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Jobless rate steady at 5.8% in December

Time/date: Signature: ____ **Employment Minister says** youth unemployment 'not new' and 'not much you can change'

Tabled by:

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JOHN McCARTHY, TOM SNOWDEN, TRENTON AKERS, The Courier-Mail January 15, 2016 2:41pm Subscriber only

THE bulk of youth unemployment is due to government policy settings, according to former Treasury economist Gene Tunny.

Mr Tunny said lower skills among the younger demographics was a factor in the high levels of unemployment which have reached 20 per cent in some parts of Queensland.

However, he said a significant part was due to policy settings, like wage rates and penalty rates, that priced young people out of the market.

Employment Minister says youth unemployment 'not new' and 'not much you can change' | The Courier-Mail

"At a minimum, the Productivity Commission's recommendations regarding the alignment of Saturday and Sunday penalty rates should be adopted, which would no doubt boost employment in hospitality, a major employer of young people."

His comments follow claims by employment Minister Grace Grace that there was not much that could be done to solve the issue and that it had been around for decades.

Earlier...

EMPLOYMENT Minister Grace Grace says not much can be done to change crippling youth unemployment figures, despite it being her job to find a solution.

Her comments have outraged mayors in Cairns and Townsville, where youth unemployment remains about 20 per cent for 15-24-year-olds, while Mackay has moved to about 16 per cent since the end of the mining boom.

Ms Grace yesterday said Queensland had created 60,000 jobs in the past year, but had no answers when it came to dealing with youth unemployment.

DOWNTURN: Unemployment hits 19 per cent



Employment and Industrial Relations Minister Grace Grace and Acting Premier Jackie Trad speaking about unemployment figures. Picture: Darren England

"Youth unemployment is always difficult to address. I don't know that there's much you can change structurally," she said. "There's always an issue with youth unemployment. It's not new, it's been around a long time." Townsville Mayor Jenny Hill slammed the comments as "not good enough" and suggested the decentralisation of the public sector as a solution.

"At this stage, for anyone to say what Grace Grace said, that is not the attitude, you've got to go in there, you've got to keep prodding and keep hunting for opportunities, not just for Brisbane, but for the whole state," she said.

Cairns Mayor Bob Manning said Ms Grace's comments were an "admission of failure or not really trying" and opportunities to convert a series of bumper tourism seasons into jobs in the far-north were being squandered.

"It's a bit like if you support a football team and you see them give in after 60 minutes of play when they're 20 points down. That frustrates you doesn't it? This is a bit like that," he said.

The Australian Bureau of Statistics showed Queensland's unemployment dropped further in December to 5.8 per cent, the best performance in two years, while the number of people employed continued to break records.

Ms Grace said that there was no crystal ball to show if the strong employment performance would continue, but there was an energy in the economy.

But the figures also showed Queensland was emerging from five lost years of job creation during which part-time jobs had outpaced full-time employment.