



First Job to Future Career: Perspectives from Youth and Employers

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Executive summary

This report presents the key findings of the First Job to Future Career: Perspectives from Youth and Employers survey which gathered insights from two distinct groups within AKG's network – young people (15–24 year olds) enrolled in a government employment program, and employers from large and small businesses from a range of industries across Australia.

Undertaken in February 2026, the survey aimed to explore the barriers and opportunities within youth employment, with a secondary focus on underemployment and casual work. The dual perspective of the research gave insightful comparisons between young people and employers.

The findings in this report are intended to inform the Government and employment services sector on the current landscape, identify gaps in service delivery and provide integrated solutions for future program delivery.



Purpose of this paper

The purpose of First Job to Future Career: Perspectives from Youth and Employers is to analyse the state of youth employment in Australia, draw insights from the data collected and AKG's operational experience, and provide practical recommendations for employment service providers, State and Federal Governments and employers.

At AKG, we work with a diverse youth customer base so we are in a unique position to gain a snapshot of the experiences of young people seeking employment and participating in the workforce.

This report also features the employer perspective via a targeted employer survey which collected details of employment practices and employers' opinions and experiences of recruiting young people.

About AKG

AKG delivers high quality employment, health and wellbeing, learning and community services. We work with jobseekers, students, governments and local councils, employers and community organisations.

As one of Australia's largest and most trusted providers of employment services, we support thousands of Australians every year in building the skills, confidence, and opportunities they need to secure sustainable, long-term employment.

We deliver national programs including Workforce Australia, Inclusive Employment Australia, the Remote Australia Employment Service, Transition to Work, NDIS School Leaver Employment Supports and Parent Pathways.

Our qualified allied health and medical professionals provide support, information and advice to people to help manage their health and wellbeing. Through our two Registered Training Organisations we deliver soft skills, a range of vocational training and are leaders in English Language and Literacy.

AKG has over 35 years of experience in creating meaningful change in people's lives.

Key takeaways

Australia's youth employment crisis is being blamed on factors like a lack of motivation, but the truth is a systemic disconnect exists between industry perceptions and the real-world barriers young people face.

Top three perceived barriers to employment for young people:



35%
Transport issues



32%
Mental health

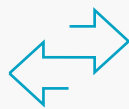


32%
Low self confidence

Employers' top three perceived challenges when employing young people:



62%
Lack of commitment

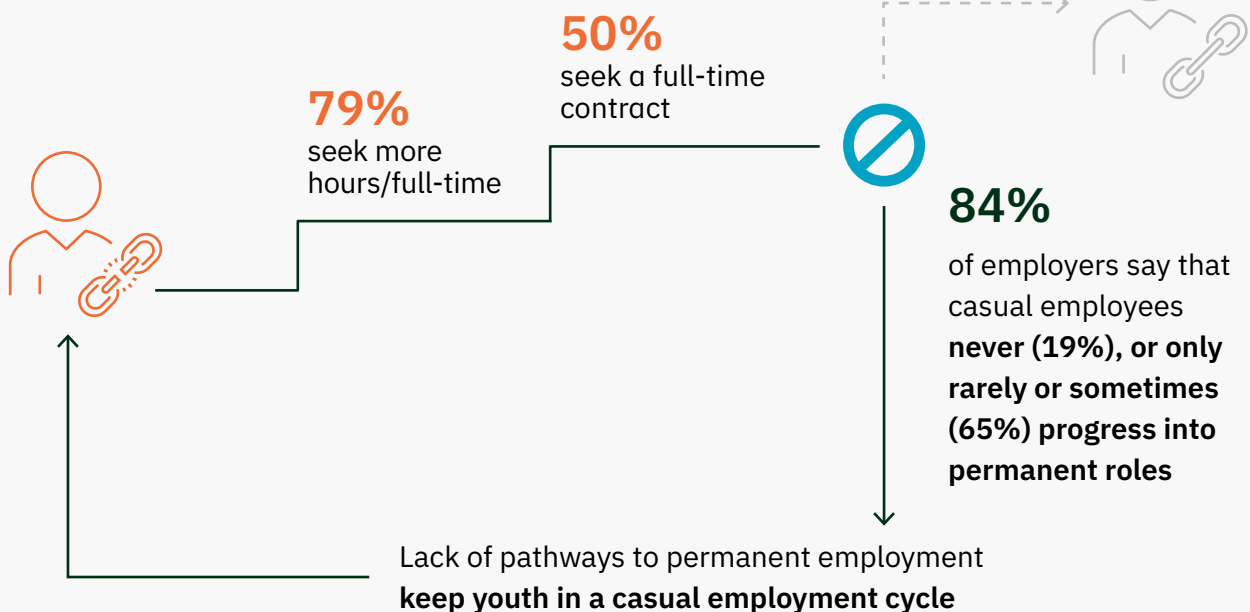


59%
Differing expectations



58%
Lack of experience

Young people see casual work as a **temporary stepping stone**, expected to **lead to stability**

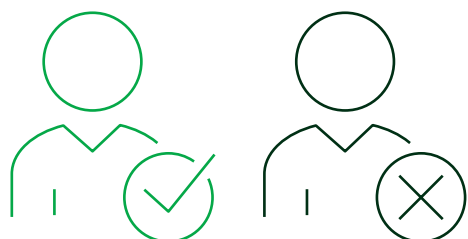


Introduction: The Australian youth employment landscape

The transition from education to meaningful employment is a defining milestone in a young person's life. However, for many young Australians, this pathway is characterised by instability, low confidence and systemic barriers.

In recent years, youth employment in Australia has been characterised by high levels of volatility. Data from 2025 indicates approximately 44% of young people aged 18–24 had experienced a period of unemployment in the previous 12 months [\[2025 Youth Barometer\]](#).

While the broader labour market may show signs of resilience, young workers remain disproportionately vulnerable to economic fluctuations, underemployment, and the rising “casualisation” of the workforce. Casualisation refers to the increasing shift toward employment arrangements where workers have no firm advance commitment to ongoing work or guaranteed hours and lack access to paid leave entitlements (like sick or annual leave), typically receiving a higher hourly “casual loading” in exchange [\[Fair Work Ombudsman, 2025\]](#).



Almost half (44%)

of young people aged 18–24 have experienced unemployment within the previous 12 months.

The economic burden of youth unemployment

The costs of youth unemployment and inactivity extend far beyond the individual, posing significant challenges to the national economy. When young people are unable to enter the workforce, the nation suffers a direct loss in productivity, with productivity levels already at an all-time low [\[Australia's flagging productivity growth\]](#).

This issue is compounded by the cost of youth unemployment and inactivity to State and Federal Governments in providing employment, education and wellbeing services to the affected population. For example, the Youth Allowance for job seekers between 18 and 21 can pay between roughly \$10,900 and \$20,800 per year before tax [\[Services Australia\]](#). Applying that figure to the 44% of affected young people cited above quickly adds up to a significant sum.

Furthermore, a lack of youth employment reduces overall consumer spending and investment, creating a cycle of economic stagnation that in turn affects the youth work opportunity pipeline and hampers Australia's growth.



Social costs and rising inequality

Persistent unemployment is a primary driver of increased inequality in Australian society. Recent research shows that young people who are disengaged from employment, education, or training before age 24 face a significantly higher risk of long-term unemployment and poorer labour-market outcomes later in life [Australian Institute of Family Studies].

For those without family safety nets, unemployment also increases instances of financial distress, food insecurity, and housing instability. In 2025, roughly 85% of young Australians reported experiencing financial hardship, contributing to a pervasive sense of, “...psychological, financial and existential insecurity.” [2025 Youth Barometer].



85%

of young Australians reported experiencing financial hardship.

A crisis of wellbeing

The intersection of employment instability and mental health has emerged as a critical factor in youth disengagement with the workforce.

Many young people cite mental health challenges as a primary barrier to achieving their career aspirations, while the stress of insecure, poorly paid, or misaligned work further exacerbates these issues.

This triggers a destructive cycle: economic insecurity erodes wellbeing, which in turn makes it even harder to secure and keep a job.

In Australia, the need for a coordinated national strategy is clear. Prioritising youth employment is a fundamental requirement for addressing young people’s participation in society, reducing intergenerational inequality, supporting youth mental health and securing the nation’s future prosperity.

The recent Jullian Hill report ‘Rebuilding employment services: Final report on Workforce Australia employment services’, highlighted that the current system is not working for jobseekers, especially young people. Key points made in the report, related to it being compliance-heavy, fragmented, and that many people only get jobs, “...against all odds”.

Key structural problems include:

- Over-compliance & “mutual obligations*”
- Poor transition from casual work to sustained employment outcomes
- A fragmented delivery model: there are too many employment providers, many of which are of an inconsistent quality
- A system that isn’t employer-led: there is a weak connection between employment services and actual labour market demand

The Jullian Hill report concludes that the current system is built around policing unemployment, not enabling employment, and importantly that short-term job outcomes do not equal long-term success or sustained employment.

Despite these challenges in the industry, this report identifies a number of impactful opportunities that align with the needs of young people, employers and employment providers. Our findings show a clear and collaborative pathway to youth succeeding in their transition to employment and making a positive contribution to their communities.

* In Australia’s employment services system, mutual obligations refer to the compulsory tasks and activities—such as job searching, attending provider appointments, and participating in training—that individuals must complete to remain eligible for income support payments [Department of Employment and Workplace Relations, 2024].

Survey methodology

The AKG Youth Employment Survey used a dual-perspective, mixed-method approach to analyse the current youth employment landscape through the lens of both job seekers and employer partners. The research was conducted via two distinct online surveys featuring a combination of quantitative and qualitative questions.

Youth survey

The youth-focused survey reached job seekers aged 15–24 currently enrolled in four specific AKG programs: [\[Workforce Australia\]](#), [\[Transition to Work\]](#), [\[NDIS School Leaver Employment Supports \(SLES\)\]](#), and [\[Parent Pathways\]](#).

The age range of 15-24 was selected as it aligns with the Australian Government’s definition of youth, which follows the United Nations definition.

Distributed via email and SMS, the survey achieved 236 responses. It measured employment status, confidence, perceived barriers, underemployment and desired support from employment providers.

The margin of error for this survey is +- 6.19% at a 95% confidence level. This is considered statistically robust for an organisational study.

Employer survey

To provide a supply-side perspective, an online survey was emailed to AKG’s employer partners, yielding 149 responses. These partners represented a diverse cross-section of industries across metro, regional and rural Australia.

The questions focused on hiring motivations, positive and negative perceptions of employing youth, and the comparison between types of entry-level roles and youth expectations.

The margin of error for this survey is +-7.93% at a 95% confidence level. This is considered statistically viable for identifying broad trends, major pain points, and industry-wide sentiments.

Methodological integration

By mirroring several questions across both cohorts, like preferred employment types and perceived barriers, the study allows for a direct comparison between youth aspirations and industry requirements.

These survey insights are layered with AKG’s extensive employment program experience, having operated in Australia for over 35 years. The recommendations at the end of this paper have been formulated using survey data alongside previous AKG research reports, national youth employment studies and Australian and global outcome-based models.

This methodology provides AKG with robust data-driven insights that enables us to provide guidance to improve youth employment services and help bridge the divide between youth and employers.

Who we surveyed

The AKG Youth Employment survey included a range of demographic questions to youth cohorts and employers to gain a deeper understanding of the two cohorts and examine how these factors may influence their responses throughout the survey.

Youth

The youth cohort represents a diverse group of individuals primarily based in non-metropolitan areas of Australia.

Age, gender and ethnicity

The majority of participants are aged **18–21 years (56%)**, followed by those aged **22–25 years (36%)**. 8% of the surveyed youth are between 15 and 17 years old.

The group identifies largely as **female (58%)** and **male (37%)**, with **2%** identifying as **non-binary** and **3%** preferring not to disclose.

Of those surveyed, 26% identified as Aboriginal Australian, Torres Strait Islander or South Sea Islander.



Education and employment

When asked about their highest level of education, **63%** have completed secondary school, while **20%** hold an Australian Qualifications Framework (AQF) Certificate III, which is an entry-level qualification, or less. **4%** of participants hold a bachelor's degree or higher.

The majority of the cohort is unemployed and actively looking for work (**56%**). A further **16%** are in casual employment without guaranteed hours, and **12%** are currently students.



63% Secondary School



20% Cert III



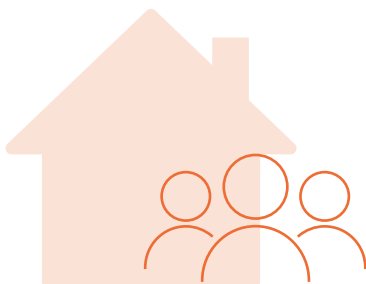
4% Degree

Living situation and location

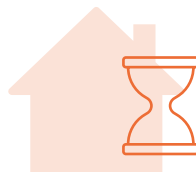
More than half of the respondents (**54%**) live with parents or carers. **18%** are in temporary accommodation, and **12%** live in share houses.

39% live in regional areas around Australia. **32%** of respondents are based in capital city or metro areas. **19%** live in rural areas, and **10%** in remote Australia.

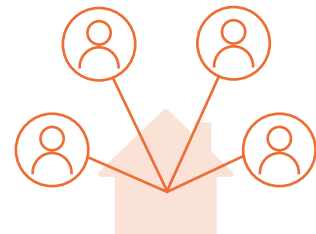
Using the [\[Australian Statistical Geography Standard\]](#), regional relates to 'Inner Regional Australia', rural relates to 'Outer Regional Australia' and remote represents both 'Remote Australia' and 'Very Remote Australia'.



54% Living with parents/carers



18% Temporary accommodation



12% Sharehouse

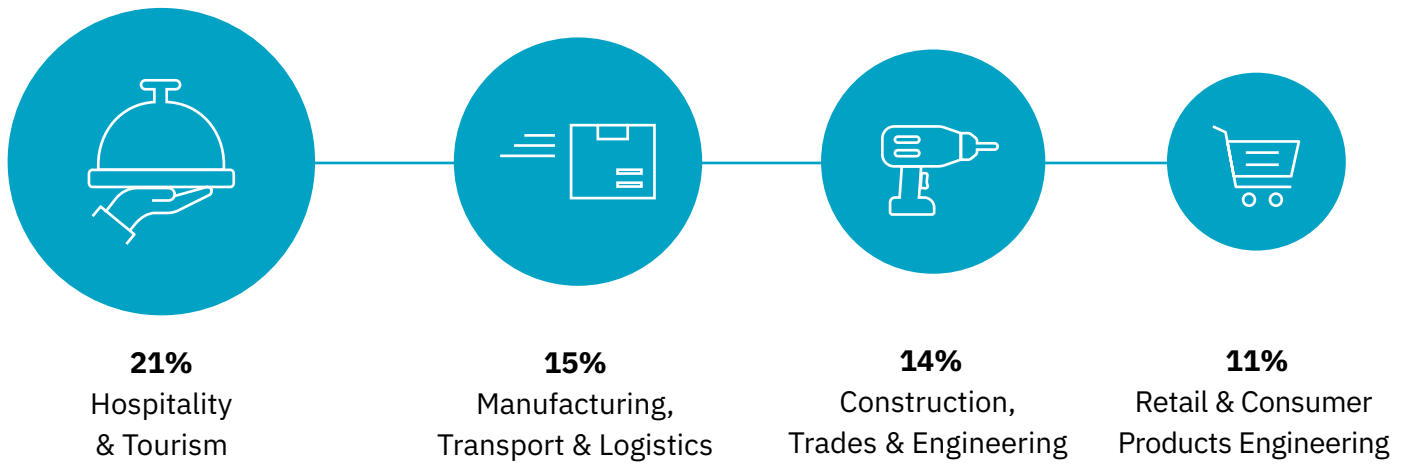
Employers

The study surveyed a range of employers to provide a perspective on the current workforce landscape.

Industry and size

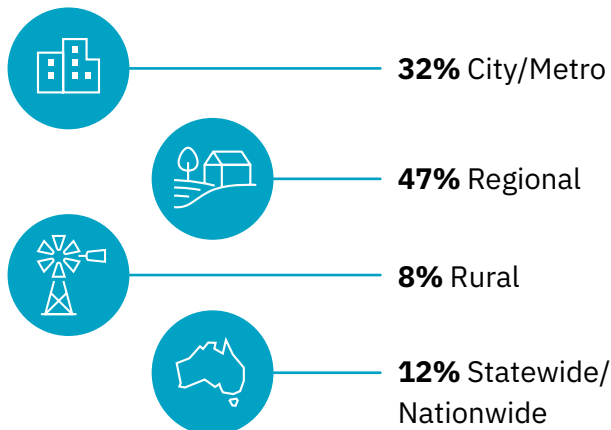
The most represented industries include Hospitality & Tourism (**21%**), Manufacturing, Transport & Logistics (**15%**), Construction, Trades & Engineering (**14%**) and Retail and Consumer Products (**11%**).

39% of respondents represent small (5-15 employees) businesses, and **30%** medium-sized (16-99 employees) businesses. Large businesses (100+ employees) account for **21%** of the participants, while micro-businesses (1-4 employees) make up **10%**.



Location

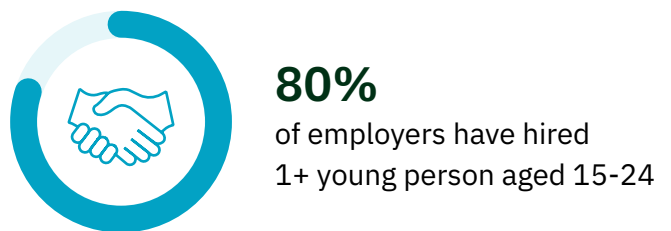
Nearly half of the participating companies are based in regional areas (**47%**), with **32%** in city/metro areas. **8%** operate in rural areas, and **12%** are statewide or nationwide organisations.



Employing youth

80% of organisations surveyed currently employ one or more young person aged 15–24.

16% of employers have hired young people in the past, but do not currently employ any young people. Only **4%** have not hired in the youth demographic before.



Key findings

What are young people’s perceived employment barriers?

When asking young people about their biggest barriers to employment, results highlighted soft and hard barriers preventing them from entering the workforce.



Top 10 youth barriers to employment (ranked)



The most cited barrier was **transport issues (35%)**, including a lack of a driver's license or limited access to reliable public transport.

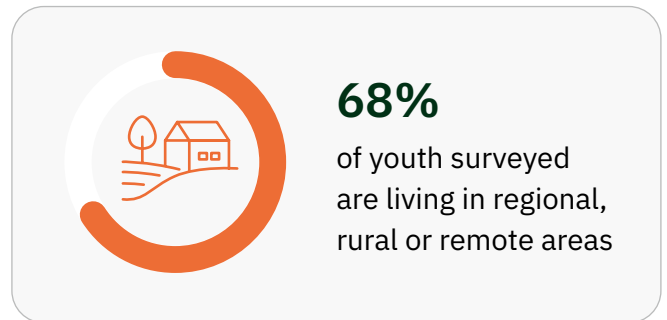
In the 2024 Getting to Work Report [MAX Employment, 2024], 52% of the population surveyed (people enrolled in employment services across Australia) had to quit a job or turn down a job offer due to their inability to commute to the workplace.

With **68% of respondents in this survey living in regional, rural or remote areas**, this barrier is likely location specific, particularly relating to availability of public transport. This highlights the need for localised solutions that address specific employment barriers.

When asked in subsequent questions about parental support, nearly half of respondents stated their parents helped them with transport. Therefore, young people living out of home or with parents who are unable to support with transport are further restricted in their work options.

A driver's license is a sensible solution and easily supported by an employment provider, however access to a vehicle or savings to purchase one is another barrier. A job and consistent income are required to overcome these issues, meaning youth may feel stuck in a negative 'chicken and egg' scenario.

Closely behind transport issues, the next biggest barriers to employment were "struggles with mental health or social isolation" (32%) and "low confidence in myself" (32%).

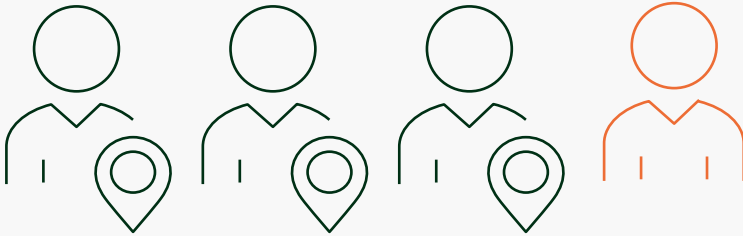


Many young people within AKG's programs have been unemployed for more than 12-months and can be categorised as 'not in education, employment or training' (NEET).

These factors have an enmeshed cause and effect relationship – struggles with mental health and confidence affects their ability to find and gain employment, and being unemployed or lacking purpose/direction affects their wellbeing and self-esteem.



In addition, nearly a fifth of respondents (18%) stated that they were living in temporary accommodation. Unstable housing can directly contribute to a person's mental wellbeing and personal feelings of security.



1 in 4

young people feel there
aren't enough local jobs
available to them



78% do not have much
knowledge of local job
opportunities

A quarter of the respondents feel there simply aren't enough local jobs available to them. This could be a result of the majority living regionally or rurally, with limited access to employing businesses.

However, in a separate question, young people were asked how much they know about the businesses and employment opportunities where they live and **78% responded "not very much" or "some understanding"**. **Only 22% stated that they had researched local opportunities or knew what was available.** Therefore, this could partly be a knowledge gap rather than a hard barrier to employment like no local job opportunities.

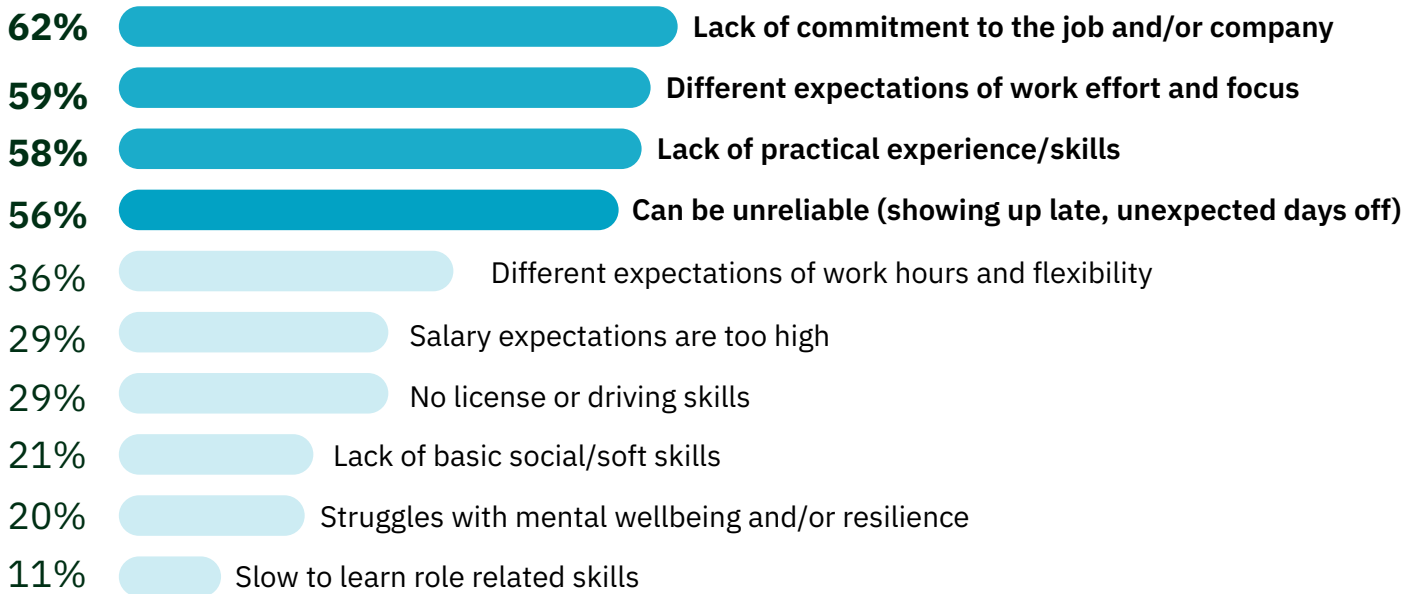
Nearly a quarter of respondents (24%) agreed they would be willing to choose a job or study path in an industry with local employment opportunities. A further **51%** said it would depend on the industry, nature of the job or their ability to do it. This highlights an opportunity for employment services to provide more education around local employment opportunities, industries and roles.

What are employers' experiences of recruiting young people?

Employers were asked about challenges they believed they may encounter when hiring young people. The biggest challenges cited were primarily behavioural and performance based.



What challenges do you think you might encounter when hiring a young person?



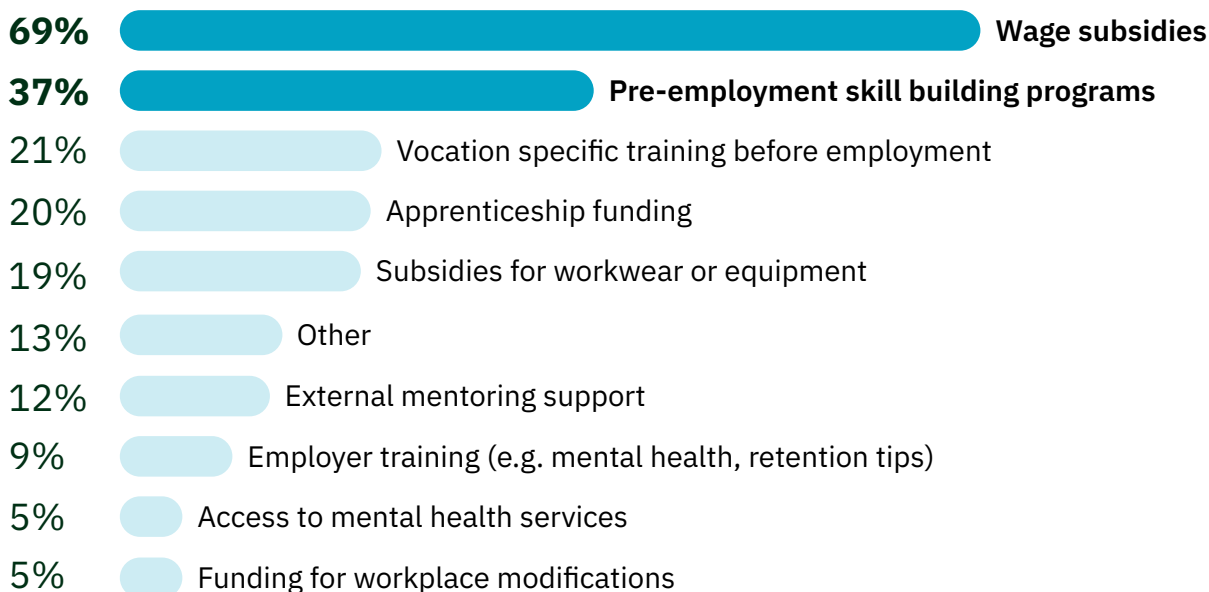
The most prominent concerns were a **lack of commitment to the job or company (62%)**, **differing expectations of work effort and focus (59%)**, **a lack of practical experience (58%)** and reliability (being on time and working rostered days/hours) (56%).

Employers also identified the skills they believe young job seekers most need to improve on. The top three were time management and reliability, communications skills and professional behaviour.

Comparing these insights with the youth survey, low confidence and mental health challenges could directly impact their soft skills such as commitment, effort and reliability, which employers identify as lacking in their young employees. Unstable housing may also negatively influence their reliability, particularly if they need to unexpectedly move.

When asked about specific employment incentives, employers ranked **wage subsidies (69%)** and **pre-employment skill building (37%)** as their first and second biggest needs from ten options.

What specific incentives would increase your willingness to employ young people?

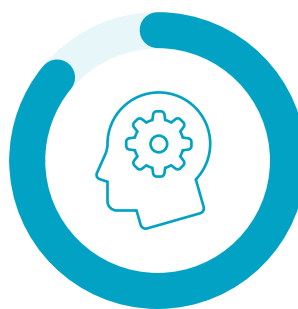


Interestingly, the **ninth ranked incentive selected was access to mental health services**, spotlighting a lack of understanding by employers about young people’s barriers to employment, and how this may affect their contributions to the workforce. A positive outlook from employers was their willingness to train and mentor young employees. The **majority (87%)** offer structured training, mentoring, apprenticeships or traineeships to new employees.

70% of employers also stated that they had a moderate to high capacity to provide formal or informal mentoring and ongoing support to their young employees.

Greater awareness of this willingness to train, mentor and support could positively impact how young people approach their job search and levels of confidence when applying for roles where they have limited or no experience.

Youth identified the skills gap – having the right education, skills or certifications – in their top five barriers to employment. Yet, employers are willing to give the required training and prefer that candidates demonstrate soft skills like a good attitude, commitment, willingness to learn and work ethic.



87% of employers offer training, mentoring, apprenticeships or traineeships.

These insights suggest that if young people understood this information and were supported to develop work readiness skills with their employment provider, self-esteem and confidence could be boosted accordingly, promoting an increase in youth job applications that impress employers, increasing work readiness.

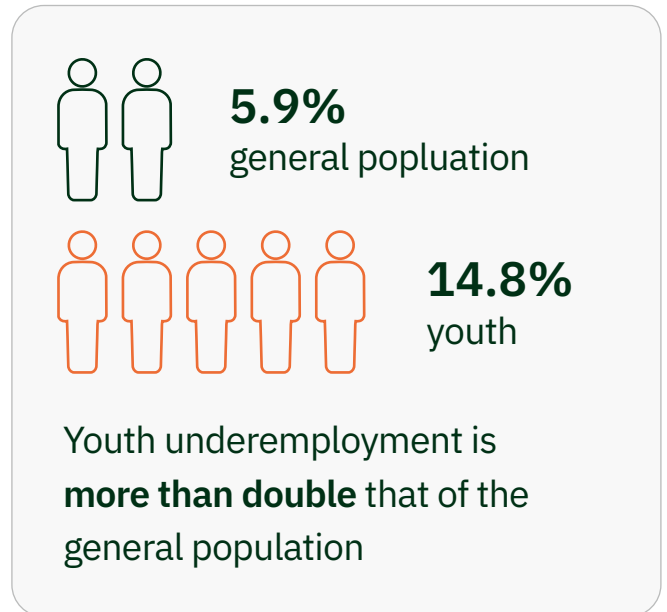
Youth underemployment: the structural mismatch

Underemployment emerged as a critical challenge, identified both within our survey and in supporting recent reports and studies.

Underemployment in Australia can be defined as a form of labour underutilisation where an individual is currently employed but desires and is available to work more hours, primarily affecting casual and part-time employees.

The most recent data from the Australian Bureau of Statistics (ABS) for January 2026 reveals that the youth underemployment rate (ages 15–24) is 14.8%, more than double that of the general population underemployment rate of 5.9%.

In youth-focused research, like the Brotherhood of St. Laurence’s Generation Stalled report, underemployment is further characterised as a ‘precarious’ workforce status where young people are often trapped in casualised roles that fail to provide the financial independence or consistent shifts necessary for, “...a successful transition to adulthood” [[Brotherhood of St Laurence](#)].



In our survey, underemployment revealed itself as one of the most prominent disconnections between young people and employers. Employed young people were largely keen to expand their hours and responsibilities, with a goal towards long-term stability. Employers however, often prioritised casual work for its operational and financial benefits.

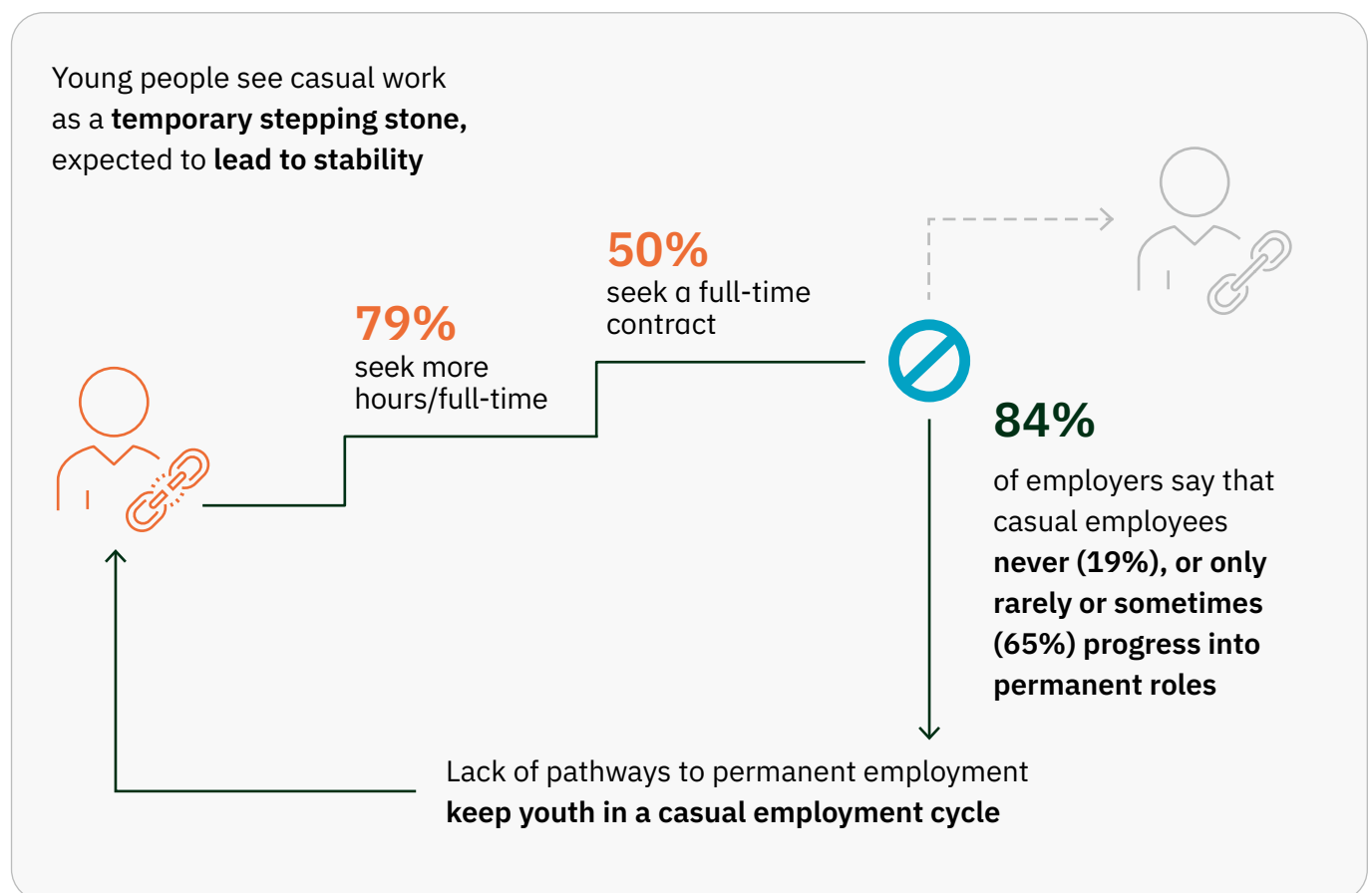


Casual work is seen as a stepping stone, but must translate to full-time employment

For many young people, casual and part-time roles are accepted as necessary entry points to build confidence and experience. Most of the youth we spoke to who were unemployed (76% of the population surveyed) were seeking casual or part-time hours (55%) with another 17% looking for gig work, freelance opportunities or self-employment.

For individuals we surveyed who are already in employment, there was a distinct contrast. 79% of young people currently employed part-time or casually would prefer more hours or a transition to full-time work. 50% of these youth would prefer a full-time contract. This indicates those undertaking casual work may view it as a temporary 'stepping stone' toward more stable employment.

With a primary barrier to employment identified by our survey as 'low confidence in myself', a casual job with lower hours is a way to build both self-confidence and self-efficacy. There is value in casual work, but this can't be a permanent state and a pathway to long-term, sustainable employment is needed.



Case study

A real-world example of this insight is Travis, an individual undertaking AKG's Transition to Work program in Cairns. Through the program he gained employment as a sales assistant at a national clothing brand. In March 2026, he shared that he works 35 hours most weeks, however is only employed casually.

As well as desiring job security and a chance to progress within the business, he also expressed disappointment that he works close to full-time hours with no paid leave allowances. Travis feels undervalued by the business and his casual contract is preventing him from stepping into adulthood fully and moving out of his Dad's home.



Why are youth trapped in casual roles?

There were a number of different factors identified in our youth and employment surveys that influence the prevalence of casual contracts and underemployment within youth employment.

The first is the operational needs of businesses that employ young people connected to AKG. When asked to select their top three reasons for employing young people, respondents were most likely to select:

1. To handle busy periods and changes in workload **(27%)**
2. To keep staffing flexible and manage costs **(24%)**
3. To cover peak times, weekends or short-term needs **(17%)**

Then, when asked to select the top five benefits of hiring young people, employers ranked them as:

1. Being open to upskilling and training **(53%)**
2. Flexible with part-time or casual hours **(43%)**
3. The ability to shape their approach to the role **(35%)**
4. Affordability of lower salaries **(34%)**
5. Bring energy and ambition which positively influences the work culture **(34%)**

Although employers are positive about young people being open to learning and bringing energy and ambition to the team, the stated reasons and benefits for hiring them shows that businesses often see them as a 'quick fix' rather than a long-term strategic investment.



Potential reasons why different demographics land in casual employment

Secondary school was the highest level of education for 63% of respondents and because of this, respondents were often looking for a first step into employment at a lower skilled position. These types of positions are more likely to be casual, and are often in sectors like hospitality, retail or warehousing with large casual workforces.

Of the employers surveyed, 21% were in hospitality and tourism, 15% in manufacturing, trade and logistics, and 11% in retail and consumer products. These sectors typically use casual contracts to adapt to the ebbs and flows of their industries.

The second potential factor behind high levels of casual work and underemployment could be the gap in how employers perceive youth ambition. As stated earlier, 79% of employed young people want to take on more work hours. However, 79% of employers believe their young staff are 'moderately to not at all' interested in more hours. This mismatch and miscommunication can leave young people trapped in underemployment.

These findings must take into consideration the type of businesses and youth cohorts surveyed. As an employment services provider, AKG works with many young people who experience challenges with traditional education, employment pathways, mental health and socio-economic factors.



Trapped in casual work

We asked employers how often young employees transition from casual to permanent roles in their business. 84% of employers say that casual employees never (19%), or only rarely or sometimes (65%) progress into permanent roles.

This leaves many young people trapped in work insecurity, characterised by unpredictable hours and wages, and a lack of access to paid leave.

Over half of the young people we spoke to are still living at home, giving them increased financial flexibility depending on if, and how much, they are contributing to their family household bills.

However, casual hours and fluctuating wages can leave them stuck living at home with not enough financial stability to rent their own place or cover their essential expenses.



84%

of employers **never, rarely or sometimes** transition youth from casual to permanent roles

Are Australian youth uncommitted, or are they not given a chance to commit?

There are pervasive negative perceptions of young people being unreliable or uncommitted to work, but this sentiment did not come through in our youth survey. When asked how long they expected to stay in a job with their next employer, **85% of young people said over a year**, and 47% stated they expect to stay with their employer from two to over five years.

However, it could be questioned whether this would still apply if they knew they would only be offered casual employment for their entire period of employment.



85%

of young people expect to stay with their employer for over a year

45% expect to stay for 2–5 years

These statistics demonstrate that the majority of young people surveyed wanted to commit to one employer for a long period of time. Unfortunately, the nature of their employment doesn't align with this expectation, meaning they may move on to more secure employment faster than expected.

When asked, employer expectations for length of employment does align with young people's expectations. 72% want employees to stay with them between one and five years, with an additional 9% expecting a commitment of over five years. The question is whether employers expect this length of service without the offer of full-time employment. The outcome of this is long-term instability for employees and, as our data has shown, a misalignment in employment preferences.

One employer commented:

“We see a lot of our younger employees want(ing) or demanding full time hours to which we do not always have readily available. This often means they resign or become disengaged.”

Our recommendations

They say it takes a village to raise a child and the same can be said for young people transitioning from school to further education and on to sustainable employment. There needs to be a whole of sector approach.

When looked at in isolation, the responses by youth and employers to our survey questions can be perceived as a list of specific issues with their own solutions. Youth struggling with mental wellbeing and confidence need mentoring and counselling. Employers need work-ready candidates but are willing to mentor young people and are motivated by subsidies.

Each issue or barrier identified has targeted solutions that will be undeniably helpful to individuals within the system.

However, this approach does not acknowledge the overlapping influences, institutions, services, businesses and people who contribute to one young person's journey to independence and sustainable employment. Nor does it consider youth's individual and local requirements.

For this reason, AKG recommends seven building blocks to be considered for future youth program design to deliver a more holistic and integrated solution:

- 1 Redesign the system around pipeline failure, not a 'youth motivation problem'
- 2 Prepare youth for work early with flexible, readiness-focused support
- 3 Deliver more integrated, wrap around services
- 4 Embed mental health and engagement as core design principles
- 5 Close the labour market knowledge and signalling gap
- 6 Embed employer integration and labour market alignment
- 7 Create structured pathways from 'entry-level work' to 'long-term careers'

Key cross-cutting design principles required to bring these recommendations to life are flexibility, an integrated system, employer partnership, localisation, early intervention, and an approach that drives authentic engagement.

The following expands on our seven recommendations.

1

Redesign the system around pipeline failure, not a ‘youth motivation problem’

Key design consideration

Our survey data clearly shows that youth disengagement and unemployment stem from system and pathway failures, not a lack of willingness to work. Catching disengagement early reduces the risk of long-term unemployment and underemployment by addressing barriers before they become entrenched.

Our experience and research also show that young people are not a single cohort, and a “one-size-fits-all” approach cannot work. Programs must be designed around individual readiness, confidence and capability, rather than standardised timelines or compliance-driven metrics.

Building a tailored “runway” to employment, specific to each young person’s circumstances, should be the foundation of all youth employment programs.

Future design considerations

- Reframe policy and program design to recognise youth motivation and long-term intent
- Shift focus from compliance and monitoring to preparation, signalling and progression
- Embed system-level design principles that prioritise sustainable outcomes over short-term placements

Outcome

These considerations recognise that the system must change to benefit young people, with a focus on fixing structural gaps rather than misdiagnosing youth behaviour.

2

Prepare youth for work early with flexible, readiness-focused support

Key design consideration

Intervene before disengagement becomes entrenched, using flexible delivery models.

Early intervention is critical. Our findings highlight the importance of **pre-employment foundations** in building confidence, clarity and employability before job matching occurs. This includes funding essential runway supports that remove common early barriers, such as:

- Access to driver’s licences (e.g. PrepL programs)
- Reliable transport solutions
- Workwear, tools or basic equipment required for entry-level roles

Programs must be flexible enough to tailor pacing, sequencing and intensity based on readiness, not arbitrary timelines. Employment providers should be given sufficient time to build these foundations without pressure for quick placement outcomes or excessive compliance activity.

Future design considerations

- Introduce early intervention programs that build confidence, direction and employability
- Replace rigid, one-size-fits-all models with **flexible, individualised pathways**
- Allow providers to tailor pacing and sequencing based on readiness, not timelines

Outcome

Increased employability and reduced long-term unemployment for youth through stronger early foundations.

3 Deliver more integrated, wraparound services

Survey data strongly supports a whole-of-person, wraparound service model, combining wellbeing, mentoring, flexible pathways and job readiness training tailored to local and personal circumstances.

Effective engagement may include:

- Mental health and wellbeing supports
- Social and peer support
- Confidence and self-esteem building
- Transport and practical assistance
- Clear goals and career direction

Rather than standalone interventions, services must be coordinated as a single, integrated experience that reflects the real-life complexity of young people's barriers to employment.

Future design considerations

Employment outcomes depend on aligned support across multiple services and activities such as health and wellbeing providers, driving schools, local councils and mentoring within employment programs.

Outcome

Holistic support that reflects the real-life complexity of youth barriers.



4 Embed mental health and engagement as core design principles

Key design consideration

Sustained engagement requires authentic, supportive mental health approaches, not transactional services.

Employment providers and employers cannot reasonably act as mental health counsellors or therapists, despite their role in providing safe, supportive environments. Youth employment programs must therefore embed mental health supports and referral pathways **as a core function**, not an optional add-on.

Dedicated funding for professional counselling or therapy should be included and extend through post-placement support where required.

Frontline employment staff should also receive mental health training to better identify risks and support engagement.

A multi-tiered approach is recommended, including:

- Digital self-management tools
- Access to health coaches or case workers
- Clear referral pathways to clinical or specialist services

Outcome

Higher participation, improved wellbeing, and stronger employment outcomes.

5 Close the labour market knowledge and signalling gap

Key design consideration

A lack of awareness, not just jobs, is a key barrier to employment.

A consistent theme across the data is the need for stronger job-readiness and soft-skill development, aligned with employer expectations. Communication, professional behaviour, time management and understanding workplace norms must be embedded more deliberately into youth employment programs.

Young people also need support to better understand:

- Labour market literacy, including local labour markets, employers and industries
- Entry requirements and pathways
- How to effectively signal capability and reliability to employers

Outcome

This combination improves job matching, confidence and longer-term employment outcomes.

6

Embed employer integration and labour market alignment

Key design consideration

Employers must be **active partners in the system**, not just end-users.

Solving youth unemployment requires active employer participation at every stage of the system. Early alignment and partnerships strengthen pipelines to sustainable employment and improve hiring confidence.

Employers identified wage subsidies, apprenticeship funding, and support for workwear and equipment as influential, or necessary, to engaging young workers. These incentives can mitigate perceived risks and enable employers to invest in training and mentoring.

Supporting locally tailored and industry-specific pathways requires:

- Strong industry partnerships
- Deep understanding of local employer ecosystems
- Co-designed training-to-job pathways

Tailored employer engagement should clarify:

- Right-fit candidate profiles
- Required pre-employment skills or certifications
- Training provided post-commencement
- Skills that can be built prior to hiring

Future design considerations

- Co-design programs with employers based on real workforce needs
- Align training and pre-employment preparation with local labour demand
- Provide incentives (wage subsidies, training support) alongside practical employer guidance
- Use providers as intermediaries to bridge expectation gaps

Outcome

Stronger, demand-driven employment pathways and better hiring outcomes.

7

Create structured pathways from ‘entry-level work’ to long-term careers’

Key design consideration

Casual work should be a starting point, not a long-term destination for youth.

Underemployment and misalignment between young people’s preferences and employer needs emerged strongly in the survey data. While casual employment plays an important role, particularly for young people balancing study or those entering the workforce, it should be positioned as **a starting point, not an end point.**

As confidence, skills and career clarity grow, young people typically seek:

- Increased hours
- Greater stability
- Higher-skilled or more secure roles

Youth employment providers must therefore understand both local employers and young employees to facilitate progression-focused matching, supported by ongoing post-placement engagement.

Data also highlights a lack of structured progression pathways from casual to permanent employment. Programs must include:

- Clear advancement pathways
- Access to certifications for skilled roles
- Links to traineeships, apprenticeships and earn-and-learn models

Future design considerations

- Build clear progression pathways from casual to permanent employment
- Link entry-level roles to training, apprenticeships, and career development
- Track progression and stability, not just job placement
- Support communication between employers and youth on hours, expectations and growth

Outcome

Reduced underemployment and stronger long-term workforce participation.

Actions needed to bring these recommendations to life: cross-cutting design principles

These recommendations should be implemented through the following system-wide principles:



Flexibility

Move away from one-size-fits-all models toward tailored, individual pathways



Integration

Align employment, skills, and wellbeing services into a unified system



Employer partnerships

Embed employers throughout the journey, not just at placement



Localisation

Design solutions around local labour markets and community needs



Early intervention

Start preparing youth for employment before unemployment occurs



Authentic engagement

Build trust-based, youth-centred approaches that sustain participation

Conclusion

First Job to Future Career: Perspectives from Youth and Employers highlights a critical need to address the systemic instabilities and barriers that define the transition from school to work for young Australians.

Key themes identified a significant disconnect between youth aspirations and industry perceptions. While young people cite transport issues, mental health, and low confidence as their primary hurdles, employers focus on a perceived lack of commitment and reliability. Furthermore, a profound mismatch in underemployment exists; 79% of employed youth desire more hours, yet 79% of employers mistakenly believe their young staff are uninterested in increasing their workload. Casual-to-permanent career progression was also rare among the employers we spoke to. These factors mean many young people remain trapped in casual roles without clear pathways to permanent employment.

To bridge these gaps, AKG recommends seven building blocks, including redesigning the system around pipeline failures rather than motivation, and providing early intervention with flexible support. Solutions must include embedding mental health services as a core design principle and closing the labour market knowledge gap. This requires prioritising individual readiness over standardised timelines and creating structured pathways from casual entry-level roles to stable careers.

Shaping a prosperous future for youth employment requires a coordinated “whole of sector” approach. Success depends on the active collaboration of State and Federal Governments, employment providers, employers, educators and industry partners to move beyond short-term job outcomes toward sustainable employment and long-term career pathways.





Case study

Helping Wendy get into work

The Transition to Work program is voluntary for youth between 15-24 years and offers a range of support services, education pathways and employment. Program entrants are in the program for 18-months, with no pressure on finding employment quickly. The program has Youth Mentors who work with young people on their timeline and help them to discover the right goals and path for them.

The AKG Transition to Work team have long term partnerships with local employers who invest in nurturing a young person who is lacking job skills and experience.

The young people within the program also do not need to meet the activity or points requirements that are prominent in other employment programs, meaning they can spend time on improving their mental wellbeing or confidence, before taking their next education or employment step. This is supported by the AKG Transition to Work office which, in Cairns for example, has a youth hang-out room, a study room and weekly study club, and regular activities like gardening and art.

Wendy is currently participating in the AKG Transition to Work program, and was referred to the program by Centrelink. She was struggling with her mental wellbeing and had recently worked in a retail job where she was treated poorly by her manager, knocking her confidence.

Wendy's Youth Mentor worked with her to support her mental health, set goals, prepare her resume and connect to employers.

Six months ago, Wendy started working at Evo Burgers serving customers, making coffees and assisting the chef during peak times. Evo Burgers is a long-term employment partner of AKG and is known as a positive workplace that trains and nurtures young people.

Wendy is thriving in this role. Her confidence is shining through, and she loves both the work and the Evo team.

Wendy's only barrier is transport. She lives outside of Cairns and must take a 40-minute bus into the city which doesn't run as frequently as she needs. Her evening shifts finish at 10pm, leaving her catching the bus home late at night.

On a regular check-in call with her Transition to Work Youth Mentor, Wendy mentioned this challenge and her desire to gain her license.

The timing couldn't be more perfect. AKG was hosting a fully funded PrepL course at their youth hub that week. Wendy attended, passed with flying colours and is now working on getting her driving hours up and saving for a car.



Case study

Overcoming barriers through targeted preparation

Oscar is a young job seeker in Melbourne who was facing significant entry-level hurdles to employment. He engaged with AKG through the Workforce Australia program. Oscar's primary barriers included a lack of professional work history, with their experience limited to secondary school placements. He also struggled with his confidence, particularly when it came to interacting with other people.

Pre-employment intervention

To address these challenges, Oscar participated in a variety of AKG's job-readiness programs designed to bridge the gap between school and the workforce:

My Job Workshops: Facilitated by a dedicated Job Coach, these sessions focused on job applications and referrals. The workshops included practice interviews to build Oscar's confidence in social interactions.

Maximise My Career Course: Oscar also completed this intensive five-day vocational program. The curriculum focused on:

- Self-Efficacy: Boosting motivation and professional mindset.
- Technical Literacy: Refining resume writing and tailoring applications.
- Industry Mapping: Identifying transferable skills and aligning personal strengths with suitable sectors.

Celebrating Oscar's employment!

When Oscar's Job Coach saw he was ready for employment, they referred him to a call centre role. In March 2026, Oscar successfully commenced employment as a Customer Service Champion with Probe Operations Pty Ltd.

To ensure a smooth transition into the workforce, AKG provided practical post-placement support, including assistance with transport to and from work, and the completion of role-specific pre-employment training.

Oscar has progressed through his initial training phase with high levels of engagement. A significant milestone was recently achieved when he successfully managed his first "live" call, which he shared his excitement about with his Job Coach.

Oscar is looking forward to his ongoing employment with Probe Operations and the new skills and financial stability the role will provide him.



Case study

Jesse shines in a perfect-fit hospitality role!

Jesse is a 24-year-old young man who lives in the Tablelands region, Far North Queensland. He has a passion for food and hospitality, however struggled to find his footing in the industry. Jesse faced numerous challenges that made it difficult to secure and sustain employment. Diagnosed with a learning disability and being a neurodivergent individual, Jesse needed a role that would fit with his high energy and desire for daily variety in his work.

Jesse sought out support from AKG and the Inclusive Employment Australia program. He was matched with AKG Job Coaches Aisling and Jillian, who recognised his potential immediately.

Aisling worked closely with him to identify his strengths and interests, helping him to set realistic career goals. Together, they crafted a tailored development plan that included skill building workshops, resume writing and mock interviews.

In his personal life, Aisling helped Jesse to gain a fresh start by moving out of his hometown and into his own flat, leaving behind influences that were negatively affecting his wellbeing and self-confidence.

“Aisling’s support has been invaluable” Jesse shared. “She helped me see my own worth and taught me how to convey that to potential employers”.

After months of working towards his goals, Jesse landed a position at as a bar tender and kitchen hand at a local business. His employers have been impressed by his skill set, enthusiasm and willingness to learn.

Jesse’s role not only allows him to apply his technical skills but also offers opportunities for further professional growth. He is now working behind the bar, doing dinner service, has been given stocktake responsibilities and says yes to every odd-job his employer gives him. This type of work aligns perfectly with Jesse’s personality and neurodivergence.

Jesse’s success within the Inclusive Employment Australia program was made possible with the right support and guidance.

Reflecting on Jesse’s journey, Jillian expressed her pride. “Watching Jesse grow and succeed has been incredibly rewarding. I’m confident that he will continue to achieve great things”.

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