



Unlimited Potential launch

Speech by Jan Owen AM, CEO Foundation for Young Australians

Good morning and welcome to the launch of *Unlimited Potential*.

My name is Jan Owen and I'm the CEO of the Foundation for Young Australians. I too would like to acknowledge the traditional owners of the land and pay my respects to their elders both past and present.

I would like to thank two of our major corporate partners, Samsung and NAB, whose generous contributions have made *Unlimited Potential* and this launch possible.

The Foundation for Young Australians is the only national independent foundation dedicated to all young people. We work with young people from every corner of the country to better connect and prepare them for what lies ahead- both in work and life.

This is a significant day. Today we are launching *Unlimited Potential: an online data and information resource on young Australians*. As part of *Unlimited Potential* we are also releasing a report entitled *Renewing Australia's Promise*, which asks this challenging question: Will young Australians be better off than their parents?

Our aim is to start a national conversation about how we can maximise the potential of young Australians, so that we can assure their, and thus Australia's, future prosperity.

Australians have always been optimistic about the future. We have a positive view that the current generation will leave the nation a better place for the next. A central national goal – which is also the overarching goal of youth policy - is to ensure the next generation inherits a better nation than the last.

This is what young people want, of course, but so does each and every parent, aunt, uncle and grandparent, everywhere. It's common ground for all Australians.



We can be proud that this goal has been achieved throughout the course of Australia's history. It is a complex picture of course, but in the main, each generation has inherited a better nation from their parents. This is especially true for the baby boomers.

However our report shows that the prospects of the next generation having a better life than the current generation – the prospects of the so-called Y and Z generations having a better life than the Baby Boomer generation- is looking increasingly unlikely. We face the stark reality that the nation will be worse off for the next generation. That, for the first time in our history, this generation will have failed to secure a better nation for their children than the nation they inherited.

And Young Australians know this. Only 22 per cent of 16 - 24 yr olds in the survey for our *Renewing Australia's Promise* report believed they will have a better life than their parents. To underscore this: almost 80 out of 100 young people in this country don't believe their lives are going to be better than the previous generation.

This perception is distressing. It's appalling that our young people hold such a poor prognosis of their personal futures. Young people have formed this perception out of their lived experience now, as well as a prescient assessment of the future of this country. A few alarming facts illustrate their views:-

- Nearly 30 per cent of our young people in the labour force are unemployed or under-employed. Twenty five percent of young people are not using their university degrees in the workplace. This represents a loss of 790 million hours of economic contribution by Australian young people and \$15.6 billion in lost revenue.
- Young people are currently leaving higher education with an average of \$24,000 in student debt, whereas their parents enjoyed free or very low cost education. This figure could well rise to \$40,000 in the near future.
- Young people earn 6.8 per cent more income than their parents at the same age, but possess dramatically more debt. For example, their parents spent 27 per cent of their income on buying a home, this generation will have to spend 136 per cent of their income on acquiring the great Australian dream.

In the not too distant future, more Australians will be leaving the workforce than are entering it. In 2012, there were more than five working people for every person aged over 65 but by 2042, it's predicted that there will only be 2.5.

At the same time as needing to provide and care for an ageing population (of their parents and grandparents), today's young people will be facing global challenges including growing inequality, adaptation to climate change, sustainability of resources and geopolitical instability.

This is not a youth problem, but rather a national challenge. In every area of life – work, health, education, housing - the challenges facing young Australians today are challenges for Australia's future.



Young people are neither the problem, nor the victims. They are the bellwether of our country's future for it is only when our children and young people flourish that a nation's future is secured.

The Reserve Bank of Australia has identified our young people as one of Australia's key national strengths and assets. We are one of the only OECD countries with a growing, not declining, youth population and by 2050 we will have 50 per cent more young people than today.

This Australian story can, and must, be turned around. At the core of our work at FYA is a belief that young people have the courage, imagination and will to help shape the places they live, to create the lives they desire, and to contribute to our nation and the world in ways we cannot yet imagine.

The simple fact is young people are our country's most vital, untapped resource. It is beholden on us to be ambitious for our young people. It is imperative we are relentlessly optimistic about their capabilities and ability to navigate the future for us all.

We believe the task is clear. We have a small window of opportunity, just five to 10 years to equip and back the next generation.

We have identified four key priorities:

1. We need to educate and equip young people with enterprising skills to thrive in a casualised, unstructured, deinstitutionalised changing work environment to ensure a better match and transition between what schools teach and what the economy and society needs.
2. We need to invest in young Australian business and social entrepreneurship to increase opportunities for young people to become job creators rather than job seekers, and to foster a vibrant culture of innovation and entrepreneurship.
3. We must turbocharge young people's connections with the Asian region, building their 'Asia literacy' meaningful relationships and exchanges throughout the school years and beyond.
4. Finally, we want them to have a fire in the belly, to be passionate about the things they believe in and want to see change. And so we must actively support young people to develop the skills to contribute and back their ideas for our communities across the land.

The Foundation for Young Australians is starting a national conversation to help us put in place a dynamic and forward-thinking set of national policies and initiatives that will build the confidence and capability of Australia's young people.

Young people themselves will be the most powerful contributors. We have a generation of educated, globally connected, outward looking, socially minded young people. And a more culturally diverse generation of young people than ever before.

They have inspiring ideas for a better Australia.



They want to be part of the solution.

They are up for the challenge.

We need governments, business and the broader community to join in.

We need you to join in.

I commend *Unlimited Potential* to you. This online information resource on young Australians will help ensure that we ground our thoughts, policies and actions on facts and evidence, rather than whims or personal fancy. I also commend *Renewing Australia's Promise*, which tackles, in a succinct and readable way, the question: Will young Australians be better off than their parents? By engaging in fierce conversation and undertaking well thought out actions, properly resourced, we, as a nation, will be able to answer that question with a resounding Yes!

May I extend my personal thanks to you for attending this event, and my personal invitation to you to be part of this conversation, and our urgent, collective efforts, to secure Australia's prosperity for decades to come.

Thank you.