

# Jobs and Training Pathways for young people in the Western Region

## Final Report

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Ross Coller

Corinne Proske

Sam Hoang

Melinda Hildebrandt

Elizabeth Knight



Jobs,  
Precincts  
and Regions



## **About us**

The Mitchell Institute for Education and Health Policy at Victoria University is one of the country's leading education and health policy think tanks and trusted thought leaders. Our focus is on improving our education and health systems so more Australians can engage with and benefit from these services, supporting a healthier, fairer and more productive society.

## **About this document**

This document aims to provide a concise summary of the key research, consultation, outcomes and recommendations from the Jobs and Training Pathways for young people in the Western Region project.

## **Acknowledgements**

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## **Image**

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## Executive summary

The journey young people take from education to employment is an important area for action by governments and all players in the education-employment ecosystem. These first steps out of education will set young people up on the paths they will follow for the rest of their lives.

However, recent research has shown that it is becoming harder for young Australians to establish themselves in the labour market. Young people are facing higher levels of part-time work, experiencing lower wage growth, and graduating onto lower levels of the 'job-ladder' than previous generations of young people (Borland & Coelli, 2021; de Fontenay, Lampe, Nugent, & Jomini, 2020).

Research by the OECD has also shown that, overall, countries with strong connections between education institutions and employers are those that have been most successful in ensuring young people make successful transitions from school to work (Schoon & Mann, 2020).

In the immediate context of COVID-19 and its impact on the employment prospects of young people in the region, linking job-ready graduates to job vacancies with employers is more important than ever before.

The initial findings of this project demonstrate that the proactive establishment of partnerships between tertiary education institutions and employers has a strong potential to provide opportunities for people to study while maintaining their employment.

Key findings/recommendations include:

- The necessity of bringing employers, suppliers, HE institutions, buyers and job services together to enhance job prospects for young people in the West of Melbourne.
- It is essential that students and employers be engaged early in the year as classes tend to finish in October after which it is difficult to readily link with students.
- Employers prefer to hire qualified candidates rather than manage ongoing training (this trend has somewhat changed more recently with the pandemic causing significant skills shortages requiring employers to be more open to considering candidates with alternative skills).
- The identification of five research- and/or project-related programs to address skills and jobs shortages. This cluster of programs will provide employers with insightful knowledge to develop their necessary skilled workforce; training and education providers will also gain important knowledge of employer needs and be in a position to refine their courses accordingly:
  1. The Apprenticeship Support Program,
  2. The Cadetship project,
  3. The concept of 'cold spots' (geographical areas where there are relatively lower rates of HE participation),
  4. The small grants scheme,
  5. Centre of Policy Studies (Victoria University) modelling and analysis of industries' skill needs in the west of Melbourne (Wade et al., 2022).
- Apprentices and trainees generally have better opportunities to earn more and gain full-time employment. These groups also often have higher job satisfaction levels.

Therefore, the study suggests that encouraging relevant and authentic work experience can smoothen the transitions from education to work among young people.

- There is a need to better link students finishing tertiary education in the west to employers. The pandemic has significantly depleted social capital and networks with students finding it difficult to navigate the job market so more work is required to re-establish lost links and create new ones.
- The model developed through this project can be directly applied to opportunities that arise through Jobs Victoria and other programs.
- Eight employers provided their endorsement for the introduction of such a model.

## Introduction

The following document provides a summary of the key outcomes from the Victoria University-led project, **Jobs and Training Pathways for young people in the Western Region** which was funded in 2021-22 under the Metropolitan Partnership Development Fund as part of the Office for Suburban Development grant scheme (Victorian Department of Jobs, Precincts and Regions). The Metropolitan Partnership Development Fund supports the Metropolitan Partnerships to act on local priorities, informs the Metropolitan Partnerships' advice to government and supports Melbourne's social and economic recovery. This project was funded under the MPDF to address and support the priorities of the Western Metropolitan Partnership.

The purpose of the project, conducted in collaboration with Jobbank and with advice from YLab, was to research and develop insights and learnings to inform the wider scaling up of an 'earn and learn' model, which refers to partnerships between tertiary education institutions and employers to provide opportunities for people to study while maintaining their employment.

The project was designed to support labour market outcomes for young people in areas of highest need in the region by working with buyers, suppliers, employers, education institutions and job services to create jobs.

Responding to the impact of COVID-19 on employment prospects of young people in the region, the key aim was to provide solutions by linking job-ready graduates to job vacancies with employers.

It is important to note that the available funding was not sufficient to allow the project to move into implementation. This proved somewhat of a challenge in working with employers who were keen to know what support they could receive and what they might be "signing up to" when asked for letters of endorsement for the model.

The project methodology is outlined below:

- Rapid environmental scan to map programs and establish links to players in the ecosystem of relevance to the project
- Detailed scope and work plan in consultation with key local stakeholders
- Assessment of opportunities to leverage funding through existing State and Commonwealth programs

- Identify and engage with 20-30 local employers
- Secure 10 local employers for participation in both pilot project and potential larger scale
- Development of proposal for larger-scale place based 'earn and learn' model to secure and retain placement outcomes for young people

The major project outcomes:

- Commitments from local employers to recruit job seekers
- Identification of training and employment pathways/opportunities for young people through engagement with employers
- Insights and learnings from the project to inform wider scaling up of an 'earn and learn' model (e.g. five key research/projects listed in the summary above).

## Policy Background

As Australia emerges from the COVID-19 downturn, the need for industry and higher education (HE) providers to collaborate on education and skill developments is critical for the Australian economy to effectively recover. Overseas, the relationship between HE institutions and their local environment (local communities and employers) has been considered an increasingly important factor in local development, although relationships need to be carefully managed (Henderson, 2020). In Australia, the collaboration and engagement between HE providers and industry can act as a critical element in supporting skill development to fill the growing skill gaps in Australian industry (Department of Education, 2021). Focusing on the younger workers and skilled individuals looking to upskill and reskill, the research in the Dawkins and Bean review argues that Australia should prepare their workforce to meet the shifting workforce demands which require workers to have high-quality learning and experience in their specific industry.

The West of Melbourne has been considered one of the regions where young people need urgent support to better prepare for the labour market after the pandemic. It is known as an area where “the need for innovative employment solutions is particularly acute, with pre-pandemic youth unemployment tracking at double the overall average” (Jobsbank, 2021). Several recent research projects have been conducted to identify ways to support the young labour market with a concentration on strengthening the collaboration between HE providers and the industry. Focusing on the job opportunity for young people emerging from the pandemic, the research by Victoria University and The West of Melbourne Economic Development Alliance (WoMEDA) mapped urban skills and potential job needs of employers in Melbourne’s West in four sectors: Infrastructure, Digital Economy, Social Services and Care, and Manufacturing (Wade et al. 2022).

The findings show that the local labour force is often in lower-skilled occupations and many Melbourne West residents choose to commute out of the region for work. The active links between employers and training providers in the West of Melbourne are weak and the mismatch between employees’ skills and employers is wide. To address these issues, the project proposed five research- and/or project-related programs: The Apprenticeship Support Program, the Cadetship project, the concept of ‘cold spots’ (geographical areas where there

are relatively lower rates of HE participation), the small grants scheme, Centre of Policy Studies (Victoria University) modelling, and analysis of industries' skill needs in the west of Melbourne (Wade et al., 2022). The project provides employers with insightful knowledge to develop their necessary skilled workforce and involves training and education providers so that they could gain a good knowledge of what employer needs to refine their courses.

The industry experience is believed to play a significant role in the transition from education to work. Research by the Mitchell Institute (Hurley et al., 2021) shows the significance of work experience while studying in creating opportunities for young employers to find better labour. The research argues that work experience is equally important as higher education in employment outcomes. Apprentices and trainees generally have better opportunities to earn more and gain full-time employment. These groups also often have higher job satisfaction levels. Therefore, the study suggests that encouraging relevant and authentic work experience can smoothen the transitions from education to work among young people.

Overall, these studies suggest the necessity of bringing employers, suppliers, HE institutions, buyers and job services together to enhance job prospects for young people in the West of Melbourne. This is a pressing need given the significant role of the young generation in contributing to the West of Melbourne's recovery and prosperity from one of the most devastating pandemics in human history.

## Environmental scan

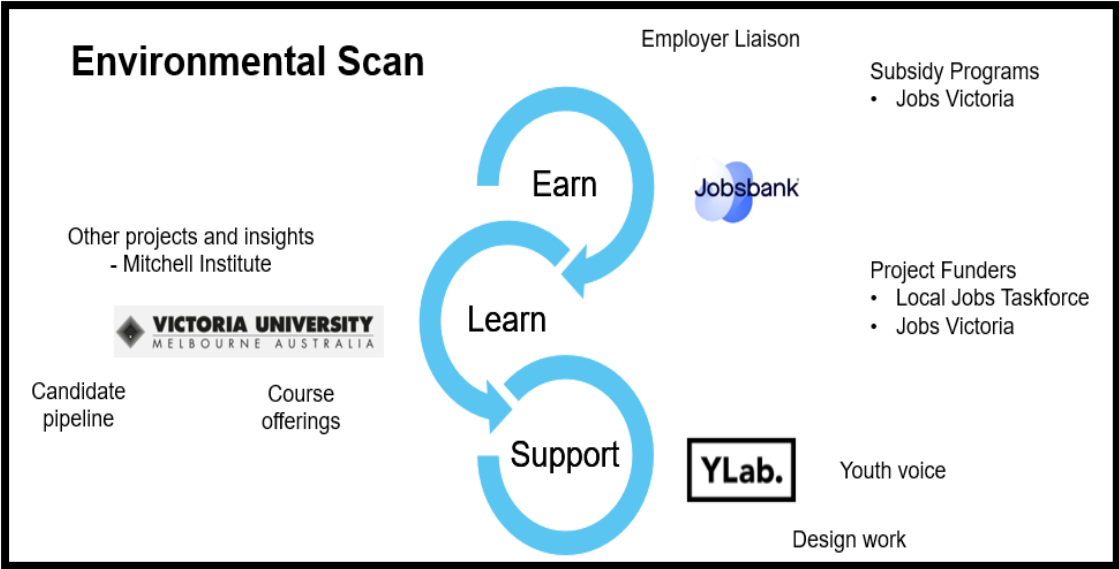


Figure 1 Model

Figure 1 presents the result of environmental scanning (a method to map programs and establish links to players in the ecosystem of relevance to the project) where Jobsbank, Victoria University, and YLAB collaborated in three integrated stages: earning, learning, and supporting. Each organisation may play multiple roles in the ecosystem which creates the

potential for confusion on top of lack of knowledge of each other’s services and handover points.

First, Jobbank, which specialises in liaising with employers, identify employers who provide “practical, tailored support to make recruitment and retention of hidden jobseekers work”(Jobbank, 2021). It also has strong connections with Jobs Victoria and other program funding sources.

Second, Victoria University (VU) plays multiple roles at different points. Through the Mitchell Institute it can take advantage of their other projects and insights to determine how best to intervene for particular students. It also serves as the dual-sector university offering students pathways from diploma courses to higher education, as well as being able to access cohorts of current and former students as candidates.

Finally, YLAB could play a significant role in ensuring that young people’s voices are heard in the development of solutions, by facilitating the conversations and relations between young people, community groups and organisations. YLAB also contributes to designing the support that particular cohorts need to help them gain employment and remain in roles.

## Employer Value proposition

An Employee Value Proposition (EVP) is the equilibrium of both tangible and intangible benefits and rewards that a company can offer to its employees (Scott Zimmer, 2021). For this project, these were identified to include:

<b>Initial Employer Value Proposition</b>	
Reduced recruitment costs	The project offers support for employers to reduce the costs of recruitment.
Access to VET or Higher Education students who live locally	The project assists employers to get access to locally VET or tertiary students.
Candidates are screened for role fit	The project assists employers to screen the candidate to ensure that the most suitable candidates will be recruited.
Pre-employment support for candidates where necessary	IEVP involves providing candidates with pre-employment support so that they could be ready for the job.
Wage subsidies for the first year of employment	The program provides salary subsidies for employers in the first year of employment.
Post-employment support and training (mentoring, business skills developing and networking) at no cost to the employer	The program provides free post-employment support including mentoring, business skills and developing and networking for employees.



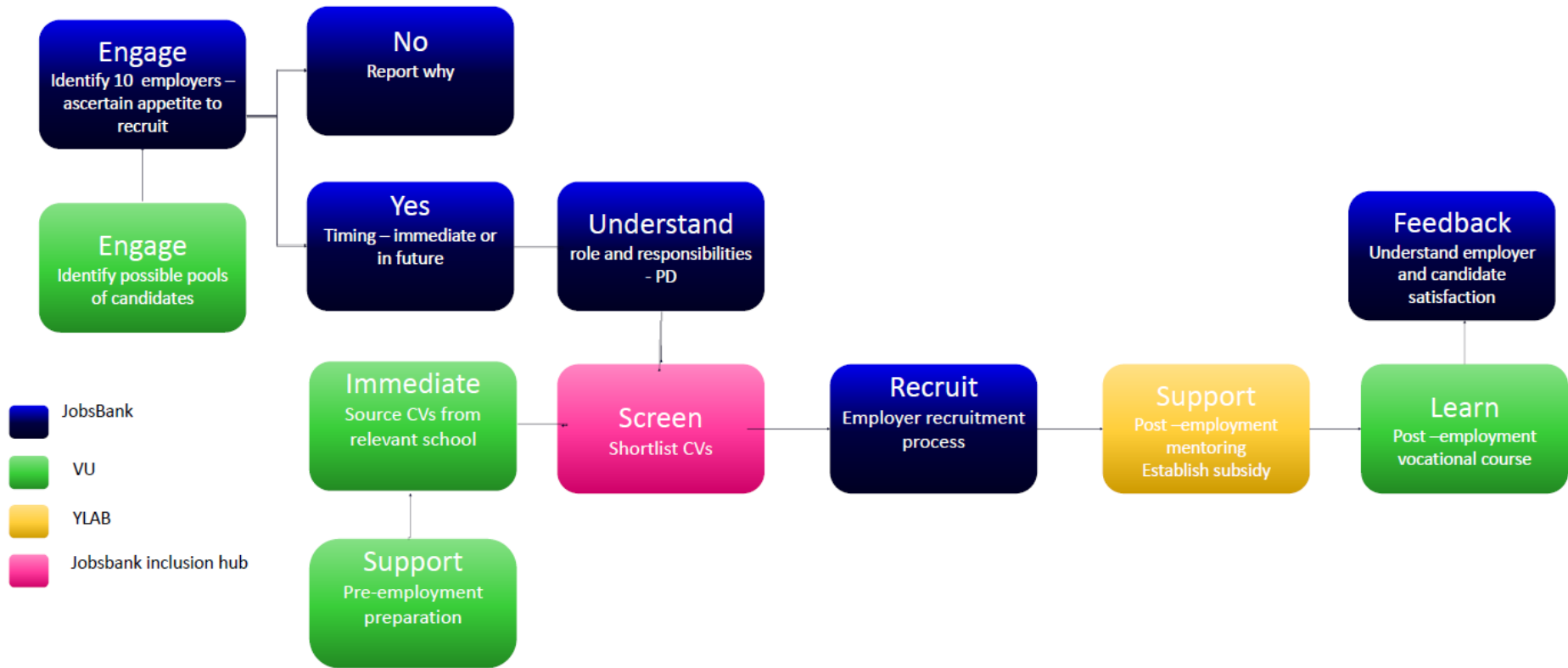
## Proof of concept

A major part of the project was to develop a proof of concept that could lead to a scalable solution. What was recognised quickly is that different organisations in the ecosystem can play different roles at different stages of the process, leading to confusion between players on top of lack of understanding of each other's services.

As a result, the proof of concept model is a way to make clear the roles of different organisations in the ecosystem at different stages of the process, ensuring that hand off points are clear and avoiding confusion in roles and responsibilities.

The proof of concept in Figure 2 below articulates the roles and activities of the various organisations through the lifecycle of the 'earn-learn-support' model. Each stage of the process is colour coded with Jobsbank and VU playing multiple roles as they contribute to various processes from the beginning stage (identifying employers (Jobsbank) and identifying candidates (VU) to the final stage (exploring employers and candidate satisfaction (Jobsbank) and developing post-employment vocational courses (VU)). The JobsBank inclusion hub provides screening and shortlisting CVs while YLAB provides post-employment mentoring and establishing subsidies.

# Proof of Concept



**Jobsbank<sup>®</sup>**

Figure 2 Model of proof of concept

# Findings

## Candidate<sup>1</sup> Pipeline

An 'earn-learn-support' model requires ready access to a candidate pool. It was recognised quickly that there is significant complexity in cohorts on one side, and that the ecosystem could be easily overwhelmed by candidates if a cohort is not well specified. This is an example of the breakages between service providers that need to be understood and workable solutions found.

As an example, for the purposes of the proof-of-concept model it was decided to focus on job-ready graduates who had completed skills training through VU but not yet obtained employment.

VU identified that it could readily identify discipline cohorts – the numbers of students graduating each year from a particular course. There is also some broad indication of their success in obtaining employment after completion (Graduate Outcomes Survey) but the categories are broader than the specific skills sought by employers, making it more difficult to identify exactly the level of underemployment for a relevant cohort.

VU has channels to reach graduates through its alumni relations programming and could promote a program broadly. It could also act as a broker to enable unemployed graduates broadly or in particular disciplines to notify the University of their availability. This would provide greater insight into underemployment by course but is not a standard or resourced service of VU.

A range of short courses were identified that may be of relevance to the cohort focused on pre-employment and transition to the workforce. VU Polytechnic and the First Year College both have existing programs that could be brought into play if a specific program was in development.

## Employer Insights

JobsBank completed interviews with 16 employers (see list in Appendix A).

The key insights from these employers were:

- Don't know how to connect with graduates and often think only of larger universities (Melbourne and Monash) when undertaking graduate attraction activities
- Unaware of wage subsidies available
- Employers and sectors are facing skills shortages
- Strong demand and future growth in health, but limited interest from young people (particularly for aged care)
- Strong demand for IT and Engineering graduates, but not in the west
- Immediate demand for hospitality and tourism but on Great Ocean Road and affordable accommodation is proving to be a barrier to employment
- Interest in getting in front of students
- Local Councils interested in attracting younger cohorts

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<sup>1</sup> Direct engagement with candidates was planned with YLab through their Ambassadors work, but due to the impacts of COVID it could not be commenced in time to be included in this report.

- Employers prefer to hire qualified candidates rather than manage ongoing training (this trend has somewhat changed more recently with the pandemic causing significant skills shortages requiring employers are more open to considering candidates with alternative skills).

After development of the proof of concept model, eight employers provided letters of endorsement for the project:

- APM (Advanced Personnel Management)
- atWork Australia
- Campbell Page
- Djerriwarrh Community & Education Services
- Fulton Hogan (Metropolitan Roads Program Alliance)
- Fulton Hogan Construction
- WCIG (Westgate Community Initiatives Group)
- Western Program Alliance (comprising McConnell Dowell, Metro Trains Melbourne, Arup, and Mott MacDonald)

### **Project funder insights**

In September 2021 an application was submitted for funding to test the model through the Federal Local Jobs program (Western region). Although the funder found merit in the project objectives, the application was unsuccessful due to the allocated funding running out. We were encouraged to reapply in July 2022.

One of the complexities of this project was the mismatches in timing with the academic year. It is essential that students and employers be engaged early in the year as classes tend to finish in October after which it is difficult to readily link with students.

The funding available was focused on supporting unemployed candidates – many students are employed during the duration of their tertiary education (often casual work) to help cover the cost of their studies. The grants available were not designed to help them transition from casual to more permanent vocational employment.

## **Insights and future actions**

The project has identified how the various organisations in an ecosystem can work together. There were a lot of assumptions of the roles of the other organisations, leading to overlaps and gaps that create breakages in the pathway for candidates and employers.

The project was able to work through a range of these breakages and clearly plot out the roles and responsibilities of the members of the group through the pathway. If an implementation project were to be funded, then the model could be tested in depth and further breakages would no doubt be identified and fixed.

This has led to continued collaboration and possibly working with Jobs Victoria.

Overall, the project has had the highly positive impact of bringing VU and JobsBank closer with significantly greater understanding of their respective roles that will benefit candidates.

## Appendix A:

Employer	Sector	Engaged in Discussion	Interest in employing graduates
Westgate Tunnel Project	Construction	✓	✓
Mind Australia	Mental Health	✓	✓
AtWork	Social Work Mental Health	✓	✓
Djerriwarrh	Social Work Education	✓	✓
APM	Social Work	✓	✓
Whispir	IT Business	✓	✓
Windsor	Hospitality	✓	✓
Brimbank City Council	Local Government	✓	
Campbell Page	Social Work	✓	✓
Great Ocean Road Region	Hospitality Tourism	✓	✓
T2	Business Retail	✓	✓
Western Health	Nursing Mental Health	✓	
AMES Australia	Social Work Education	✓	
WCIG	Social Work	✓	
GrainCorp	Business	✓	
Peter Rowland	Hospitality	✓	✓

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Mitchell Institute for Education and Health Policy  
300 Queen Street, Melbourne, Victoria 3000  
+61 3 9919 1820  
[info@mitchellinstitute.org.au](mailto:info@mitchellinstitute.org.au)  
[mitchellinstitute.org.au](http://mitchellinstitute.org.au)