



## SUPPORTING YOUNG PEOPLE IN AN EVOLVING WORK ENVIRONMENT

- > **It takes young people 4.7 years to enter full-time work after leaving full-time education.**
- > **Unemployment, job insecurity and poor work conditions are the three biggest work-related risk factors for mental illness.**

This overview outlines the latest evidence of how the current work environment affects the mental wellbeing of 18-25 year old Australians. This includes studies on work-related negative effects on mental wellbeing, as well as those looking into factors and skills that can protect mental wellbeing.

The evidence can assist in finding innovative ways to support the younger generation in finding purposeful, secure work and maintaining mental wellbeing.

The mental wellbeing of young people is vital to ensure a healthy future for Australia, where everyone in the community enjoys a good quality of life and the economy continues to prosper. VicHealth is focused on improving the mental wellbeing of young Victorians by creating environments and conditions that increase resilience and social connection. This is a key aim in VicHealth's [Young People, Health and Wellbeing Strategy](#).

# BUILDING RESILIENCE

The foundation for resilience is a number of protective factors that contribute to better health and wellbeing



# The problem with work (or lack of it)

**Evidence shows that the three biggest work-related risk factors for mental illness are unemployment, job insecurity and poor work conditions (WHO 2014).**

For example, a meta-analysis of international studies found that ‘high demand for low reward’ work was the strongest risk factor for common mental disorders (Stansfeld & Candy 2006). Jobs that involve constant time pressures, interruptions and heavy workload combined with poor job security and limited prospects for promotion generate high levels of stress and mental ill-health.

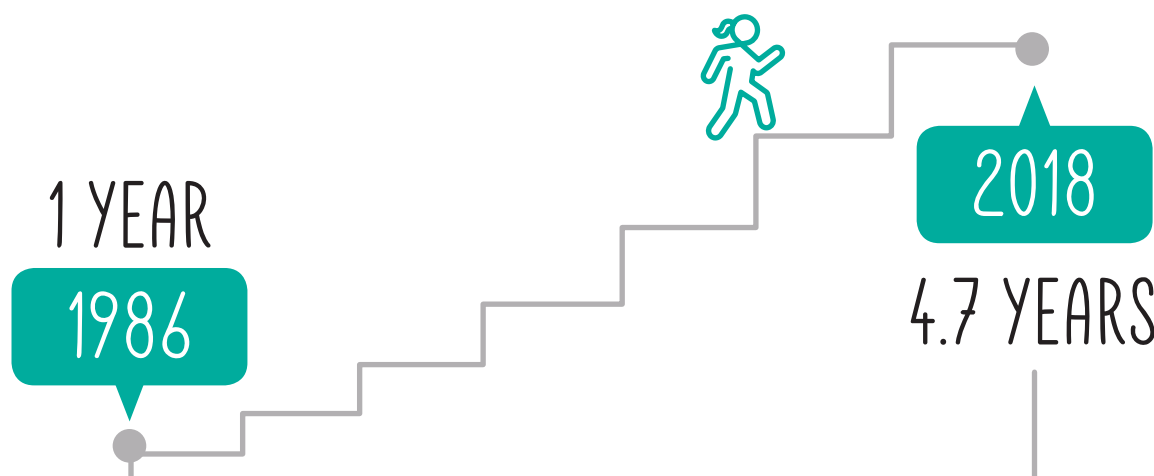
“MOST CALLS [FROM YOUNG WORKERS] WERE RELATED TO DISMISSAL AND REDUNDANCY, PAY AND CONDITIONS, OR WORKPLACE BULLYING.  
(MCDONALD ET AL. 2007)

And yet, too many young Australians face these risk factors in their workplace, while also navigating constantly evolving technology, the threat of automation replacing people, and the increasing global competition for jobs.

Studies have also shown that young Australians are in jobs characterised by lower pay than adults doing the same job, poor conditions, higher insecurity, higher levels of exploitation and lower quality work, which makes it more difficult to develop skills (McDonald et al. 2007). A review of calls to a government-funded community advice service for young workers, over a period of three years, found that most calls were related to dismissal and redundancy, pay and conditions, or workplace bullying (McDonald et al. 2007).

Around a third (30 per cent) of young people want more work but are unable to find it (i.e. are unemployed or underemployed) (FYA 2015b). For example, it now takes young people an average of 4.7 years to enter full-time work after leaving full-time education (FYA 2015b), with many ‘churning’ through activities for some time before fully participating in the workforce (FYA 2016a; VicHealth & CSIRO 2015).

## TIME TAKEN TO MOVE FROM FULL-TIME EDUCATION TO FULL-TIME WORK



# Work is changing but education is lagging

**In 2015, VicHealth commissioned foresight research outlining future opportunities and challenges for the mental health and wellbeing of young people. The resultant report, Bright Futures, predicts a rapidly changing, globalised, culturally diverse, digitally connected world, requiring successful young people to have social and emotional skills, resilience and adaptability.**

Advances in computing, robotics, artificial intelligence and 3D printing are transforming what, where and how work is carried out (WEF 2016). Over the next decade nearly half of the jobs we know now will be automated (PwC 2015). This will have an impact on lower skilled and entry level work, but some highly sought after job areas are also disappearing (FYA 2015a; VicHealth & CSIRO 2015). For example, the number of legal jobs are already on the decline (WSJ 2016).

Through this disruption there will be an opportunity for many young people to find new occupations, but some may be hampered by an education system that is lagging behind. A startling 65 per cent of today's pre-schoolers will work in jobs that do not exist today (WEF 2016), while around 60 per cent of recent school leavers in Australia are currently enrolled to study in fields where at least two-thirds of the jobs will be affected by automation (FYA 2015a).

Meanwhile, there is a divide between those with access to quality education and those with limited access to education. In 2011/12, Australia had the third highest proportion of over-qualified

workers alongside the tenth highest proportion of underqualified workers in a sample of 24 OECD countries (OECD 2013). The 2012 Programme for International Student Assessment data also showed that over a third of 15-year-old students and two-thirds of Indigenous students did not meet Australian baseline proficiency for key skills, such as financial literacy, problem solving and mathematics.

**“OVER THE NEXT DECADE  
NEARLY HALF OF THE JOBS WE  
KNOW NOW WILL BE AUTOMATED.”**  
(PWC 2015)

To thrive in work in the future, young people will need to be not only highly educated but also in possession of a raft of transferable skills. They will need the ability to compete for work on a global scale and maintain flexibility to navigate job types and careers that are very different from those of their parents. While this may suit some young people, it could lead others to isolation, insecurity and the loss of protections, such as sick leave, holiday pay, maternity leave and superannuation.



65% OF TODAY'S PRESCHOOLERS  
WILL WORK IN JOBS THAT  
DO NOT EXIST TODAY.

# Work and the mental health of young people

**A survey of over 24,000 young Australians found mental health was the number one concern, followed by equity and discrimination (Bullock et al. 2017).**

Consultation with a group of young, multicultural Victorians also reported that young people were worried about the transition between education and work; believed they lacked the skills, networks and experience for work; that parents and elders did not understand the system; and that they faced cultural or religious discrimination in job searches (VMC 2015).



Stress, anxiety and depression are the precursors to more serious mental illness (Kessler et al. 2005 in VicHealth 2015). Stress has been found to have the strongest connection to poor mental health in young people (Bovier et al. 2004), and anxiety and loneliness are on the rise, particularly for those on lower incomes (Bor et al. 2014). Some experiences, such as not fully participating in work or disengagement, have been shown to be directly associated with poor mental health in young Australians (Muir & Powell 2012). The negative effects of unemployment set young people up for a lifetime of disadvantage, poor health and decreased wellbeing (WHO 2012; Nichols et al. 2013; VicHealth & CSIRO 2015).

The costs to the economy are enormous, even if only a small proportion of young people are experiencing poor mental health. Australian modelling has estimated that:

- > mental health conditions cost Australian business over \$12 billion dollars per year from absenteeism, reduced work performance, increased turnover rates and compensation claims (Mental Health Australia & KPMG 2018)
- > mental illness in young Australians aged 12 to 25 years was estimated to cost \$10.6 billion in treatment, social services and lost productivity in 2009 (Access Economics 2009).
- > preventative or early intervention actions for young people at risk of mental ill-health would deliver a return on investment of \$7.90 for every \$1 spent (Mental Health Australia & KPMG 2018).

In working towards improved mental wellbeing and prevention of mental illness, VicHealth advocates for initiatives that increase protective factors.

**“STRESS, ANXIETY AND DEPRESSION ARE THE PRECURSORS TO MORE SERIOUS MENTAL ILLNESS.”**  
(KESSLER ET AL. 2005 IN VICHEALTH 2015)



# The positive effects of building resilience and social connections

**Building resilience is a pivotal focus for VicHealth. Resilience is the ability to cope with or bounce back from adversity. It is a dynamic quality that develops over time through the interaction between people and their environment. Social connections protect our mental health as they can buffer risk factors such as stress.**

In the world of work, young people are likely to have fewer professional networks, less work experience, and limited understanding of what is required across varied jobs pathways.

This suggests that, while larger economic and social policy factors need to be addressed to create jobs and pathways, resilience and social connectedness can be increased by:

> **Building social and emotional skills** in schools, including communication, digital literacy, financial literacy, project management, team work and global enthusiasm (FYA 2015b). A recent examination of 4.2 million job adverts showed these skills are now the most required by Australian employers for entry-level jobs (FYA 2016b).

- > **Building community networks** to give young people social support and help with the transition into work. Networks have been shown to be important for finding and moving around work (Pope 2011). They also provide more opportunity, compensate for less experience and fewer qualifications, and attach people to jobs of longer tenure (Pope 2011). Networks made through formal education or volunteering have been shown to be particularly important for connecting people to career paths, as well as better paid and more stable labour markets (Pope 2011).
- > **Creating healthy workplaces** (for a guide, see Harvey et al. 2014).



# The positive effects of increasing social connections

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## **Evidence that social connections can improve mental wellbeing and mediate the negative effects of unemployment and disadvantage is increasing.**

Social isolation has also been established as a risk factor for both physical and mental illness and can 'seriously accentuate' the mental health problems associated with unemployment (Pope 2011).

The positive effects of social connection were shown in the evaluation of community projects across seven sites in the UK, which found that social connectedness was strongly correlated with subjective wellbeing and was protective of mental health, contributing to positive self-image and self-efficacy (Parsfield et al. 2015).

Interestingly, volunteering has been shown to mediate the negative psychological effects of disadvantage, with volunteers from disadvantaged backgrounds found to have similar levels of psychological wellbeing as educated professionals not involved in volunteering (Pope 2011).

## More information

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This is only a snapshot of the research currently available. You can read more about how work is changing; how young people are in a precarious position in relation to work; young people and mental health; and some proposed solutions in [this annotated bibliography](#).

[References for this overview can be found in a separate document.](#)

This submission was inspired by research undertaken by Jeanette Pope for VicHealth.



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