

# HOW IS WORK CHANGING?

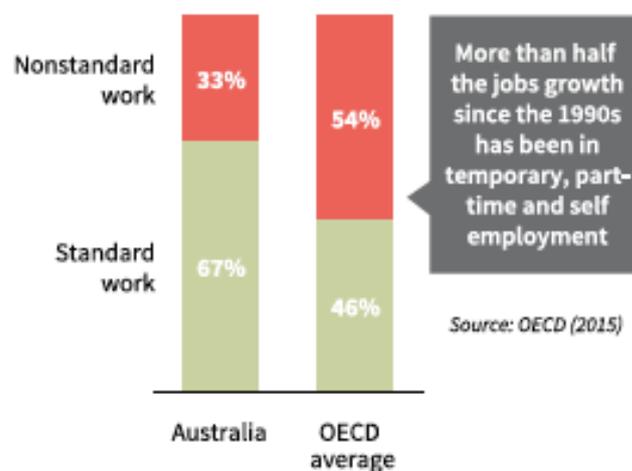
Young people can struggle with challenging pathways into work. Around Australia, nearly one in three young people are currently unemployed or underemployed. On top of this staggering underutilisation of our young talent, around one in seven young people who are not studying have stepped out entirely from the labour force and don't appear in the unemployment figures. For those who are working (and not studying), the work is often part time. More than one in three 15 to 19 year olds (39%) who are not studying and one in four 20 to 24 year olds (26%) are in part-time work. Looking forward, the revolution in work for young Australians will be driven by three economic forces, one of which is detailed here:

## COLLABORATION – MANY JOBS, WITH MANY EMPLOYERS, OFTEN AT THE SAME TIME

When we imagine what a normal worker is, we think of a full-time employee on an indefinite contract. However, this model of work has only been dominant for around 60 years. Now, we are witnessing the rise of the flexible worker. Since the 1990s, nearly 60% of the growth in jobs across developed countries has been in jobs that are temporary, part-time or for self-employed people (see Figure 4). In addition to this, recent survey data suggests that up to 30% of the Australian workforce are participating in flexible work arrangements, where they take a portfolio approach to their working life. This doesn't necessarily mean that the traditional way of working will lead to the 'death of the firm'.

**Fig 4. Most jobs created in the OECD were temporary, part-time and self employment**

% of jobs growth in nonstandard and standard work, 1990 to 2015



For many tasks, firms (companies set up in the traditional style) will remain the most efficient way to organise how work gets done, including the employees who do it. However, as technology lowers the transaction costs and risks associated with finding, verifying and paying for talent, the way a firm does it won't be 'right' for all tasks, and we'll continue to see flexible forms of work on the rise.

Adapted from the "New Work Order" Report with permission from the *Foundation for Young Australians*