enhancing young people's ability to manage their own career development through the provision of appropriate information and meaningful mentoring is also important.

A variety of research and international experience suggests that an important aspect of providing young people with the knowledge and experience they need to make good education and career decisions is to have industry involved in students' career development and learning, providing information about skills needs and what the future workforce should know.

Families, business and local community agencies have an important role to play in supporting schools to keep students engaged and manage their needs, especially those at risk of disengaging. Facilitating connections between relevant players in the local community have been widely recognised as a valuable approach to achieving this.

The Australian Government seeks to match individuals' aspirations with skills needs. The Department's career and transitions programs seek to support young people's smooth progression through to independent adulthood and active participation in the community; provide information on careers, options and pathways, but also develop in students the ability to self-reflect on personal attributes; and ensure a comprehensive safety-net is in place that is flexible enough to assist young people with diverse needs.

Local partnerships and career development

Through the Career Advice Australia initiative, the Government is working to improve the quality of career information and advice, and provide a diverse range of learning experiences. Industry involvement is critical to engaging students in meaningful preparation for work, and the Government facilitates the participation of businesses to help grow a highly skilled future workforce. (Employability skills are discussed in more detail in Chapter 3. More information on Career Advice Australia is in Appendix B.)

Current contracts under Career Advice Australia end on 31 December 2009. The Government is currently considering future arrangement for this initiative.

²⁶ *ibid.*

Career Advice Australia introduces students to agriculture and broadcasting

The innovative project, The Grass is Greener, helped southwest Victorian students to learn about careers in agriculture and develop a greater understanding of how the media operates. It also helped them to improve their confidence, and written and oral skills.

The project was created to help address the region's skills shortage in agriculture.

The participating students—from eight schools in the region—took part in training, site visits and producing radio programs about people working in agriculture.

During the half day of training, students learned about job opportunities in agriculture and about broadcasting equipment and techniques, such as how to conduct an interview and use a microphone. They also prepared a plan and running sheet for the radio programs.

As part of the site visits, students visited their interview subjects at their places of work. This gave them first-hand experience of the workplace and the work environment. They also visited a dairy to learn about modern dairy farming.

Students then produced a series of one-hour radio programs, each containing two interviews with local identities involved in the agricultural sector, as well as music and chat. The programs aired on community radio station, Otway FM.

The project was developed by the South West Local Learning and Employment Network Local Community Partnership, the Regional Industry Career Adviser, Youth Pathways, Westvic Dairy, and representatives from industry and the schools. The Foundation for Rural and Regional Renewal provided financial assistance.

Maintaining engagement and providing a safety-net

The Australian Government supports targeted programs that seek to re-engage young people in their education, and can assist them to access school-based training pathways, as well as alternative arrangements for participating in education and training (e.g. the Connections program below). This includes assistance for Indigenous young people, young people with disability, caring responsibilities, and newly arrived migrants.

The flexibility and variety offered by vocationally-oriented and applied learning approaches to training can often re-engage young people who have disengaged from their education. These pathways are discussed in Chapter 3.

Students who choose to combine school and work through an Australian School-based Apprenticeship (see Chapter 3) continue to receive pastoral care from a school environment while they undertake their apprenticeship. Pastoral care can support a student who is having difficulties with the demands of school and work which ensures a higher level of engagement. It also supports students at risk of leaving school whose engagement is not assured through standard comprehensive schooling in Years 11 and 12. Similarly, the pastoral care provided through the school can assist students who are having difficulties in their work placement, by providing advice and being a link between the school and employer.

Through Career Advice Australia, the Government provides support for young people who face barriers to making a successful transition through school and beyond. Youth Pathways offers

personalised support to over 25,000 participants each year to assist them back into productive learning, and the Connections program provides another chance at learning, through flexible and accredited education and training options delivered in supported community settings for around 3,000 young people each year.²⁷

In 2007, approximately 90 per cent of Youth Pathways participants for whom a known outcome was recorded at the end of their participation, were engaged in some form of productive activity, such as education, training or work. 2008 Connections participant data has not yet been finalised, although preliminary analysis suggests about 70 per cent of participants achieved the desired program outcomes.²⁸

FaHCSIA's dedicated program *Young Carers Respite and Information Services Program* is targeted to young carers (up to 25 years old) at risk of not completing secondary education or vocational equivalent due to the demands of their caring role. The program has two components: respite services delivered through the network of Commonwealth Respite and Carelink Centres; and information, advice and referral services delivered by Carers Australia and its network of Carers Associations.

This program has been allocated a budget of \$7.6 million in 2008-09. It is estimated that this will provide assistance to 3,100 young carers. In 2007-08 this program provided assistance to 2,500 young carers.

Income support

Australia has an income support system that provides a safety-net for people who require financial assistance. The system supports the notion that everyone who can work should have the opportunity to do so, and those who are unable to work should be assisted. Employment participation is a key aspect of social inclusion as it creates opportunities for financial independence and personal fulfilment.

The Government has a number of measures in place to assist with the financial difficulties faced by some students and their families. Income support policy is managed to mitigate against disincentives to full participation generally, including disincentives to combine school and work, and to encourage young people to remain in education and training. Assistance includes the provision of student income support through programs such as Youth Allowance, Austudy, ABSTUDY and the Family Tax Benefit. These are outlined below.

²⁷ Youth Pathways focuses on early intervention for those students at risk of disengaging from their education, while Connections assists early school leavers who have disconnected from education and personal networks.

²⁸ Connections program outcomes include: accredited education and training in a supportive and flexible community environment; or appropriate short courses, learning and educational activities that contribute to greater participation in further education, training or employment; and the development of career/life management skills and employability skills.

Under Youth Allowance there are incentives to stay in full time study or training. It is important that payment rates provide a safety-net while still acting as an incentive for people to take up paid work.

The Australian Government recognises both the benefits that can be gained from employment, and the need for young Australians to be properly educated. Youth Allowance payments are flexible in order to help young Australians to successfully combine these two important activities. There is an amount that can be received/earned before an allowance starts to be reduced. Even after the allowance is reduced the recipient can retain supplementary benefits like concession cards. For the low income healthcare card, for example, the income limits can then be exceeded by 25 per cent before eligibility for the card is lost. This generous provision allows customers who experience fluctuations in their income to retain their card, even if their income goes over the qualifying limit.

Income support policies to encourage the combination of work and study

To support students through their education, there is an income free area of \$236 per fortnight. This means that full time students on income support have the opportunity to earn up to this amount from casual or part time employment before their payment is affected.

Students have a higher income-free area than job seekers to act as an incentive for young people to take up full time study. It is also recognised that job seekers generally have greater opportunity to support themselves fully through paid work, and the income free area ensures that job seekers will always be better off in paid work. There are other benefits students receive that are not available to the unemployed.

Students also have access to the Student Income Bank which provides for an accumulation of any unused part of their fortnightly income free area (\$236) up to a maximum of \$6000. This accumulated credit can be used to offset higher income earned in other fortnights such as increased earnings over extended holiday periods.

Youth Allowance

Youth Allowance provides assistance for young people who are studying full-time, undertaking a full-time Australian Apprenticeship or training and/or looking for work. It may also provide assistance for young people who are ill or temporarily incapacitated. Youth Allowance allows young people to stay on the one payment as they move between looking for work, studying, training or undertaking an Australian Apprenticeship.

Youth Allowance is an income support payment with three streams for:

- full time students, YA (students);
- Australian Apprentices; and
- unemployed youth, YA (other).

Eligibility requirements and demand for Youth Allowance are in Appendix C and D.

Youth Allowance (Students and Apprentices)

Youth Allowance (Student) provides assistance to young people aged 16 to 24 years in full-time education, training or a full-time Australian Apprenticeship. It is targeted to families and students most in need of assistance on the basis of the shared responsibility for the support of students between the parents, the government, and students themselves. For students under 18 years, the Youth allowance payment is paid into the nominated parents account, unless very specific circumstances exist. Examples of very special circumstances include that the student is categorised as independent; married or has a dependent child; has parents who cannot exercise their responsibilities, or is unable to live at home due to extreme family breakdown, violence in the home or serious threats to their health or wellbeing, or is a refugee or orphan or in State care.

Youth Allowance (other)

The main objective of Youth Allowance (other) is to assist young people while they look for work. Hence the majority of recipients are engaged in job search and related activities. However, recipients are eligible to undertake full or part time study/training in place of or in combination with job search activities. This recognises the importance of gaining an education/training qualification in finding work.

ABSTUDY

The Aboriginal and Torres Strait Islander Study (ABSTUDY) assistance scheme assists Aboriginal and Torres Strait Islander people to stay at school or go on to further studies. The ABSTUDY scheme is an ongoing special measure to assist in addressing the educational disadvantage of Indigenous Australians. It provides a means tested living allowance and a range of supplementary benefits for Aboriginal and Torres Strait Islander full time students. Some supplementary benefits are available to part time students. ABSTUDY may assist eligible persons who are:

- studying at primary school and live at home and are at least 14 years of age or over at 1 January of the year they study;
- studying at secondary school;
- studying full-time or part-time after having left school;
- studying a Masters or Doctorate course; or
- undertaking a full-time Australian Apprenticeship.

ABSTUDY may be able to provide eligible persons with money for:

- living expenses;
- accommodation expenses (rent, boarding fees, residential costs);
- education expenses (school fees, books and equipment, incidentals, thesis costs);
- fares (to travel to study each term/semester if you need to study away from home);
- prescription medicines.

The rate of ABSTUDY received depends on individuals' circumstances. Eligibility requirements and demand for ABSTUDY are in Appendix C and D.

Family Tax Benefit

Family Tax Benefit (FTB) is an Australian Government payment that assists families with the costs of dependent children, particularly while children are at school or in full-time tertiary education. FTB consists of two parts, Part A and Part B.

FTB Part A is designed to help with the costs of raising children and can be paid to eligible families for:

- each dependent child aged under 21 years; and
- older dependent children, aged 21 to 24 years, who are studying full time.

Eligibility for FTB Part A is subject to a family income test and a child income limit.

In determining whether a child is dependent for FTB purposes, a child income limit operates. While there is no income limit for children aged under 16 years who are studying full-time, a child aged at least 16 years and earning \$12,287 or more (in 2008-09) in a financial year is no longer considered to be a dependent child for FTB purposes. Once the child's earnings reach or exceed this limit, the family is not entitled to any FTB in respect of that child for that financial year.

FTB Part B provides extra help for families with one main income and is paid once per family. FTB Part B is paid to eligible families with a dependent child aged up to 15 years (or aged 16 to 18 years if the child is a full-time student) whose main earner has income of \$150,000 or less in a financial year.

Because of the differences in the rates, tapers and income tests between FTB and Youth Allowance, some families find it difficult to choose between the two payments when their child turns 16 years of age. In addition, FTB and Youth Allowance do not have common activity requirements, and therefore a relative disincentive may operate between the two payments in terms of participation in education. The Bradley Review of Higher Education reported to Government on 17 December 2008 with recommendations which, if accepted, would impact on both payments. In preparing advice for a Governmental response, the Department and FaHCSIA are considering options which examine the impact of this interaction and will provide advice to Government on options to address the issue. This issue may also be considered by the Henry Review of the Tax System in its examination of the tax transfer system.

Young carers

Carer Payment

Carer Payment is an income support payment for people who, because of their caring responsibilities, are unable to support themselves through substantial workforce participation. To be eligible, a young carer must meet an income and assets test and must not be undertaking work, study or training for more than 25 hours per week.

Carer Allowance

Carer Allowance is an income supplement available to people who provide daily care and attention in a private home to a person with disability or severe medical condition. It is not

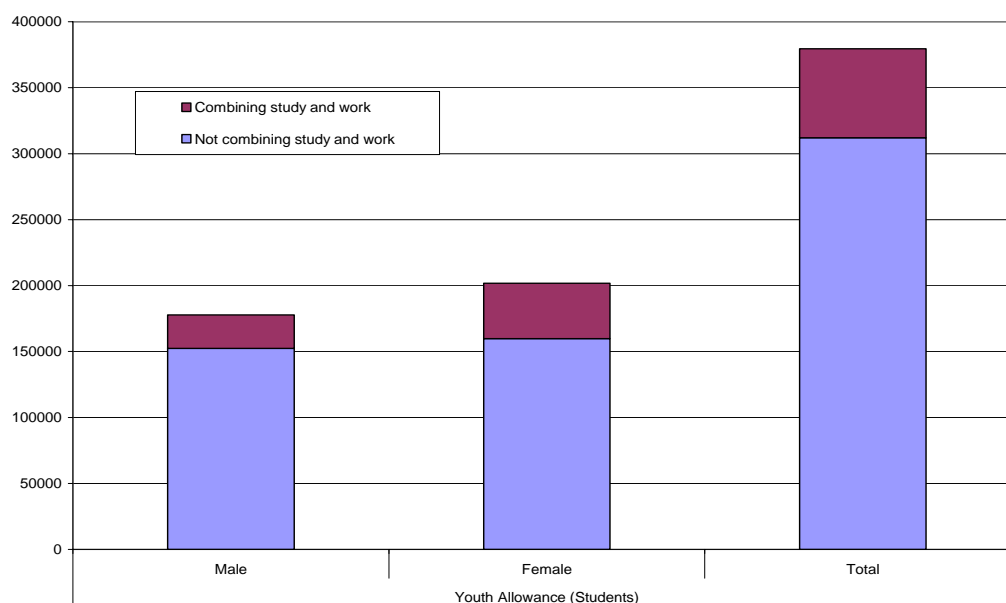
taxable or income and assets tested and it can be paid in addition to a social security income support payment.

Income support recipients who combine school and work

At June 2008 there were 97,296 Youth Allowance (student) recipients aged 15 years or older in the school sector. Of these, 86 per cent were aged either 16 or 17. Of the 97,296 YA(s) recipients in the school sector, 21,984 or 23 per cent had earnings as at June 2008.²⁹

Charts 1 and 2 show the percentage of male and female young people aged 17 who combine study and work and receive Youth Allowance (student) or ABSTUDY.³⁰ In total approximately 18 per cent of young people receiving Youth Allowance (student) combine work and study throughout the school year (Chart 1). Female students are more likely to combine work and study with around 21 per cent of those on Youth Allowance working, compared with 14 per cent for males.

Chart 1: Youth Allowance (student) recipients – combining work and study

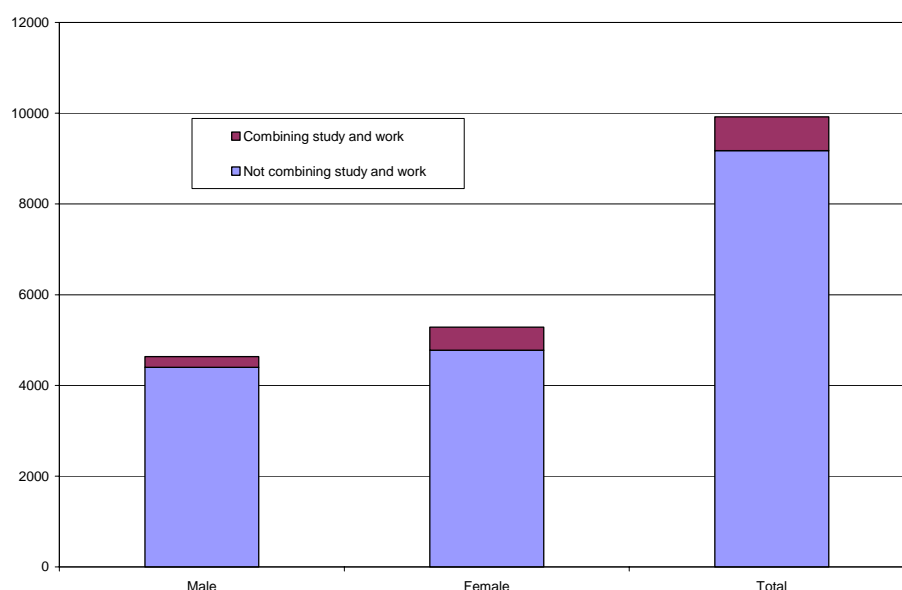


The percentage of young Indigenous people receiving ABSTUDY who combine work and study is much less than those on Youth Allowance (student) with 10 per cent of Indigenous females and 5 per cent of Indigenous males combining work and study (Chart 2).

On average, those combining work and study earn just over \$200 per fortnight.

²⁹ DEEWR administrative data. . Note Schooling Sector is defined as an education institution type of primary, secondary, both or special education.

³⁰ Note that some young people work during school breaks only. The majority of these are not described as combining work and study.

Chart 2: ABSTUDY recipients – combining work and study

Outcomes for income support recipients who study and work

An analysis was undertaken to investigate the long-term outcomes of young people who receive Youth Allowance (student) or ABSTUDY and combine study and work.³¹ The analysis compared the outcomes of young people aged 17 who worked while they were undertaking study with those who did not combine work with study.

Tables 4 and 5 show income support status after 5 years of young people who combined study and work while they were 17 and those who did not combine study and work for Youth Allowance (student) and ABSTUDY recipients respectively³².

Table 4 shows that overall, most 17 year old Youth Allowance recipients had moved off income support by the time they were 22 years old (76 per cent of males and 67 per cent of females), and combining study and work had a positive impact.

Those who combined work and study when they were 17 have better long-term outcomes than those who did not. Eighty-two per cent of males who combined work and study were off income support after 5 years compared with 75 per cent of males who did not combine work and study. Also, those who combined work and study were half as likely as those who did not combine to be unemployed five years later (7 per cent compared with 14 per cent).

Approximately 10 per cent of all male students were still receiving an education payment 5 years later, regardless of whether they worked or not while they were aged 17.

Similarly, females with declared earnings while at school were half as likely to be found on Parenting Payment with a child (6 per cent compared with 11 per cent) or unemployed and

³¹ Specifically, a cohort of all 17 year olds who received Youth Allowance (Student) or ABSTUDY between 1999 and 2003 was selected. Each member of the cohort was then tracked for 5 years observing their interaction with income support. The cohort was grouped by gender, benefit type (at time of selection) and an indicator to show that the 17 year old engaged in work.

³² The analysis was also carried out for 16 year olds. The results are similar.

receiving income support (5 per cent compared with 11 per cent) after 5 years. As for males, just over 10 per cent of females were still receiving an education payment at age 22.

Table 4: Youth Allowance (student) recipients by employment status and gender – Income support status after 5 years

Income Support Status		Males	Females
		%	%
Off Income Support	Not combining study and work	75	65
	<i>Combining study and work</i>	82	76
	Total	76	67
On Parenting Payment	Not combining study and work		11
	<i>Combining study and work</i>		6
	Total		10
On Unemployment Benefits	Not combining study and work	14	11
	<i>Combining study and work</i>	7	5
	Total	13	10
On Education payment	Not combining study and work	9	10
	<i>Combining study and work</i>	10	12
	Total	10	11

Long term outcomes for Indigenous students receiving ABSTUDY are poorer than non Indigenous students (Table 5). Female Indigenous students are three times more likely to have had a child and be receiving Parenting Payment than non Indigenous female students (32 per cent in Table 5 compared with 10 per cent in Table 4). Both male and female Indigenous students are twice as likely to be on an unemployment payment after 5 years than students receiving Youth Allowance.

Table 5 also shows that Indigenous students who combined work and study have better long-term outcomes than those who did not. Once again, those who worked while at school were half as likely to be unemployed after 5 years or for females, receiving Parenting Payment.

Table 5: ABSTUDY recipients by employment status and gender - Income support status after 5 years

Income Support Status		Males	Females
		%	%
Off Income Support	Not combining study and work	60	40
	<i>Combining study and work</i>	77	60
	Total	61	42
On Parenting Payment	Not combining study and work		33
	<i>Combining study and work</i>		18
	Total		32
On Unemployment Benefits	Not combining study and work	31	19
	<i>Combining study and work</i>	15	10
	Total	30	18
On Education payment	Not combining study and work	5	5
	<i>Combining study and work</i>	5	11
	Total	5	6

a. Not combining study and work *Combining study and work* **Total**

Summary findings

At age 17, working while still in education and receiving income support in the form of Youth Allowance (Student) or ABSTUDY is a strong indicator of better future outcomes in terms of reduced reliance on income support, lower rates of drawing on parenting payment, and higher rates of being in post-secondary education, compared with those income support recipients who do not work while studying.

Causality has not been established however. While these results do point to benefits of combining school and work where this intersects with income support, the data does not necessarily indicate that working while studying is the reason for better outcomes. Young people who combine study and work may be more self-motivated and have other inherent characteristics that affect long-term outcomes. Also, other events may have occurred during the 5 year period that influenced outcomes.

Nevertheless, the analysis does provide some indication of the degree of differences in outcomes for young income support recipients combining work and study, and suggest that young people who work while they study make better transition off income support and into employment.

Students receiving income support who do not combine work with their study may be at greater risk of long-term unemployment and ongoing income support receipt.

Further, some of the most disadvantaged recipients of student income support are Indigenous young people. In particular, young Indigenous girls are more likely to become young parents with a long term reliance on income support.

Continued support for young students to study and take up work if they choose is important to achieving desired participation outcomes in the long-term.

Young employees in the workplace

With the large numbers of students now in the workforce, the need for appropriate protection, rights and fairness in the workplace is very important.

Independent workplace relations systems currently operate in federal and state jurisdictions. The federal workplace relations system covers the majority (up to 85 percent) of Australia's employers and employees. However, it does not cover unincorporated employers such as sole traders or partnerships, nor does it cover incorporated employers that are not constitutional corporations. These employers and their employees are regulated by state industrial relations systems. Employers and employees in the Northern Territory, Australian Capital Territory are covered by the federal workplace relations system, as are most employers and employees in Victoria.

The Government is currently progressing substantial reforms to the federal workplace relations system. These reforms have been framed in the context of improving Australia's productive capacity. In conjunction with increased investment in human capital through education, skills and training, these reforms are directed at securing social and economic prosperity for all Australians.

Critical to improving Australia's productivity is a simpler, fairer and more flexible workplace relations system based on the enduring principle of fairness while meeting the needs of the modern age. Such a system balances the interests of employers and employees and balances the granting of rights with the imposition of responsibilities.

The workplace relations reforms will deliver a balance that will allow Australia to become more competitive and prosperous without taking away workplace rights and guaranteed minimum standards. The Government's new workplace relations system will provide a range of important protections for employees, while still allowing for flexibility in the workplace.

The Government's approach to protecting and supporting Australia's youth in the workforce have been informed by its election policy, *Forward with Fairness for Australia's Young Workers*. The Government recognises that a significant number of Australia's young workers are likely to be:

- balancing work and study;
- working in a job in the retail or hospitality sectors;
- working on a part-time or casual basis; and
- reliant on minimum awards or statutory conditions of employment.

As such, the Government's new workplace relations system will provide important protections for Australia's youth, including young workers at school, and will provide support to enhance their participation in the workforce. The following section of the submission outlines the key features of the Government's proposed new workplace relations system regarding employment conditions, assistance and protections for young workers.

Proposed new workplace relations system: the Fair Work Bill

The Australian Government introduced the Fair Work Bill 2008 (the Bill) into the House of Representatives on 25 November 2008 and it was passed by the House on 4 December 2008.³³ The Bill provides for a new federal workplace relations system to commence from 1 July 2009 and be fully operational from 1 January 2010. It gives effect to the Government's election commitments set out in the policy, *Forward with Fairness*.

The Bill provides for substantive reforms to the federal workplace relations system, intended to introduce a system with fairer laws which balance the needs of employees, unions and employers. The key features of the proposed new system include:

- a fair and simple safety-net, with 10 National Employment Standards covering all employees, that cannot be bargained away, with a further 10 minimum conditions for employees covered by new, modern awards;
- an enterprise-level collective bargaining system, underpinned by good faith bargaining, to drive improved productivity;
- fair treatment in the workplace, with strong but simple protections against unfair dismissal;
- a new, independent umpire, Fair Work Australia (FWA), to provide practical information, advice and assistance to deal with workplace issues and to ensure compliance with workplace laws; and
- strong compliance measures including clear, strong rules on industrial action.

These key components of the new system will be supported by transitional arrangements – to be introduced in a separate bill – which will move employees and employers into the new system, while providing certainty and stability.

In relation to Australia's young people, the Bill includes several provisions that will assist and protect young workers in the workforce.

Enhanced safety-net

The proposed new workplace relations system will provide a strong safety-net that cannot be undermined. It will ensure young workers have clear, comprehensive and enforceable minimum protections in the workplace. The safety-net will consist of two parts – the legislated National Employment Standards (NES) and new modern awards, both of which come into operation on 1 January 2010. For employees who are not covered by a modern award or an enterprise agreement, national minimum wage orders made by FWA will form part of their safety-net.

National Employment Standards

The NES contained in the Bill cover:

- maximum weekly hours of work;
- the right to request flexible working arrangements;
- parental leave and related entitlements;
- annual leave;
- personal/carer's leave and compassionate leave;

³³ See <http://www.workplace.gov.au/workplace/Publications/Legislation/FairWorkBill/>.

- community service leave;
- long service leave;
- public holidays;
- notice of termination and redundancy pay; and
- provision of a Fair Work Information Statement.

Modern awards

The second element of the safety-net is modern awards. Modern awards may be industry or occupation-based and will streamline awards currently operating in the federal jurisdiction.

Modern awards can build on the NES and may include a further 10 minimum conditions of employment, tailored to the needs of the particular industry or occupation. These include, for example, minimum wages, types of employment, arrangements for when work is performed and overtime and penalty rates.

FWA will undertake four yearly reviews of each modern award to maintain a relevant and fair minimum safety-net. The first such reviews are set to take place in 2014.

Award modernisation

The Australian Industrial Relations Commission (the Commission) is currently undertaking the process of award modernisation with extensive input from all interested parties. In undertaking this process, the Commission is governed by provisions in the *Transitional Act* and the award modernisation request (the request) issued on 16 June 2008.³⁴

The request specifically notes that one of the intentions of creating modern awards is, together with any legislated employment standards, to provide a fair minimum safety-net of enforceable terms and conditions of employment for employees. The request specifically requires the Commission to have regard to protecting the position in the labour market of young people; the needs of the low paid; and the need to help prevent and eliminate discrimination on the grounds of age, among other things.

The request further requires the Commission in dealing with minimum wages in modern awards to have regard to ensuring they provide a comprehensive range of fair minimum wages for all employees including, where appropriate, junior employees.

In its award modernisation decision of 20 June 2008, the Commission indicated that modern awards would include schedules dealing with national training wages and school-based apprentice and trainee provisions.³⁵ On 23 January 2009 the Commission released draft model schedules for school-based apprentices and trainees and national training wages. Interested parties now have further opportunity to provide comments to the Commission on the draft schedules.

Minimum wages and minimum national wage orders

Modern awards will contain legally enforceable minimum wages which will be reviewed annually by a specialist Minimum Wage Panel within Fair Work Australia (FWA). In

³⁴ See Request Under Section 576C(1) – Award Modernisation Consolidated Version, http://www.airc.gov.au/awardmod/download/am_request_con.pdf

³⁵ See AIRC Award Modernisation Decision, 20 June 2008, <http://www.airc.gov.au/awardmod/databases/general/decisions/2008aircfb550.htm>

undertaking its function to set and adjust minimum wages in modern awards, FWA will be guided by the *minimum wages objective*. The objective requires FWA to establish and maintain a safety-net of fair minimum wages, taking into account, among other things, providing a comprehensive range of fair minimum wages to junior employees and employees to whom training arrangements apply.

For employees not covered by a modern award or an enterprise agreement, the Minimum Wages Panel will make a national minimum wage order that will include a national minimum wage and special national minimum wages for junior employees, employees to whom training arrangements apply and employees with a disability. The Minimum Wages Panel will also set a safety-net casual loading for any employees who are not covered by either a modern award or enterprise agreement.

Importantly, minimum wages in modern awards and the national minimum wage order will override any lower rates in an enterprise agreement made under the Bill.

General protections and discrimination

The Bill broadens protections currently available to all employees, including more vulnerable workers such as young people. The Bill incorporates the current provisions relating to freedom of association, unlawful termination and other miscellaneous protections into a streamlined and easy to follow Part titled General Protections. In doing so, the Bill also provides more comprehensive protections for workers in some situations.

A central tenet of the General Protections provisions is that it will be unlawful for a person to take adverse action, such as dismissal or refusing to employ or demote a person because that person has, or exercises, a workplace right under their award, agreement or more broadly under a federal, state or territory workplace law.

The Bill also expands anti-discrimination protections to more effectively protect employees from workplace discrimination and provide consistency with state and territory laws. This also takes into account Australia's international labour obligations, including *ILO Convention (No. 111) concerning Discrimination in Respect of Employment and Occupation (Geneva, 25 June 1958 [1974])*.

The Bill broadens anti-discrimination protections compared to the current workplace relations legislation by providing remedies for discrimination in employment generally, not just in relation to dismissal. For example, refusing to employ a person, or treating an employee differently to other employees because of the employee's age will be adverse action under the Bill.

The Bill also includes provisions that ensure awards and agreements do not contain discriminatory terms. However, it should be noted that the inclusion of minimum wages for junior employees that are lower than the relevant adult minimum wage provided in the award or agreement would not be considered discriminatory.

It should also be noted that the *Age Discrimination Act 2004* makes it unlawful to directly or indirectly discriminate against an employee on the basis of age. Actions that may be considered unlawful include those related to getting a job, terms and conditions of a job, training, promotion, and dismissal. Individuals can lodge complaints of discrimination with the Australian Human Rights Commission (AHRC). The AHRC also undertakes research, education

and policy activities to build awareness of the Act and to tackle the attitudes and stereotypes that can lead to age discrimination.

Unfair dismissal

The Bill includes new protections for employees regarding unfair dismissal which provide important protection of vulnerable employees, including young people, in the workplace. As a result, young people may have greater confidence to raise issues and questions at work without fear of being dismissed without remedy.

The new unfair dismissal provisions remove the current 100 employee exemption and introduce new minimum employment periods that have to be met before an unfair dismissal claim can be made. The new provisions also recognise the needs of small businesses with fewer than 15 employees. Employees of a small business will not be able to claim for unfair dismissal until after they have served a qualifying period of twelve months, while for larger businesses, the qualifying period is six months.

Casual employees, many of whom are young students, who have been employed on a regular and systematic basis with a reasonable expectation of continuing employment with their employer will be covered by the unfair dismissal provisions, provided they meet the same minimum employment periods as permanent employees.

The new system also provides for the publication of a simple Small Business Fair Dismissal Code which will make it easier for small business employers to follow and comply with unfair dismissal laws. The Code makes it clear the employer has the right to dismiss without notice an employee for serious misconduct.

Bargaining

Collective bargaining at the enterprise level is integral to the Bill and the Government's proposed new workplace relations system. The focus of the new system is to encourage employees and employers to bargain together in good faith and reach agreement voluntarily. Importantly, the new bargaining framework does not include the capacity for employers to offer individual statutory agreements (Australian Workplace Agreements) to employees, which were commonly offered to young workers.

The new agreement making framework contains significant protections for employees. These protections include the right to be represented in bargaining, good faith bargaining obligations and a Better Off Overall Test, which requires that an enterprise agreement must make all employees better off than their award.

Employers will also be required to explain the terms of a proposed enterprise agreement to employees, to ensure that employees understand the implications of an agreement before they vote on it. The Bill specifically states that this explanation must be made in a way that takes into account the circumstances and needs of young employees.

The Bill also requires FWA to review, and report on, developments in agreement making once every three years. The review must consider the effects of bargaining on the employment (including wages and conditions of employment) of women, part-time employees, persons from a non-English speaking background, mature age persons, and young persons.

Bargaining for the low paid

The Bill introduces special provisions for FWA to facilitate multi-employer bargaining for low paid employees who have not historically had the benefits of enterprise level collective bargaining, particularly in industries where the employment of young workers is common. The creation of this new low-paid bargaining stream gives effect to the policy commitments made in *Forward with Fairness*.

Currently, many employees in industries like child care, community work, security and cleaning struggle to bargain effectively with their employers. Young workers are typically employed in industries that have comparatively low rates of pay such as retail and hospitality. To facilitate the entry of these types of employees and their employers into enterprise bargaining, the Bill provides for a special low-paid bargaining stream.

Fair Work Australia – a ‘one stop shop’

The Government has committed to establishing a new independent umpire, FWA, to oversee the new workplace relations system. FWA will be established as a ‘one stop shop’ for advice and assistance in workplace relations matters. It will be a modern accessible institution and will focus on providing fast and effective assistance for employers and employees.

There will also be an inspectorate headed by the Fair Work Ombudsman and specialist Fair Work Divisions will be created in the Federal Court and Federal Magistrates Court to hear matters which arise under the new workplace relations laws.

With regard to young workers, FWA will assist employees and employers with information about their rights and responsibilities and will assist employees if they feel they have been discriminated against, harassed or unfairly dismissed. FWA will have a website and an information line so young people can access information and assistance in a way that suits them. FWA staff will be trained to provide information quickly and easily and to explain the Government’s workplace relations system in simple terms.

FWA liaison youth officers

Local FWA staff will have special responsibility for young workers. FWA will have a Young Worker Liaison Officer in each state to develop information relevant to young workers and monitor complaints made by young workers to FWA.

As set out in *Forward with Fairness for Australia’s Young Workers*, these FWA officers will:

- make sure information provided by FWA is information young people want and need;
- make sure information is in terms young people can understand;
- monitor the terms and conditions of young people under the new workplace relations system; and
- monitor complaints made by young people to FWA.

Young Workers’ Toolkit

A Young Workers’ Toolkit is being developed for distribution to young people through organisations such as TAFE, Centrelink and Fair Work Australia offices and online through the Fair Work Australia website. The toolkit will provide key information for young people about

employment issues and the Government's new industrial relations system. It will deal with common questions and issues such as what to look for in an employment contract and whether young people can be sacked without warning for poor performance.

National Code of Practice for young workers³⁶

To promote fair and safe working conditions for young workers, the Government has committed to working with the states and territories and other stakeholders to develop a National Code of Practice for Young Workers. The Code will be voluntary and will deal with matters like rostering arrangements for children during school hours, training and mentoring in the workplace and safety for young people at work. The Code will ensure young people working for an employer complying with the Code will be working in a fair and safe environment.

³⁶ *Forward with Fairness for Australia's Young Workers*, Julia Gillard MP, Deputy Federal Labor Leader, Shadow Minister for Employment and Industrial Relations, Election 2007, page 8.

Conclusion

The Australian Government recognises that much is to be gained for Australian communities and the economy from high rates of participation and engagement, and high levels of educational attainment, skills and social capital. Importantly, the Government recognises education as the key to driving improvements in these areas, and under its Education Revolution is implementing reforms that support this broad view.

The Australian Government manages the provision of income support, and a fair and protective system for young workers, in support of enabling young people to combine school and work.

Assisting schools to provide students with the opportunity to experience quality vocational learning outside of the school setting is important to maintaining students' engagement and motivation, and is achieved through partnerships between business and schools in particular. Ensuring no student is left behind requires personalised assistance and flexible approaches, especially for those young people facing the most serious barriers to educational achievement and making successful transitions.

3 School-based training pathways

Support for vocational learning in schools and successful transitions: programs and their effectiveness

Overview

As seen in Chapter 1, a large portion of Australia's high school students work part time while studying full time, and the level of student part time employment has increased rapidly over the past 15 years. School-based pathways are an integral part of the suite of education and training arrangements available today, and provide young people with options to combine study with part time work, assisting with successful transitions from school to work.

This section of the submission provides a brief outline of the school-based training pathways and Australian Government support for them: Vocational Education and Training (VET) in Schools, Australian School-based Apprenticeships (ASbAs); Trade Training Centres in Schools; vocational learning activities like structured on-the-job training; and the provision of quality career information and guidance. It examines the effectiveness and impact of some of these programs on successful transitions.

While VET options are of value to all students, vocationally-oriented learning can be particularly helpful to engage those students who are at risk of disengaging and/or leaving school early.

This chapter also outlines some of the research around the accreditation and recognition of employability and career development skills, including the recognition of traineeships and apprenticeships differently under workplace relations arrangements. (Chapter 4 makes reference to new directions in accreditation and certification, and new and flexible approaches to senior secondary certificates in some jurisdictions.)

Developing work-related skills

A broadening of the school curriculum to include exposure to the world of work and the opportunity to learn in environments outside of the school setting is important in making the school experience more relevant and engaging for a wider range of students.

Expanded offerings like VET in Schools, Australian School-based Apprenticeships, general vocational learning including activities such as work experience and Structured Workplace Learning, enterprise education, and the provision of quality career education, information and guidance are critical if school education is to cater for all students, including those at risk of not completing. Especially for those who leave school before senior secondary years, early exposure to vocational and career education is important in supporting the transition from school to employment, further education or training.

It is also important to provide young people with appropriate career information. This assists young people to make informed choices about their future and avoid the possibility of 'churning' through unsatisfying employment or periods of unemployment in the years after leaving school.

The importance of work-related skills

The Melbourne Declaration of Educational Goals for Young Australians shows that employability skills are part of developing successful learners, confident and creative individuals and active and informed citizens. It suggests that "curriculum should support young people to develop a range of generic and employability skills that have particular application to the world of work and further education and training, such as planning and organising, the ability to think flexibly, to communicate well and to work in teams. Young people also need to develop the capacity to think creatively, innovate, solve problems and engage with new disciplines."³⁷

Vocational learning

Vocational learning covers a broad range of activities across the curriculum and at all levels of schooling. The purpose of vocational learning is to provide students with exposure to the world of work and to assist in melding academic and applied learning in real life contexts.

All students can benefit from exposure to vocational learning as a core part of their educational experience. All students will not necessarily want or need to access VET in schools, however, the broader vocational experience is critical in providing young people with a good sense of the world outside of the school setting and the range of educational and employment pathways.

Vocational learning experiences can be readily incorporated into the school curriculum. For example a history class could be given a project on how work has changed over time and areas of future jobs growth. Primary students could do an activity to research the sorts of jobs that are available in their local community.

³⁷ Available at www.mceetya.edu.au/mceetya (quote from p.13).

Schools also offer students opportunities for work experience placements with business and industry. Work experience is usually available to secondary school students. Work experience differs from SWL as it is generally for short periods and does not necessarily have formal processes such as a student work book or assessment.

Local businesses get websites, students get experience

Twelve schools, 140 students and 50 businesses participated in last year's successful 'GippsWebs for Business' program in which secondary students competed in teams to design and build websites for local businesses.

Open to secondary students throughout Gippsland, the competition involved schools serviced by three Local Community Partnerships—La Trobe Valley, Wellington and East Gippsland.

As part of the competition, students met with business owners to learn about their daily operations. Then, working in small teams, they designed a website to meet the business' needs. Overall, the experience gave students an opportunity to refine their skills in areas such as data collection, web development, teamwork, time management, research and presentation. The program is especially rewarding because it is innovative and allows both students and business owners to benefit.

The competition was developed in partnership with Telstra Country Wide' Gippsland, Monash University's Gippsland School of Information Technology, Baw Baw Latrobe Local Learning and Employment Network, and La Trobe Valley Local Community Partnership.

Career development

Career decision making is a complex activity which underpins successful transitions throughout life³⁸. Decisions on career pathways are critical to the individual, and have flow-on benefits for society and our economy. "It is important for an effective labour market. "If people find jobs and career paths which utilise their potential and meet their own goals, they are likely to be more motivated and therefore more productive, enhancing national prosperity."³⁹

Students need access to high quality career development advice and information, and to be active and intentional in their pursuit to find a meaningful and satisfying career. Quality advice supports students to make well informed decisions on subject choices that are closely linked to their ultimate career pathways and their interests, skills and aspirations. This can lead to students finding fulfilling employment, which has flow-on benefits of increased productivity, higher wages, better long-term labour participation, and ultimately, improved economic growth.

The Longitudinal Surveys of Australian Youth, Research Report 53 noted that: "A school's career advice program...needs to encompass as many career advice activities as possible.

³⁸ Col McGowan and Ken Hyndman, *A Career Advisory System for Australia*, Australian Journal of Career Development, Autumn 1998

³⁹ Tony Watts, "Why Career Development Matters",

Young people appear to appreciate a wider variety of activities in their career advice program, as it may provide them with more opportunities to find a career they wish to pursue⁴⁰.”

Much international evidence is available to support the notion that students who are ‘on the right track’ through school are more committed and motivated to continue their studies. Careers Scotland for example, found clear and systematic evidence that school pupils with career goals had higher attainment levels than those without⁴¹, Career development activities can also raise the aspirations of disadvantaged students and give them access to opportunities that might otherwise have been denied them.

Part-time work can provide career and personal development learning opportunities for students. The immediate, real-world experience can be used to determine what careers students are interested in pursuing post-school, refine areas of interest and preferences, and help build and manage their careers more generally.

To date, Australian Government work in career development has focussed on four main areas: Quality and Professionalism, Information and Resources, Awareness and Engagement, and Strategic Leadership. Key initiatives include:

- myfuture (www.myfuture.edu.au), Australia’s online career information and exploration service, which is a joint initiative of all Australian governments;
- Job Guide, a career information resource containing information on occupations, jobs and career advice, which is provided to all Australian Year 10 students;
- the Australian Blueprint for Career Development: an active national framework that provides guidelines to integrate and strengthen career development learning in a wide variety of settings throughout the nation. It contains two main components: 1) the career competencies that all Australians need to develop in order to effectively manage life, learning and work, and 2) processes for planning, implementing and evaluating career programs and resources;
- the Scholarships for School Careers Advisors initiative which aims to improve the standard of career advice provided to young people and the standing of career advisers;
- Australian Career Development Studies, a series of free educational programs designed to broaden access to career development learning opportunities; and
- Funding for the Career Industry Council of Australia to run National Career Development Week to raise awareness of what career development means, and understand that it relates to more than just paid, full-time work.

⁴⁰ Australian Council for Education Research, Longitudinal Surveys of Australian Youth, Research Report 53, Career Advice in Australian Secondary Schools: Use and Usefulness, May 2008

⁴¹ Careers Scotland (2002): *Career Goals and Educational Attainment: What is the link?*

Employability Skills

The 2002 Department of Education, Science and Training (now DEEWR) report, *'Employability Skills for the Future'*⁴² was produced by the Business Council of Australia (BCA) and the Australian Chamber of Commerce and Industry (ACCI), in consultation with other peak employer bodies. The aim of the report was to establish and identify a set of generic employability skills that employers sought in employees.

To establish what these skills were, the report developed an Employability Skills Framework. The employability skills identified within the framework build on the Mayer Committee's Key Competencies, which were developed in 1992 and which describe generic competencies for effective participation in work.

The Employability Skills Framework identifies eight key employability skills: communication; teamwork; problem solving; initiative and enterprise; planning and organising; self management; learning; and technology. Each skill is underpinned by facets. The nature and application of the facets may vary depending on industry and job type. The Framework incorporates personal attributes that contribute to overall employability.

The Australian Council for Educational Research (ACER) conducted "A study into the assessment and reporting of employability skills of secondary students" in June 2007, and released findings in January 2008.⁴³

This study investigated how assessments of employability skills are conducted and reported for students and employers. It provided a number of options for a formal mechanism to assess and report senior secondary students' achievement of employability skills:

1. Standardised testing.
2. Common assessment tasks.
3. Teacher-generated tasks (including performance assessment).
4. Judgement by teacher groups.
5. Embedded development and assessment.
6. Portfolio construction.
7. Self-assessment.

The first three methods were found to have the best fit with the criteria for evaluation (validity, reliability, objectivity, feasibility and usability) and with the purpose of assessment (encouraging development and facilitating reporting). 'Common assessment tasks' was identified as the preferred approach, but with the caveat that no single assessment approach will adequately enable the assessment of all employability skills.

Chapter 4 includes some consideration of the accreditation of employability skills.

VET in Schools

Vocational Education and Training (VET) in Schools are programs undertaken by school students as part of the senior secondary certificate that provide credit towards a nationally recognised VET qualification within the Australian Qualifications Framework. VET in Schools

⁴² Available at www.dest.gov.au/sectors/training_skills/publications_resources/other_publications.

⁴³ Available at www.dest.gov.au/sectors/school_education/publications_resources/profiles/Study_into_Assessment_and_Reporting.htm

programs and Australian School-based Apprenticeships are a valuable and desirable pathway leading to employment and further education, and can be undertaken in conjunction with secondary school academic studies.

VET in Schools assists young people to secure their own futures by enhancing their transition to a broad range of post-school options and pathways. It engages students in work-related learning built on strategic partnerships between schools, business, industry and the wider community.

The development of comprehensive coordinated policies and programs for vocational education in schools is the joint responsibility of the Australian and state/territory governments. The nature and delivery of VET in Schools programs is the responsibility of the states and territories.

The Australian Government's policy objectives include increasing: the number of young people undertaking VET programs during their senior secondary years; the level of complexity of VET skills attained; and the breadth and quality of VET in Schools programs offered.

The Australian Government currently contributes to VET in Schools through its general schools funding to states and territories and in the National Skills and Workforce Development Agreement. In addition, the Australian Government supports the provision of broad educational pathways and VET in Schools with programs and initiatives that assist young Australians to make successful transitions through school and from school to further education, training and employment:

- Trade Training Centres are being established to help increase the proportion of students achieving Year 12 or an equivalent qualification and help address skill shortages in traditional trades and emerging industries.
- The Australian Government provides opportunities for VET in Schools students to gain vocational experience in structured, on-the-job training.
- The Australian Government funds mentor programs, which include giving recently retired professionals and tradespeople the chance to pass on their knowledge and skills to secondary students undertaking VET in Schools.
- Australian Government initiatives that engage industry in schooling and broker partnerships between employers, schools, parents and local communities are critical functions that build local capacity and infrastructure, and support the quality, accessibility and diversity of VET in Schools.
- The Australian Vocational Student Prize recognises and rewards outstanding senior secondary students undertaking VET in Schools programs or Australian School-based Apprenticeships. The most exceptional recipients of the Australian Vocational Student Prize are selected to receive the Prime Minister's Award for Skills Excellence in School.

VET in Schools quick statistics

About one third of Australia's half a million senior secondary students participate in VET in Schools. Most (about four fifths) of VET in Schools students complete at least one VET unit of competency or module.

Roughly 70 per cent of VET in Schools students are at Government schools. About 7 per cent of VET in Schools students are school-based apprentices and trainees. Most VET in Schools components are undertaken from Certificate I and II levels. The most common VET in Schools industry categories are 'Business & clerical' and 'Tourism & hospitality'.

Structured Workplace Learning and on-the-job training

Structured Workplace Learning is an important part of a quality VET in Schools course. It provides young people in school with the opportunity to engage in hands-on, experiential structured learning in a real or simulated workplace. Structured Workplace Learning involves training and mentoring that provides students with a broad understanding of the world of work, and the opportunity to develop their technical and generic employability skills. Students may gain an actual qualification (depending on the placement) that is recognised by industry and education systems throughout Australia.

Structured Workplace Learning is offered in many schools across Australia. It is implemented in a variety of forms depending on state/territory policies and practices, so different models of coordination exist. Under the Australian Government's Career Advice Australia initiative, Local Community Partnerships develop and facilitate opportunities for young people to gain access to structured, real workplace-based experience. Their approach recognises local circumstances, builds on existing practices, and provides streamlined coordination.

In 2007 Local Community Partnerships supported nearly 79,000 young people through Structured Workplace Learning placements. A similar number is expected for 2008 and 2009.

The Australian Government reaffirmed its commitment to the importance of an on-the-job training component to quality VET in Schools programs through its election commitment of \$93.1 million over four years for on-the-job training for VET in Schools students.

Effectiveness of VET in Schools

A number of recent reports have used the Longitudinal Surveys of Australian Youth (LSAY) to examine education and employment outcomes for VET in Schools programs in Australia. This is a growing area in secondary education, with over 95 per cent of Australian schools offering VET in Schools programs in 2005 (up from 70 per cent in 1997).⁴⁴

⁴⁴ Australian Council for Educational Research, *Participation in VET in Schools*, LSAY Briefing Paper 15, ACER, Melbourne, 2008, p. 1

One recent study used LSAY data to develop a system for classifying schools into seven categories depending on the type and level of VET provision. These were grouped into three broad models.⁴⁵

School model with workplace learning: VET studies are integrated with the senior curriculum and accredited towards the school certificate:

1. All programs incorporate workplace learning (12 per cent of all schools)
2. Strong emphasis on workplace learning (26 per cent of all schools)
3. Weak emphasis on workplace learning (19 per cent of all schools)

TAFE model with workplace learning: Most VET studies are stand-alone and not accredited towards the senior school certificate:

4. Strong emphasis on workplace learning (13 per cent of all schools)
5. Weak emphasis on workplace learning (13 per cent of all schools)

VET without workplace learning or no VET:

6. VET does not include any workplace learning (10 per cent of all schools)
7. No VET is offered (8 per cent of all schools)

The authors found substantial variation in the number of schools of each type across states and territories, and by school sector, region and social intake. In particular, the extent to which workplace learning was incorporated into programs varied considerably, with only 12 per cent of schools including workplace learning in all their VET in Schools programs and around 10 per cent offering no workplace learning in their VET in Schools programs. (These figures, however, are based on information from 2000 and 2001. As noted in LSAY Briefing Paper 15, “these patterns may have changed somewhat in the intervening years as VET in Schools has become more fully incorporated into school programs”).⁴⁶

At a general level, schools adopting integrated models of VET provision tended to achieve higher retention in school for VET participants. However, schools providing standalone VET programs tended to achieve better initial post-school outcomes — better in terms of avoiding unemployment and successfully entering pathways involving tertiary study, apprenticeships and entry to full-time work. In this sense, the TAFE Model of VET provision in schools seemed to promote positive post-school outcomes while the School Model seemed to promote better completion rates for participants.⁴⁷

Data from LSAY has also been used by the National Centre for Vocational Education Research to examine school VET programs, Year 12 retention (and its vocational equivalent), and post-school pathways.⁴⁸

Participation in school VET programs was found to increase Year 10 to Year 11 retention but not Year 11 to Year 12 retention. These effects were larger for boys than for girls. Overall, there was a very small decrease in retention from Year 10 to Year 12 for boys and virtually no change for girls.⁴⁹ There was a clear positive impact on post-school outcomes (such as

⁴⁵ Stephen Lamb and Margaret Vickers, *Variations in VET Provision across Australian Schools and their effects on Student Outcomes*, LSAY Research Report 48, ACER, Melbourne, 2006, p. viii

⁴⁶ *ibid.*, p. 3

⁴⁷ Lamb and Vickers, *op. cit.*

⁴⁸ Alison Anlezark, Tom Karmel and Koon Ong, *Have school vocational education and training programs been successful?*, NCVER, Adelaide, 2006, pp. 7-8

⁴⁹ *ibid.*, pp. 7-8

employment or participation in post-school education or training) for students who participated in school VET programs in Year 11 but did not go on to complete Year 12. These gains were more sizeable for girls than boys. Over time, however, the positive effect was diluted.⁵⁰

The authors also suggested that there was evidence of a poor alignment between the types of VET programs studied at school and the requirements of the world of work or further study. Specifically, 'the fields of education delivered in school VET programs do not line up particularly well with VET programs offered outside school', and 'school vocational education and training is studied at a lower level, even for the same age groups'.⁵¹

A recent paper by Polidano et al (2008), also using LSAY, examined the role of school-based VET programs in improving labour market entry for high school graduates. The paper compared employment benefits from VET in schools to employment benefits from two other forms of vocational experience: namely, volunteering and part-time work.

The paper noted that, although there is positive evidence from overseas on the effectiveness of school-based vocational programs, earlier studies using LSAY data such as the 2006 NCVER study found few significant employment benefits. However, the earlier studies may have underestimated the impact of school-based VET programs by not taking into account personal characteristics (such as motivation, persistence and self esteem) that might affect the employment prospects of participants.

After controlling for these factors, the paper found that for students with poor academic achievement, participating in volunteering or VET in senior school acted to offset their labour market disadvantage in the first year after graduating.⁵²

In summary, the above research into VET in Schools programs in Australia appears to show a wide variation in terms of the models and types of VET programs being offered, including the extent to which they incorporate workplace learning, and some mixed results in terms of outcomes. Some of the earlier studies found that education outcomes in particular were limited and depended on the model of VET program being offered. Post-school employment outcomes were more positive but may be diluted over time. These findings may reflect the relatively early phase of VET in schools programs at the time the earlier studies were conducted. More recent research appears to show that there are positive effects for students with poor academic achievement, particularly when personal characteristics that might affect employment prospects are taken into account. There appears to be a need for ongoing research in this area as VET in Schools programs are developed further.

Problems with VET in Schools data hinder the ability to report meaningfully on this important aspect of secondary schooling. The different learning approaches offered by VET in Schools programs can enhance students' engagement in their learning, and provide young Australians with the skills and experience to prepare them for their future contribution to our workforce. Reliable information is required to inform the development of policies that can achieve the Australian Government's objective of improving the quality, accessibility and diversity of VET in Schools offerings.

⁵⁰ *ibid.*, p. 27

⁵¹ *ibid.*, p. 8

⁵² Polidano et. al., *op. cit.*

Australian School-based Apprenticeships

This section of the submission provides a brief outline of apprenticeships and traineeships, with a particular focus on the current wage structures applying to school-based apprentices and trainees in the federal workplace relations system.

Australian School-based Apprenticeships (ASbAs), are another school based training pathway to achieving a senior secondary certificate. They provide the opportunity for young people to gain credit towards a nationally recognised Vocational Education and Training qualification within the Australian Qualifications Framework (AQF) and undertake employment while also completing senior secondary certificate. Under these arrangements the student is both a full time student and a part time employee, with the same employment and training requirements as other Australian Apprenticeships.

Some students will complete an AQF qualification while still at school, however, some Certificate III courses, particularly in the traditional trades, have a nominal duration of four years and ASbAs therefore complete their qualification after they have finished school, usually as a full-time apprentice.

Recognition and accreditation of ASbAs

Australian Apprenticeships are forms of employment that combine structured training with work experience and, upon finalisation of these components, lead to a recognised vocational qualification.

The term Australian Apprenticeships is used to describe both traditional apprenticeships and traineeships. However, even though apprenticeships and traineeships are collectively described as Australian Apprenticeships, both federal and state workplace relations systems generally refer separately to apprenticeships and traineeships as quite different wage structures apply.

School-based apprenticeships and traineeships are an integral part of the suite of training arrangements available today and provide young people with more options in making a successful transition from school to work. They also provide greater flexibility and choice for employers in meeting their needs for skilled employees.

Workplace relations arrangements for school-based apprentices

As noted in Chapter 2 of this submission, the federal workplace relations system applies to up to 85 per cent of employers and employees. The remaining employers and employees are covered by corresponding state systems of New South Wales, Western Australia, South Australia, Queensland and Tasmania.

Within these systems, employees are paid according to a range of instruments including workplace agreements, awards, Australian Pay and Classification Scales (Pay Scales) and minimum wage orders. The vast majority of apprentices and trainees, including school-based apprentices and trainees, will have their pay regulated by one of these industrial instruments.

In the federal jurisdiction, minimum wage structures for school-based apprentices and trainees are generally contained in Pay Scales, with minimum conditions of employment prescribed by industrial awards.

A potential barrier to the employment of school-based apprentices and trainees is the absence of appropriate wages and conditions in relevant industrial instruments.

Minimum wages for school-based apprentices and trainees

School-based apprentices are part-time apprentices and are paid the same hourly rate of pay as full-time junior and adult apprentices for total hours worked, including time deemed to be spent in off-the-job training. The time deemed to be spent in off-the-job training is 25 per cent of the actual hours worked. Generally, the wages paid for training time may be averaged over a semester or year.

Since March 2006, there has been comprehensive coverage for school-based apprentices in the federal jurisdiction. This was achieved through the creation of a Pay Scale which 'filled the gaps' in industrial instruments that did not specially provide rates of pay for school-based apprentices. It does this by prescribing appropriate minimum wages for these apprentices where an award did not already include specific rates for them.

The current wage structure in Pay Scales for the vast majority of trainees was originally established in 1994 with the making of the National Training Wage Award 1994 (the NTW Award).⁵³ Similar provisions have also been included in some industry specific awards. Separate state training wage awards or orders may also apply to traineeships in some states. Alternatively, awards or agreements may simply 'call up' the provisions of the NTW Award.

In 1997, the NTW Award was amended to enable part-time, including school-based, traineeships to be undertaken. School-based trainees are currently paid at two wage levels – one rate for trainees in Year 11 and another rate for those in Year 12 – irrespective of the traineeship they are undertaking.

School-based trainees may also, with the agreement of the trainee, be paid a 20 per cent loading on top of these rates in lieu of annual leave, sick leave, personal leave and public holidays.

As with school-based apprentices, since March 2006, there has been comprehensive coverage for school-based trainees in the federal jurisdiction. This was achieved through the creation of a Pay Scale which 'filled the gaps' in industrial instruments that did not specially provide rates of pay for school-based trainees.⁵⁴

It does this by specifying a monetary hourly amount for school-based trainees who are enrolled in either year 11 or 12 at school. The rates were drawn from comparable hourly rates for school-based trainees under the NTW Award and reflect the fact that school-based trainees are only paid for hours they spend on-the-job.

Growth in ASbAs over recent years

⁵³ For the most recent version of the NTW Award see AIRC, *National Training Wage Award 2000*, http://www.airc.gov.au/consolidated_awards/AP/AP790899/asframe.html.

⁵⁴ See Workplace Authority, Pay Scale Summary derived from National Training Wage Award, as at 11 July 2008, <http://www.workplaceauthority.gov.au/docs/Payconditions/2008ePSS/AP790899.pdf>.

There has been significant growth in the number of students undertaking ASbAs since 2001. Participation in ASbAs has grown 254% over the period 2001 to 2007, from the 5,136 commencements for the twelve months ending December 2001 to 18,160 for the same period ending 2007 (Chart 3).

A number of Australian Government initiatives support the expansion of flexible pathways for students and increase in the uptake of ASbAs including:

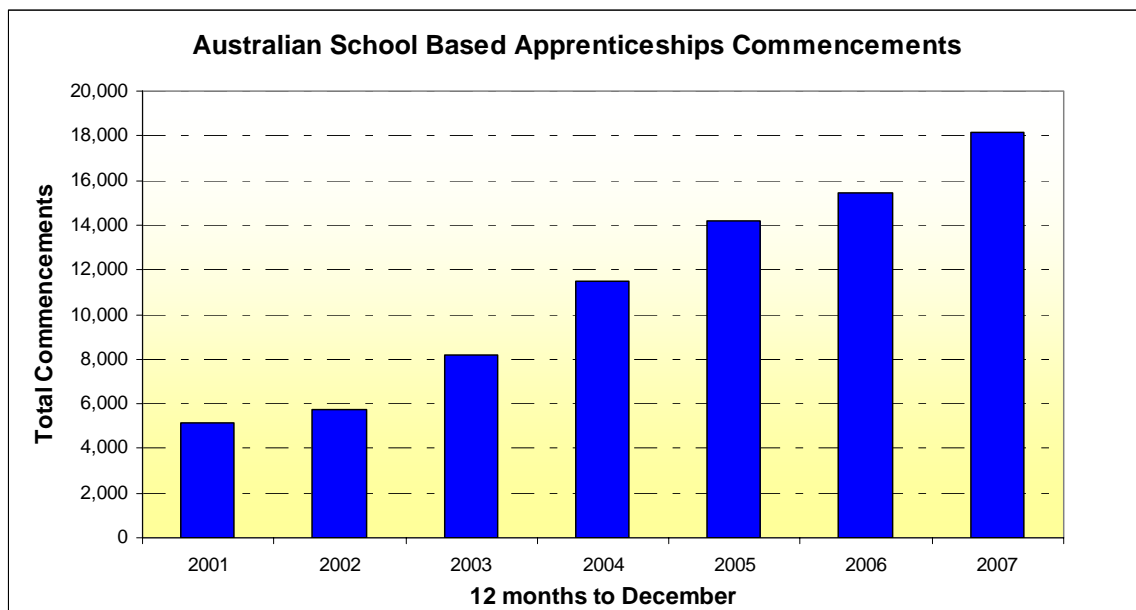
- Trade Training Centres in Schools, VET in Schools, and the integration of Australian Technical Colleges into the broader education and training system;
- additional employer incentives for ASbAs;
- Group Training incentives for ASbAs;
- access to other apprenticeship incentive payments for ASbAs; and
- promotion of ASbAs through the Career Advice Australia network of providers.

The implementation of state-based vocational colleges and trade schools such as NSW Trade Schools, Victorian Technical Education Centres, SA Trade Schools for the Future and Queensland School Industry Trade Centres have also provided more opportunities for high school students to participate in ASbAs, while undertaking their senior secondary studies.

The recent growth in ASbAs can also be attributed to:

- promotion of vocational occupations and raising the status of quality VET to be as valued as university education for a pathway to career and employment opportunities;
- COAG reform – changes made by jurisdictions to education and industrial relations arrangements to enable part time apprenticeships across a range of industry and trade areas and so that ASbAs will become more established in schools; and
- fast-tracking completion of apprenticeships will allow high achieving School-based Apprentices to complete more of their qualification while at school and fast track the completion of the qualification overall.

Chart 3

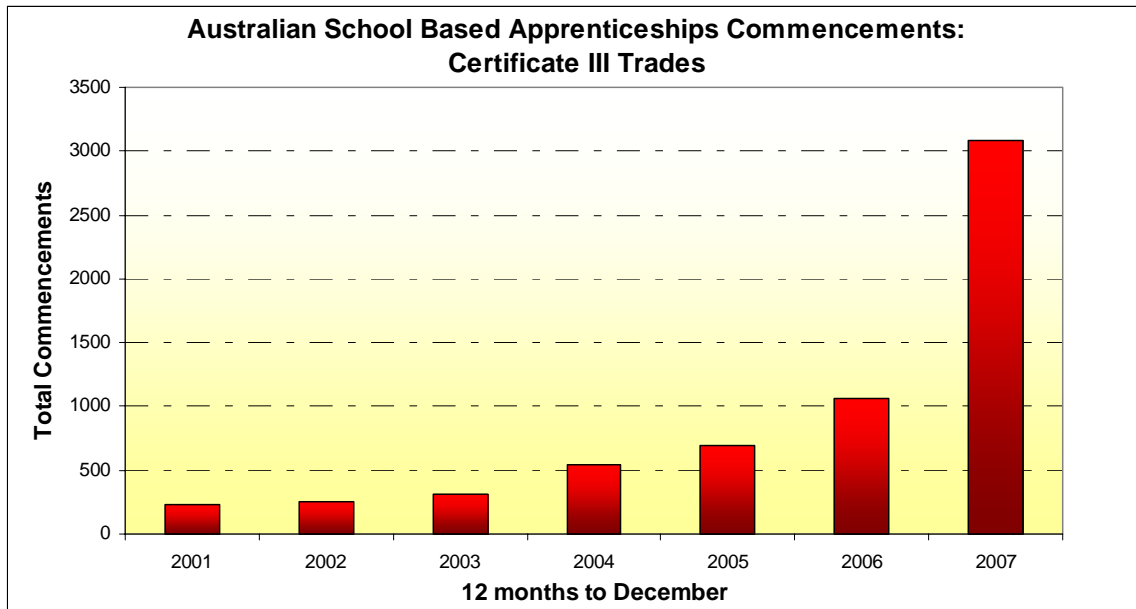


Source: National Centre for Vocational Education and Research (December 2007 Datacube).

Chart 3 shows commencement figures for senior secondary students that participated in Certificate I - IV ASbAs across all industry areas.

ASbAs are not spread evenly across industry areas. Nearly half of all ASbAs are in Hospitality. There are also large numbers of ASbAs in Retail and Administration industry areas.

Chart 4



Source: National Centre for Vocational Education and Research (December 2007 Datacube).

The national uptake of school based apprenticeships in the traditional trades has increased from 688 for the 12 months ending December 2005 to 3,086 for the same period ending December 2007 (Chart 4).

The growth in the traditional trade ASbAs is primarily in the areas of:

- Metal and Engineering (including machinists, fabricators, toolmakers, welders, sheet metal workers);
- Automotive (including mechanics, auto electricians, panel beaters, vehicle painters);
- Building and Construction (including bricklayers, plumbers, carpenters);
- Electro technology (including refrigeration, air conditioning, electrician); and
- Commercial Cookery.

The effectiveness of ASbAs

Combining school and work through an ASbA pathway is effectively the commencement of a student's transition from school to work, as they undertake their part time employment as an apprentice while they are still at school. This pathway provides an alternative for students to continue their school-based education rather than the traditional "either school or an apprenticeship" model of the past. The ASbA pathway also enables students to get a head start on their apprenticeship and get paid while completing their senior secondary education.

Anecdotal evidence gathered in 2008⁵⁵ found that some schools have developed an innovative integrated academic and trades training curriculum with flexible block release timetabling for students to complete work placements and trade training, while also gaining their senior secondary certificate. Models that integrate academic studies with trade training and work placements and accommodate alternative learning styles are more efficient, and provide the following multiple outcomes:

- Students are able to see that the academic subjects they learn at school are relevant to their career and demonstrate what they are taught on the job;
- teachers and trainers are able to assess students for understanding once, instead of repeated assessment; and
- employers and industry have access to motivated students acquiring Year 12 level numeracy and literacy skills.

Schools that use block release timetabling enable students to participate in employment from one day a week, e.g. “VET Wednesday” or up to 2-4 week blocks depending on training, employer and student requirements. This mix of work and academic learning promotes self-responsibility in an adult environment. Flexible timetabling also responds to employers’ and Registered Training Organisations’ need for students to be in the workplace at particular times to better meet the skills needs of the industry.

The role of Industry Liaison Officers (ILOs) in schools in terms of brokering effective relationships between students and employers is also critical to the success of students completing their ASbA and senior secondary studies. Industry Liaison Officers have the capacity to build and maintain strong linkages between local employers and schools. They have specialised knowledge of both industry and the school sector and identify opportunities for employers and students to be involved in the workplace training, including ASbA placements.

Building linkages requires intense contact; anecdotal evidence from ILOs report that a minimum of 4 face-to-face visits are required to engage an employer with the school. ILOs actively maintain these linkages through ongoing contact with employers, including follow-up visits, monitoring both students and employers and gathering feedback to help improve learning and work placements.

Involving local employers and industry groups in the design and operation of school based training environments can increase student engagement in their school and work program and also makes VET more responsive to labour market needs. Industry participation in governance arrangements ensures that a training environment links to the ‘real-world’ at a strategic level. Industry input into what is being taught in an integrated academic and trade related curriculum ensures that industry is satisfied that what is being taught in schools is directly relevant to their needs and enhances the prospects for providing continued employment and training to students post Year 12.

⁵⁵ The Department conducted consultations in early 2008 about the integration of Australian Technical Colleges into the broader education and training system. Much anecdotal evidence was collected.

Indigenous Employment Program

The Indigenous Employment Program, funds organisations such as the Aboriginal Employment Strategy (AES) and the Western Australian Department of Education and Training, to provide support for Indigenous students to undertake school-based traineeships.

AES provides mentoring support to both the trainee and the host employer. These programs support disadvantaged Indigenous youth by facilitating employment opportunities with a range of organisations.

- During the first contract (began December 2006) 81 participants commenced. Of these, 45 participants achieved the 52 week milestone with 33 reaching the 78 week milestone payment.
- From the second contract (began December 2007) 141 commencement advice forms were received. The provider reported that all 141 participants have achieved the 13 week milestone and 135 achieving the 26 week milestone.
- The third contract (began December 2008) provides for 200 School-based traineeships and has only just commenced; no outcome data is available.

Trade Training Centres in Schools

The Australian Government commenced implementation of the Trade Training Centres in Schools Program in 2008. The Program will provide \$2.5 billion over 10 years to enable all secondary schools to apply for funding of between \$500,000 and \$1.5 million for Trade Training Centres.

The Program has been developed to help increase the proportion of students achieving Year 12 or an equivalent qualification, and help address skill shortages in traditional trades and emerging industries. It aims to:

- improve student access to trade training facilities that meet industry standards;
- improve the quality of schooling offered to secondary students undertaking trade-related pathways; and
- assist young people to make a successful transition from school to work or further education or training.

An important focus of the Trade Training Centres in Schools Program is to ensure students have access to high quality, relevant education and training opportunities that continue to engage them and encourage them to complete their studies.

The application process is competitive. In the initial stages of the Program, funding is being prioritised to secondary schools with the greatest need for, and capacity to benefit from, a new or upgraded Trade Training Centre. Priority is also given to Trade Training Centres offering higher level (Certificate III or above) qualifications.

The effectiveness of Trade Training Centres in Schools

As the Trade Training Centres in Schools Program was only implemented in 2008, there are no completed studies that assess their effectiveness. However, anecdotal evidence shows that the integration of trade training facilities in schools can assist young people to make successful transitions from school to work.

Training in a 'real' workshop

In the Northern Territory, the Marrarra Christian College Fabrication and Construction Training Project functions as a commercial and not-for-profit enterprise. The school has its own trade training facility which is operating as a business/employer, i.e. a 'real workshop' and is training students from its and other local schools, as well as school-based trainees and apprentices, and full time apprentices. Students engage in 'real work' trade training where they manufacture, fabricate and/or construct components or materials, such as metal wall frames, trusses and light to heavy steel portal frames for a number of external business partners. Some of the projects are undertaken on site in Indigenous communities.

Indigenous students from remote NT communities make up about a third of the secondary student population at the school. Indigenous students are among some of the most disadvantaged students in the NT, struggling with literacy and numeracy and the academic rigor required in traditional subjects. Hands on, 'real life' training is a very powerful tool to maintain motivation in the senior years. In 2008, 30 students were involved in either a Cert II in General Construction or Cert III Engineering Fabrication. Three Indigenous students continued on in full time apprenticeships with the workshop.

Engaging students through school-based training

The benefits of engaging students through varied and relevant options that include hands-on learning opportunities and real work-based training are widely recognised by teachers, schools and community education providers. However the Department does not have analysis that quantifies these benefits, or compares them with the benefits of work outside of a structured learning environment for example. We know that Apprenticeships in particular can offer a good pathway for the less academically-inclined, and that for those who leave school early, transition difficulties are associated with a number of groups, including those who did not undertake VET in Schools or part time work while at school.

Conclusion

School-based training pathways such as VET in Schools, Australian School-based Apprenticeships, and structured on-the-job training provide students with flexible approaches to engage in hands-on, experiential learning, and the opportunity to gain a qualification that is recognised by industry and education systems throughout Australia. These options can motivate students to complete their secondary schooling and provide them with pathways into sustainable employment.

The quality of the options available to students (including the support provided by Trade Training Centres in Schools) are important factors in reaping educational benefits.

It is clear from the LSAY research conducted into VET in Schools programs in Australia and from anecdotal evidence that school-based training pathways can assist young people to make successful transitions from school to work.

Some of the most common flexible approaches to attaining senior secondary certificate involve school-based training pathways. The way in which school-based training is delivered in school systems and accredited towards senior secondary certificates differs across the states and territories.

Inadequate data collection on post-school destinations prevents accurate description of the effectiveness of the different school-based training pathways and their impact on successful transitions for young people. Improved data collection for students engaged in school-based training pathways would allow more effective program and policy development and the targeting of resources. There is a need for ongoing research in this area as participation in school-based training pathways continues to grow.

4 New directions

Reviewing, reforming and enhancing through cooperative federalism

Overview

This chapter considers a number of recent developments with implications for combining school and work, and the related support and programs discussed in the previous chapters.

A new era of cooperative federalism is being pursued by the Rudd Labor Government, will result in significant reform of federal-state financial arrangements that relate to schools systems funds, and the prospects for cooperation on a range of matters.

National consistency and transparency in the performance of school systems are priorities for the Government, with implications for curriculum, assessment and reporting.

Work on formally recognising employability skills generally, and more specifically recent changes to senior secondary certificates in some jurisdictions, is included in this chapter.

Recent Australian Government policy developments, some significant reviews, and a new career development blueprint are also noted.

Meeting young Australians' educational aspirations

The Australian Government, in recognition of the increasing scale and pace of an ever more interconnected global community, wants to ensure that young Australians have the skills, knowledge and qualifications they need to compete in a global market. The large proportion of young Australians combining school and work would be well served by a method of recognition of the skills and experience that they have gained through employment.

Educational goals for young Australians

Global integration and international mobility have increased rapidly in the past decade. As a consequence, new and exciting opportunities for Australians are emerging.

Globalisation and technological change are placing greater demands on education and skill development in Australia and the nature of jobs available to young Australians is changing faster than ever. Skilled jobs now dominate jobs growth and people with university or vocational education and training qualifications fare much better in the employment market than early school leavers. To maximise their opportunities for healthy, productive and rewarding futures, Australia's young people must be encouraged not only to complete secondary education, but also to proceed onto further training or education.

Rapid and continuing advances in information and communication technologies (ICT) are changing the ways people share, use, develop and process information and technology. In this digital age, young people need to be highly skilled in the use of ICT. While schools already employ these technologies in learning, there is a need to increase their effectiveness significantly over the next decade. The Digital Education Revolution is providing critical infrastructure support.

Literacy and numeracy and knowledge of key disciplines remain the cornerstone of schooling for young Australians. Schooling should also support the development of skills in areas such as social interaction, cross disciplinary thinking and the use of digital media, which are essential in all 21st century occupations. As well as knowledge and skills, a school's legacy to young people should include national values of democracy, equity and justice, and personal values and attributes such as honesty, resilience and respect for others.

On 5 December 2008, state, territory and Commonwealth Ministers of Education meeting as the Ministerial Council on Education, Employment, Training and Youth Affairs (MCEETYA), released the Melbourne Declaration on Educational Goals for Young Australians which sets the direction for Australian schooling for the next 10 years. Following public consultation on the draft declaration, the Australian Government worked in partnership with the state and territory education authorities and the Catholic and independent school sectors, to develop goals which aim to nurture an appreciation of and respect for social, cultural and religious diversity, and a sense of global citizenship.

With the states and territories, the Australian Government is working towards curriculum that has a strong focus on skills and seeks to ensure that young Australians develop a range of generic and employability skills that have particular application to the world of work.

A National Curriculum

The Australian Government is committed to the development of a rigorous and world-class national curriculum from kindergarten to Year 12, starting with the key learning areas of English, mathematics, the sciences and history. A second phase of work will involve the development of national curriculum in languages and geography.

The national curriculum will enable Australian students to succeed in their chosen post-school pathway and meet the demands of Australian employers. National curriculum will seek to equip young Australians with the skills, knowledge and capabilities to effectively engage with and prosper in society, compete in a globalised world and thrive in the information-rich workplaces of the future. It will also be underpinned by a range of interdisciplinary skills and general capabilities. The Government recognises that the development of these skills and capabilities is important in ensuring that young people are able to work across disciplines to develop and build new expertise as well as function effectively in the workplaces of the twenty-first century.

The Government is also establishing the Australian Curriculum, Assessment and Reporting Authority, to develop and administer a national school curriculum and assessments; collect, manage and analyse data and facilitate its sharing; publish information relating to school education; provide curriculum and research services, and support for the teaching profession.

Australian Blueprint for Career Development

The Australian Government is also refining The Australian Blueprint for Career Development ('the Blueprint'). The Blueprint has the potential to change the way Australians think about career education, information and guidance programs. Although it has multiple goals, its primary aim is to have users work within a national framework of career competencies to create effective and measurable career development programs which help Australians to better manage their lives, learning and work. The Blueprint trials were funded by the MCEETYA; and managed by Miles Morgan Australia Ltd under a contract with the Department.

The Blueprint has the potential to:

- provide a common language for all developers, providers and clients of career development programs and services;
- facilitate smooth linkages between career development programs and services;
- provide a basis for producing quality career development resources for use with and by different client groups;
- help to achieve a better matches between individuals skills and job aspirations, and their actual employment choices;
- enhance human resources practices within both public and private sector organisations;
- enable individuals to manage their careers and work/life balance more effectively, particularly in a rapidly changing labour market;
- encourage people of all ages to engage in purposeful learning; and
- support a culture of lifelong learning and development in Australia.

It is anticipated that the refined Blueprint and associated materials will be available in mid-2009.

Accrediting skills gained through employment

Allen Consulting Group produced a report in 2006 that aimed to identify practical, easy and cost effective options for the assessment and reporting of employability skills embedded in Training Packages.⁵⁶

The report recommended an integrated assessment approach with descriptive reporting supplemented by student portfolios of evidence. This means that employability skills are assessed in an integrated manner with technical skills within a qualification and the corresponding units of competency. This model requires employability skills to be explicitly embedded into units of competency enabling assessment to occur within the context of a work-related activity or task. The descriptive reporting approach involves the use of short text to describe the nature/context of the employability skills developed as part of a qualification or unit of competency. This model places the focus on competencies required for a qualification rather than a holistic judgement of the abilities of individuals.

The National Quality Council endorsed the recommendation outlined in the report and agreed that the employability skills, as outlined in the Employability Skills Framework, would be embedded into units of competency within Training Packages and be assessed using the integrated assessment and descriptive reporting approach. Since 2006, the VET sector has commenced updating Training Packages to incorporate employability skills, run employability skills quality assurance workshops, developed a professional development resource to assist trainers and assessors (Employability Skills: From Framework to Practice) and established the Employability Skills Summaries website.

New developments

Job Ready Certificate

The Job Ready Certificate is an Australian Government initiative to provide a practical way to assess and report on young people's job readiness. It will report on key employability skills like teamwork and communication as well as personal qualities that contribute to job readiness like politeness, turning up on time and being reliable. Despite agreement on their importance, practical ways of assessing and certifying employability skills and attributes have lagged behind other skill assessment arrangements.

The development of the Job Ready Certificate responds to calls from the Business Council of Australia, the Australian Industry Group and the Australian Chamber of Commerce and Industry for a formal statement of employability skills.

The Job Ready Certificate could potentially target the following student groups:

- students undertaking VET in Schools as a key part of the Trade Training Centres in Schools Program;
- VET in Schools students from Year 9 to Year 12 undertaking on-the-job training; and

⁵⁶ The Allen Consulting Group, *Assessment and reporting of employability skills embedded in Training Packages*, Report to the Department of Education, Science and Training, Melbourne, March 2006.

- secondary students who complete Year 12 but do not go on to post-school education or training; and
- students undertaking community service as part of a gap year.

To ensure that the Certificate is valued in the education and industry sectors and meets their needs, business, industry, schools and state and territory education authorities will be involved in its development.

A discussion paper on the Job Ready Certificate was developed by Professor Richard Sweet and released by the Department in January 2009. Public consultation forums will be taking place from February 2009. The paper is available online at www.deewr.gov.au/jobreadycertificate.

A focus on youth

The Australian Government Office for Youth (the Office) has been established within the Department of Education, Employment and Workplace Relations to support the Government's efforts to identify key issues impacting on young Australians. The Office provides a point of focus and signals the Government's intention to consider young people as an important and distinct population group—much like women, children and Indigenous Australians.

Although it sits within DEEWR, the Office will be responsible for working collaboratively across portfolios, and with states and territories, to pursue a positive and integrated agenda that recognises and values the strengths, contributions and resources of all young people. The Office will work on issues that are youth-specific, however it recognises that today's young people will live with the consequences of decisions made by current Governments. Consequently, it may also examine, with attention to a youth perspective, major policy issues that are not youth-specific but are likely to significantly affect young people. These could include issues such as climate change, industrial relations, housing affordability, caring responsibilities, and health, for example.

Through its whole of government efforts, the Office will assist the Government to work towards better integrated policies and services that support, motivate and empower young Australians. The Office will examine cross-cutting issues in three ways. On key youth issues, it may initiate and lead work under the oversight of the Minister for Youth. Most often it will be a partner working collaboratively with other agencies. The Office will also offer a 'safety-net' to alert the Minister for Youth about Government initiatives with major implications for young people.

The Office was formally launched in October 2008. During its first 12 months of operation the Office will:

- coordinate approaches to issues that young people have raised themselves as being of importance including:
 - body image; and
 - civic engagement and electoral participation;
- take stock of Australian Government policies, programs and initiatives for young people to develop a report entitled Investing in Australia's Young People;
- develop a State of Australia's Young People report;
- undertake research into youth issues:
 - *Young Carers: Their characteristics and geographical distribution*
 - *Young people (12-17 years) and Financial Debt*

- *Culturally and Linguistically Diverse (CALD) Young People and Mentoring*; and
- undertake a project about how to effectively communicate with young people for use across government agencies.

The Office recognises that young people are a diverse group with different needs, concerns and aspirations. Support for young people should be flexible and support individuals in ways that permit high achievers to continue to excel at the same time as others are provided with choices and opportunities to reach their full potential and are not left behind.

A crucial source of information for the Standing Committee to better understand the impacts of combining school and work will come through engaging directly with young people and the youth sector. A new mechanism has been created to perform these functions – the Australian Youth Forum (AYF).

The AYF represents a new, dynamic and accessible approach to communicating with young Australians and enabling them to engage with government on issues that matter most to them. The AYF is structured to achieve two primary objectives:

1. widespread youth engagement across the country; and
2. meaningful and ongoing engagement with the youth sector – those individuals and organisations that work with and for young people.

These objectives will be achieved through a number of mechanisms such as public forums held at multiple sites around the country that will link young Australians in a nationwide conversation using emerging technologies. The AYF website will facilitate young people's contact with the Government online, wherever they are and at the time of their own choosing. There will also be an outreach initiative to ensure that the Government meets with young people on their own turf. This will be a particularly important way of engaging with young people in remote areas or groups of young people who may find it difficult to participate in a local forum or online.

Further development of the AYF will be guided by a Steering Committee, established as part of the AYF and consisting of eleven young people, who have been directly involved in decision-making processes about the AYF.

The engagement of the youth sector will be assisted by the Australian Youth Affairs Coalition – the national youth peak body which has been funded within the AYF framework to facilitate collaboration and networking and to advocate on behalf of the youth sector and young people.

The Australian Employment Covenant

The Australian Employment Covenant (AEC) is a national industry-led initiative which brings all Australians together to help close the gap between Indigenous and non-Indigenous Australians in employment and employment opportunities.

The AEC is a three-way commitment that involves:

- employers formally guaranteeing job-ready and training-ready Indigenous Australians employment, job specific training, post-placement and individualised mentor support;
- the Australian Government facilitating the identification, recruitment and preparation of Indigenous job seekers for successful placement in the workforce; and

- Indigenous Australians committing to appropriate employment preparation and training and remaining in employment once placed.

The AEC is also committed to guaranteeing sustainable employment for Indigenous youth who continue their education through training rather than opting out. Indigenous students are encouraged to sign up to the 'P Platers Covenant' which aims to further their education and gain an understanding of workplace requirements whilst in the education system. P-Platers will be encouraged to undertake work experience, casual employment and school-based traineeships. This will enable P-Platers to be job ready and trained for a specific job on completion of school.

Reviews

Employment services

Through its review of employment services, the Government will invest \$3.9 billion over three years from 1 July 2009 in a new generation of employment services. Many elements of the new services will support young people and their transition from school into work.

- Employment Service providers (ESPs) can be accessed by all young job seekers regardless of whether they are on income support.
- Under the new employment services model young people aged 15-20 can register directly with ESPs if they have at least one non-vocational barrier⁵⁷. ESPs must immediately assist with non vocational barriers and refer the young person to Centrelink within four weeks to test eligibility for income support and to enable JSCI/JCA⁵⁸ to be administered.
- Young people who are full time students are not normally fully eligible for employment services, but if they are in crisis and there are no other appropriate services in the local area, they may directly approach an ESP and will be immediately eligible for Stream 4 services. They will also be referred to Centrelink, as above. Other young people who are not in crisis are still fully eligible but must register through Centrelink.
- In the Work Experience phase, young people aged over 18 years may participate in complementary programs or they may participate in part time study or a combination of activities.

⁵⁷ an inhibitor to an individual's readiness to participate in employment or employment related Activities such as homelessness, mental health issues, drug or gambling problems, or social isolation

⁵⁸ The Job Seeker Classification Instrument (JSCI) is an objective measure of a job seeker's relative labour market disadvantage and a Job Capacity Assessment identifies a person's ability to work and any barriers they face to getting a job as well as employment support services to assist in addressing those barriers.

Disability employment services

The Government has made a commitment to review the range of employment services in Australia, including disability employment services. In December 2008, the Government announced a proposed model for the future of disability employment services. The development of the proposed model follows extensive consultations with people with disability, service providers and other stakeholders.

Key elements of the proposed model include:

- uncapping disability employment services, ensuring that all job seekers with disability can access services to help them get a job;
- more flexible services, and more tailored assistance to job seekers;
- a reduction in red tape and administrative burden for providers so that they can focus their efforts on helping job seekers;
- increased loadings for services delivered in remote areas; and
- greater emphasis on skills acquisition and training.

Eligible young people with disability will be able to access the new disability employment services if they are either unemployed, not in full time education, or are transitioning from school to work.

The new model will provide stronger incentives for providers to place job seekers into education or training where this is needed:

- education outcome fees will be payable in all disability employment services (currently Disability Employment Network does not pay outcomes for education);
- full outcome fees will be paid in relation to education outcomes for job seekers under 21 who have not completed Year 12; and
- skilling of job seekers will be encouraged through payment of a bonus of 20 per cent for employment outcomes where job seekers complete an accredited training course relevant to the needs of the local labour market and the individual job seeker (including the Productivity Places Program) or an apprenticeship in an occupational area of skill shortage.

Uncapping of services, so that all eligible job seekers with disability can access a service, will make it easier for providers to put in place early intervention strategies to assist school leavers with transition from school to work.

The Government welcomes stakeholders' feedback on the proposed model, and comments are able to be made until 30 January 2009.

National Mental Health and Disability Employment Strategy

The Government is developing a National Mental Health and Disability Employment Strategy, which aims to address the barriers people with disability, including mental illness, face in finding and retaining employment. Six areas for action have been identified, which will form the basis of the strategy: improving disability employment services; supporting and encouraging employers; engaging people with disability; innovation; direct Government employment of people with disability; and better access to education and training. Further information on the Strategy can be accessed at www.deewr.gov.au/employmentstrategy.

Bradley Review

The recently released Bradley Review into Australian Higher Education has made a number of recommendations regarding student income support. The Government is currently considering the report, including any implications for other groups receiving student payments, such as senior secondary students.

Australia's Future Tax System Review

The Government is currently reviewing Australia's tax and transfer system. The interaction of the family assistance system and income support system for young people will be considered as part of this review, and could have implications for combining school and work.

A more flexible future

Greater flexibility in senior secondary certificates of education

In anticipating and responding to the ever-changing needs and expectations of young people, state and territory governments are working towards providing more inclusive and flexible educational systems. New approaches have sought to reduce barriers to access; open up learning opportunities to a wider range of people (including through the use of new technologies); and give students more control over their own learning. Some examples are outlined below.

Victoria

The Victorian Certificate of Applied Learning

The Victorian Certificate of Applied Learning (VCAL) is a 'hands on' option for students in Years 11 and 12. Like the Victorian Certificate of Education (VCE), the VCAL is a recognised senior qualification. Unlike the VCE, which is widely used by students as a pathway to university, the VCAL focuses on 'hands on learning'. Students who do the VCAL are more likely to be interested in going on to training at TAFE, doing an apprenticeship, or getting a job after completing Year 12.

The VCAL's flexibility enables students to design a study program that suits their interests and learning needs. Students select accredited VCE and Vocational Education and Training (VET) modules and units from four compulsory strands:

- Literacy and Numeracy Skills;
- Work Related Skills;
- Industry Specific Skills; and
- Personal Development Skills.

Students, who start their VCAL and then decide they would like to complete their VCE, are able to transfer between certificates. Any VCE studies successfully completed as part of the VCAL program will count towards the VCE.

Students can gain recognition and credit for part-time work while enrolled in the VCAL. This work can include:

- part-time apprenticeship or traineeship;
- part-time work; and
- work placements.

Vocational Education and Training in the Victorian Certificate of Education program

Like other states, Victoria implements a VET in Schools program. The VET in the VCE program combines general VCE studies with vocational training and experience in the workplace. Schools are able to offer senior secondary students programs selected from the range of industry areas approved by the Victorian Curriculum Assessment Authority (VCAA).

Successful completion of a VET in the VCE program provides students with:

- two qualifications: a Victorian Certificate of Education (VCE) or Victorian Certificate of Applied Learning (VCAL) issued by the VCAA and a VET Certificate issued by a Registered Training Organisation (RTO);
- two Statements of Results issued by the VCAA giving details of units completed in the VCE and modules/units of competence completed in the VET qualification;
- an enhanced Equivalent National Tertiary Entrance Rank (ENTER) which can improve access to further education;
- the ability to articulate into further vocational education and training courses; and
- workplace experience including structured workplace learning.

Delivery of a program is undertaken by an RTO, (TAFE institute, private provider or school), or by a school under the auspice of an RTO.

Tasmania

Tasmanian Certificate of Education

The Tasmanian Certificate of Education (TCE), available to all Tasmanians, is a flexible approach to attaining the senior secondary certificate. There is no time limit associated with the TCE, so students can complete their qualifications at their own pace.

The TCE is based on the attainment of four key standards:

- everyday adult reading, writing, communication (literacy);
- everyday adult mathematics (numeracy);
- everyday adult computer use including the internet (Information and Communication technology - ICT); and
- a set amount of learning (participation and achievement).

Any successful learning counts towards the TCE by earning 'credit points'. Each course that is completed successfully has a credit point value. A credit-point value shows the amount of learning at a set standard that counts towards the TCE.

Students are able to attain the TCE in a number of ways, including:

- undertaking a reasonably challenging two-year program of study at senior secondary level with at least 1,200 hours of study;
- doing a full program leading to a VET qualification;
- using combinations of senior secondary studies, VET units and other qualifications the Tasmanian Qualifications Authority recognises; or
- completing an Australian Apprenticeship, including school-based apprenticeships or traineeships.

Queensland

All work hours, community service and volunteer work hours could be recognised and accredited. The Queensland State initiatives that are recognised and accredited for the purpose of Year 12 attainment include:

Gateway School Projects

Gateway schools will deliver specialised education and industry training for students in Years 8 to 12 in the following industries: wine tourism, manufacturing and engineering, building and construction, agribusiness, aviation, and ICT.

Industry, Education and Training Alliances

These alliances encourage greater collaboration between education, training (schools) and industry through projects which provide secondary students with a greater awareness of key industries and the career opportunities available in those industries. These alliances include the: Manufacturing Starter Initiative; AgForce Queensland School to Industry Partnership; Queensland Minerals and Energy Academy (QMEA); Queensland College of Wine Tourism (QCWT); and School Tech.

School Industry Trade Centers

This involves the development of contemporary industry-focused centres – partnering with industry and local employers to provide a learning environment that duplicates the expectations and discipline of the workplace with a focus on real learning for real jobs including through school-based apprenticeships and traineeships. Centres include: Far North Queensland – Marine Training College; North Queensland – Creative Technologies College; Mackay Whitsunday – Manufacturing and Engineering College; and the Sunshine Coast - Civil Construction College.

Skill Centers

Funding support is available to provide for the establishment or expanding of contemporary industry-focused facilities that will enable the delivery of accredited vocational education and training – particularly for Indigenous peoples and industries wishing to provide opportunities for their current and future workforce. A gap is identified in the area of young people's knowledge and awareness of work entitlements and appropriate work forms that need to be completed prior to commencing work.

Northern Territory

The Australian Technical College in Darwin mirrors a model implemented in Northern Territory high schools by the Northern Territory Department of Education and Training called 'Workready'. Under Workready, school timetables are adjusted for Years 10, 11 and 12 students following a vocational pathway, particularly in trades training. The timetabling allows for Year 11 and 12 students to:

- attend school two days per week undertaking (contextualised) core subjects to meet requirements for the NT Certificate of Education;
- up to two days with an employer either doing structured work placements or participating in school based apprenticeships; and
- the other day is either doing off-the-job training with a RTO or undertaking accredited or non accredited work-ready or vocational courses (first aid, driver training, OH&S, etc).

Use of Information Technology

The use of information technology has become a central part of much education and learning in today's society. In some instances it has led to more flexible learning options. E-learning (electronic learning) is a type of Technology supported education/learning where the medium of instruction is computer technology. E-learning is a mechanism that can assist support students seeking to combine work and study. E-learning not only provides additional options for students, but is recognised as facilitating learning outcomes, learning satisfaction and leading to employment opportunities.

The results of a national survey released on 27 November 2008 revealed that 91% of students and 88% of teachers and trainers now say their vocational education and training experience includes at least some form of e-learning.⁵⁹

The survey of 1,500 students and 1,400 teachers also found that:

- 94% of VET students want a component of e-learning in their course (i.e. blended learning).
- 53% of VET students said e-learning was a factor in their choice of course and 47% said it was a factor in their choice of RTO.
- 65% of VET students thought e-learning in their course would in the future help them to get a better job, a promotion or more responsibility in their job.
- 69% of VET teachers/trainers said e-learning had made learning more interesting for their students.

The use of information technology could enable greater flexibility for students wishing to combine study and work.

⁵⁹ Conducted annually by the national training system's e-learning strategy, the Australian Flexible Learning Framework, the national E-learning Benchmarking Survey measures the uptake, use and impact of e-learning within VET.

Appendices

Appendix A: Terms of Reference

Managing the demands of study and part-time or casual employment is part of everyday life for the majority of Australian school students. The impact of potentially competing demands is not well known, and there is little provision of information or guidance to schools or employers on the effect this has on the lives of young people generally, and more specifically on their career development and prospects for successful transitions. The committee's review of the impact of combined study and work on the success of youth transitions and Year 12 attainment will focus on:

- providing opportunities to recognise and accredit the employability and career development skills gained through students' part time or casual work;
- identifying more flexible, innovative and/or alternative approaches to attaining a senior secondary certificate which support students to combine work and study;
- support that may be required to assist young people combining work and study to stay engaged in their learning, especially where work and study intersects with income support;
- the potential impact on educational attainment (including the prospects for post-compulsory qualifications and workforce productivity); and
- the effectiveness of school-based training pathways and their impact on successful transitions, including opportunities for improvement (particularly in relation to pathways to employment for disadvantaged young people).

Appendix B: Career Advice Australia

Career Advice Australia is an Australian Government initiative supporting young Australians aged 13 to 19 to make successful transitions through school and from school to further education, training and employment. Career Advice Australia provides access to career information and advice, meaningful work experience and quality information about opportunities in industries to help young people make informed decisions about their future.

Career Advice Australia assists young people to complete Year 12 or its vocational equivalent by recognising and supporting a range of learning pathways which retain or re-engage young people in education and training. Career Advice Australia aims to ensure that all young people are equipped with the foundation skills, values, knowledge and understanding required for their ongoing effective participation in further education, employment and society.

To ensure that the Australian economy continues to grow, it has become necessary to respond to the changing needs of business and industry. Career Advice Australia has a key role in promoting a national and consistent approach to the career education and transition support provided to Australia's young people. Career Advice Australia has been designed to bring schools and industry together with a clear understanding of what is required by the needs of industry, locally, regionally, nationally and internationally.

The key elements of Career Advice Australia are:

- a national network of Local Community Partnerships;
- industry engagement at a regional and national level;
- support for young people disconnected, or at risk of disconnecting, from education; and
- quality career development services for schools, teachers and career advisers.

A national network of Local Community Partnerships

Local Community Partnerships assist young people at a local level in their transition through school. Local Community Partnerships work with schools, professional career practitioners, parents, other youth service providers, and businesses to improve access to quality career information, career development and experiential learning opportunities for young people in their community. Local Community Partnership regions provide national coverage.

Local Community Partnerships deliver three programs to facilitate industry involvement in school career education and support transitions:

Structured Workplace Learning

Structured Workplace Learning gives students learning opportunities in real or simulated workplaces. In most cases, the skills they learn are assessed and the competencies they achieve are recognised nationally by industry and education systems.

Adopt a School

Local Community Partnerships encourage businesses to ‘adopt’ a school(s) and give young people hands-on learning experiences in a specific industry sector – preferably an emerging sector or one where there is a skills need. Local Community Partnerships are supported by their Regional Industry Career Advisers.

Career and Transition Support

Through the Career and Transition Support program, Local Community Partnerships help young people access a range of career development and transition support services in their local area. Local Community Partnerships work with schools, parents, local businesses and career associations to build on, and improve the quality of career education in their region.

Local Community Partnerships will also be involved in the following two programs as part of the Australian Government’s *Skilling Australia for the future* initiative:

Mentors for our Students pilot

The Mentors for our Students pilot aims to engage young people with recently retired tradespeople and professionals as mentors to encourage them to seek out careers in areas experiencing skill shortages and to enhance their industry knowledge. It seeks to utilise the experience of older Australians to pass on their skills and knowledge to young Australians and to improve school retention rates and transitions of young people. The pilot will be implemented by 25 Local Community Partnerships.

On-the-Job Training

On-the-Job Training aims to increase the number of students currently engaged in vocational education and training in schools (VETiS) who are involved in some form of work placement. Training in ‘real’ workplaces assists students to develop enhanced skills and to see the practical application of the industry knowledge they are developing in the classroom, and on-the-job training experiences make graduates more attractive to employers when they leave school or training. On-the-job training will be implemented through secondary schools that offer VETiS programs and will provide students in years 9-12 participating in VETiS with on-the-job training for one day a week for 20 weeks per year or equivalent.

Industry engagement at a regional and national level

Two national industry career advice networks have been established to support the Career Advice Australia initiative.

Regional Industry Career Advisers

In partnership with Local Community Partnerships, a nation-wide network of Regional Industry Career Advisers provide high quality, relevant, localised industry career information, advice and resources, particularly in skills needs areas. Fifty seven service regions have been established to ensure that young people, parents, schools, and local business have access to expert industry career advice.

National Industry Career Specialists

Ten National Industry Career Specialists supports the work of Regional Industry Career Advisers by developing and providing targeted, industry sector-specific quality career advice and specialist information, including information on skills needs and labour markets.

Support for young people disconnected, or at risk of disconnecting, from education

Youth Pathways

Youth Pathways providers aim to work each year with the 25,500 young people who have the most significant barriers to remaining in education, Australia-wide. Youth Pathways offers personalised support to help these young people to make a successful transition through to the end of year 12 (or its equivalent) and, ultimately, to further education, training or employment, and active community participation.

Connections

Connections providers operate across Australia to help up to 3,000 young people per year who are disconnected from mainstream schooling. Connections provides another chance at learning, through flexible and accredited education and training options delivered in supported community settings to help young people get back on track and reach their potential.

Quality career development services for schools, teachers and career advisers

The Australian Government is working to improve the standard of career development services – including career education in schools – and the standing of careers teachers. The following initiatives are funded through Career Advice Australia.

National standards for career development practitioners

Professional standards are being phased-in for career development practitioners in Australia. The Australian Government supported the Career Industry Council of Australia to work with member organisations, career practitioners and other stakeholders to develop the standards, which will be mandatory for CICA members after 1 January 2012. The phase-in period is giving practitioners time to acquire qualifications or have their experience recognised.

The Career Industry Council of Australia has also developed guiding principles for career development services and career information under the Career Advice Australia initiative. The Standards and Guiding Principles can be downloaded from the CICA website at www.cica.org.au.

Certificate IV in Career Development

A new Certificate IV in Career Development (CHC42407) has been developed and is available for delivery by Registered Training Organisations. The certificate builds on Component 2 of Australian Career Development Studies and provides individuals with the opportunity to

develop skills and theoretical knowledge to underpin their role as career development practitioners. Learning support materials are being developed and will be made available online free of charge in mid-2008. More information can be found at www.career.edu.au.

Scholarships for career advisers

Career advisers in schools, universities and TAFE institutes can apply for scholarships to help them gain skills, knowledge and experience through further study or an industry placement. The Study Scholarships are worth \$5,000 and the Industry Placement Scholarships \$10,000. Curriculum Corporation is managing the scholarships programme on behalf of the Department. More information can be found at www.dest.gov.au/careerscholarships.

School and Industry Leaders' Forums

School and Industry Leaders' Forums bring school and industry/business leaders together at a local level to share ideas, and to discuss better ways of working in partnership to develop locally specific career education programs in schools.

Career Education Lighthouse Schools Project

Career Education Lighthouse schools are funded to champion good practice in quality career education and trial new and innovative ways of implementing career education in schools. They demonstrate how to make career education an integral part of every primary and secondary school's activities, not just an optional add-on to the formal curriculum. The Australian Principals Association's Professional Development Council is conducting the project. Successful schools from all sectors and all States and Territories have been allocated up to \$10,000 each (clusters of schools can also pool funding).

Other resources and services

Career Advice Australia programs are also supported by a wide range of projects, products and career information services including the *myfuture* and *Year 12 What Next?* websites, the Job Guide, and Career Information Centres.

More information about Career Advice Australia (including case studies) is available at: www.australia.gov.au/careeradviceaustralia

Appendix C: Eligibility for income support and family assistance payments

Youth Allowance & ABSTUDY

Young people under the age of 18 years, who have not completed year 12 or equivalent, will be required to participate in full time education or training to qualify for YA (Student). This policy recognises the priority of Year 12 or equivalent attainment for young people.

Exemptions from the requirement to undertake full time education or training are possible where it would be unreasonable to expect the young person to undertake full time studies.

YA is subject to both the young person's and their parent's income. The personal income test for YA (other) differs to that of YA (student). For example, YA (Student) provides access to higher income free areas and a student income bank (see below). However, the same Parental Income Test applies to both payments. Every dollar received by a YA recipient in the family is withdrawn by 25 cents for every dollar of parental income over \$32 800. The Parental Income Test is not applied in cases where the young person has 'independent' status.

To support students through their education, there is an income free area of \$236 per fortnight. This means that full-time students on income support have the opportunity to earn up to this amount from casual or part-time employment before their payment is affected.

Students also have access to the Student Income Bank which provides for an accumulation of any unused part of their fortnightly income free area (\$236) up to a maximum of \$6000. This accumulated credit can be used to offset higher income earned in other fortnights such as increased earnings over extended holiday periods.

ABSTUDY has both Aboriginality and citizenship eligibility requirements.

Family Tax Benefit

This program consists of two parts, Family Tax Benefit (FTB) Part A and FTB Benefit Part B.

Family Tax Benefit Part A

Basic eligibility criteria for FTB Part A include:

- Have a dependent child aged under 21 years, or a dependent full-time student aged 21-24 years (who does not receive Youth Allowance or similar payment);
- Have care for the child 35% of the time or more; and
- Have a family income under a certain amount (the limit varies according to the number and age of children in the family).

FTB Part A is assessed on the combined income of the family, and is paid in respect of each child.

In determining whether a child is dependent for FTB purposes, a child income limit operates. While there is no income limit for children aged under 16 years who are studying full-time, a child aged at least 16 years and earning \$12,287 or more (in 2008-09) in a financial year is no longer considered to be a dependent child for FTB purposes. Once the child's earnings reach

or exceed this limit, the family is not entitled to any FTB in respect of that child for that financial year.

Family Tax Benefit Part B

Basic eligibility criteria for FTB Part B include:

- Sole-parent family or two parent family with one main income;
- Have a dependent child under 16 years of age or a dependent full-time student up to 18 years (who does not receive Youth Allowance or similar payment);
- Have care for the child 35% of the time or more; and
- Primary earner income limit of \$150,000.

From 1 July 2008, eligibility for Family Tax Benefit Part B is limited to families where the higher income earner in a couple, or a single parent, has an income of \$150,000 per year, or less.

Single parents automatically receive the maximum rate of payment if their income is within this limit. For eligible two-parent families a secondary earner income test is applied to determine the rate of payment.

Appendix D: Demand for income support services

Youth Allowance & ABSTUDY

AGE	YA (student)	YA (other)	YA (New Apprentice)
<18 years	92 464	17 632	1 021
18 - 20 years	86 088	47 275	2 584
21 - 24 years	67 352	N/A ⁶⁰	782
>25 years	6 278	N/A	65
Totals	252 182	64 907	4 452

Source: DEEWR Administrative Data

At June 2008 there were 97,296 Youth Allowance (student) recipients aged 15 years or older in the school sector. Of these, 86 per cent were aged either 16 or 17.

Of the 97,296 YA(s) recipients in the school sector, 21,983 or 23 per cent had earnings as at June 2008.⁶¹

There were 5,958 ABSTUDY Living Allowance recipients aged over 15.

Family Tax Benefit

As at September 2008, FTB Part A was paid for around 160,100 young people aged 16 to 17 years; 122,000 young people aged 18 to 20 years; and 11,800 young people aged 21 to 24 years. To be eligible for FTB Part A from the ages of 16 to 20 years, young people are not required to be in full-time study. To be eligible from 21 to 24 years, young people must be dependent full-time students. (FTB Part A is also paid for around 2,983,200 children aged 15 years and under but it is unlikely that these children would be combining school and work.)

As at September 2008, around 1.3 million families received FTB Part B.⁶² To be eligible for FTB Part B families must have a dependent child aged under 16 or a dependent full-time student up to the age of 18.

⁶⁰Young people aged 21 or above receive Newstart Allowance, if a job seeker.

⁶¹DEEWR Administrative Data

⁶²FaHCSIA administrative data

As there is no work requirement for FTB eligibility, no data is collected on the work force participation of FTB children. However, in determining whether a child is dependent for FTB purposes, a child income limit operates. A child aged at least 16 years and earning \$12,287 or more (in 2008-09) in a financial year is no longer considered to be a dependent child for FTB purposes. In 2007-08, around 4,550 families were affected by the child income limit during the financial year and had an FTB overpayment raised. The average FTB overpayment for these families was \$957.63. Some families would also have been affected by the child income limit during FTB reconciliation at the end of the financial year however it is not possible to identify these cases separately from other causes of overpayment.

⁶³ FaHCSIA administrative data