Western Youth Working

A Pathway Blueprint to improve youth engagement and employment in Melbourne's Western Region

YouthNow

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About this publication

This discussion paper was prepared for YouthNow by Markstone Management Consultants with help from Ahead of the Game.

About Youth Now

YouthNow is a not for profit organisation specialising in career and transition services for young people. Established in 1997, we have been providing our expertise to businesses, schools, young people and community groups for 18 years.

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Preface

It is easy to be pessimistic about grave youth disengagement and unemployment levels that now persist in Melbourne's western suburbs in 2015 - it is harder to take action.

YouthNow has a moral imperative to take up this challenge and act to improve the competitiveness of our youth in a deteriorating youth job market. This objective cannot be met without responding to the growing problem of youth disengagement in cohorts aged 10 to 19 and the debilitating health and social impacts that arise from long term unemployment. A complicating factor is the realisation among young jobseekers that vocational training and academic qualifications may not lead to employment outcomes.

In January Youth Now initiated a program named 'Towards 2015 Youth Jobs in 2015' to focus attention on the need to drive more employment outcomes for youth in Melbourne's West. The implementation strategy includes enlisting the support of politicians, councils, other organisations and employers.

A most important task in this jobs campaign has been the need to find new strategies to counter the problems of a lack of entry level jobs and increase the competitiveness of youth jobseekers. The purpose of this document has been to review recent studies, workshop inputs and international experience to identify potential new pathways for young people that can be pilot tested in our region in 2015-2016.

Through collaboration, design and experimentation with new programs YouthNow continues to respond to the growing needs of young people, deepening our level of expertise and understanding to provide a more holistic, effective and strength based service for local youth as we move into the future.

Alan Dash

Chairman

Executive Summary

Introduction

The proportion of young people who are not working, not looking for work and not in full-time study or training continues to rise to record levels in Melbourne's West. Young people in the west also continue to experience higher than average levels of disengagement, unemployment and under employment compared to young people in other areas of Melbourne. This disparity highlights the need to develop and provide more effective support to prevent and address disengagement and help young people to make more successful transitions into work.

The findings of two recent reports, Ruth Morton's *Education and Engagement in Melbourne's West* (May 2014); and Social Ventures Australia Consulting's *Collective Impact Research Project* (November 2014) underscored objective observation that increasing numbers of youth in Melbourne's West are caught in a debilitating paradigm, that could lead to long term personal and broader social problems including criminalisation and radicalisation.

In January 2015 Youth Now determined there was urgent need for the Western region to act on these research findings and emerging trends and take steps to drive a more concerted, coordinated and well-resourced regional effort that could achieve greater scale of outcome and progress for youth than had been achieved in recent years.

YouthNow conducted further research and extensive consultation with councils, service providers and young people, which provided further evidence that traditional approaches to youth transition to employment were meeting with decreasing levels of success.

This report investigates global and local trends and puts forward recommendations that focus on evidenced-based, innovative and holistic service delivery options.

The Issue

The western region of Melbourne compares poorly on measures of youth engagement in education, training and employment, both against the rest of Metropolitan Melbourne and Victoria.

Educational Disengagement
Melbourne's West is unlikely to meet the national target of 90% completion of Year 12 or equivalent by end of 2015. The numbers of 'early school leavers' are dramatic and although they over-estimate the extent of youth disengagement from education they raise important questions about why up to 20% of under-16s are not engaged by school.

- 6% of 15-19 year olds and 13.8% of 20-24 year olds in the Western Region were considered disengaged from education or training.
- 13% of 10 – 19 year olds that is approximately 11,600 were considered disengaged from education or training.
- Approximately 2,600 or 6% of 10-14 year olds in the Western Region were considered disengaged from education and training. The comparison to other regions of Victoria is striking.

Youth Unemployment
High levels of educational disengagement amongst young people, especially those aged 10-14 years, makes it difficult to grow a workforce that is highly skilled and well-prepared for participation in increasingly high-tech industries. Youth in Melbourne's West are at significantly increased risk of higher incidences of unemployment, temporary and casual work, and inactivity compared to other areas of Melbourne.

- In 2011, 24.5% of early school leavers in Melbourne's West were still looking for work after not completing secondary school (or a vocational training equivalent). This number is believed to be around 26% in March 2015.
- In 2011, 57% of 15-19 year olds outside education in Western Melbourne were also considered not in Employment or Training.

This is a particular issue in Melbourne's west where an economy traditionally dominated by trade and industrial output is facing significant change. Local businesses, large and small, need appropriately qualified and educated young people who possess the skills necessary for work in the 21st Century (which increasingly occurs in the digital economy).

Drivers of Youth Disengagement and Unemployment

A perfect storm of global trends and local forces are exerting enormous economic and social pressures on young people in the western region of Melbourne.

Australian living standards now face the greatest threat in a generation, with no signs of strong wage growth, longer unpaid commuting times and a rise in workforce casualisation putting more pressure on middle- and lower-income households.

New Concepts of Work
Four major work concepts are beginning to define the nature of employment in the emerging post-GFC Australian economy:

- **Contingent working** – temporary, part-time or casual employment that offers no job security
- **Zero-hours Contracts** – a formal agreement that requires the employee to be available as and when required
- **Portfolio Working** - deliberately seeking 'multi strands' rather than just one strand to define a career
- **The Technology Driven Future** – the internet of things and technological innovation threatens the existence of many medium skilled jobs.

A Local Workforce in Transition
Continuing decline and closure of major manufacturing firms in Melbourne's west and the downsizing of impacted supply chain businesses will create unemployment and result in substantial reduction in the number of traditional full-time manufacturing employment opportunities. ABS statistical suggest- more residents are engaging in small and micro business activity to such a level that 'sole trading' (0 employees) represents around 65% of all registered business in the West in 2011.

An Ill-equipped Service System
Support service systems are under pressure and not equipped to guide young people through the changes occurring in the west's traditional manufacturing-heavy economy. Changes to funding models at a state and federal level will continue to impact greatly on the ability for services to cope with demand.

Other Drivers for Youth in the West
Social Ventures Australia identified three key drivers for youth disengagement and unemployment in Brimbank and the western suburbs, these were:

1. Limited support to address personal barriers arising from disadvantage
2. Training does not lead to employment
3. Lack of entry level job opportunities

Consultative workshops with service providers and young people undertaken by YouthNow highlighted the need for a regional response to the numerous issues impacting on young people in the west. These consultations also uncovered the desire for technology driven solutions, organised and collaborative networks and youth-led initiatives.

The Impact on Young People

Lack of support in the West for Mental Health issues was a strong message from the two consultative workshops. This view was supported by the recent report released by the National Mental Health Council of Australia on 12 April, 2015. The MHCA report called on the Federal government to urgently address 'an unfolding disaster within Australia's national youth mental health system' that is 'failing vulnerable young people and has become the "McDonalds version of healthcare" where centres have no capacity to respond to the unique needs of their local area'.

Youth from Melbourne's West specifically identified that existing services were inadequate as they did not assist them to manage issues that sometimes included depression, drug taking, indecisiveness, anti-social behaviour and lack of organisation and motivation. Some noted a marked difference between the quality of service provided to youth under the age of 18 and what was available to those over the age of 18. Others noted that some services, including addiction centres, were being provided by social workers not medical doctors and as a consequence poor quality advice was being provided.

Blueprint for Disruptive Innovation: Solutions for the West

The next wave of value generation in the economy of Melbourne's western region is set to come from micro business, a sector traditionally overlooked by the three levels of government.

Melbourne's West could well witness compound growth in micro business registrations of around 4 to 8% per year for several years on end to around 2020. A strong portion of this growth will emanate from young people, who in an effort to avoid conflict with government and improve their economic independence, will take action to create a portfolio of work that includes registration of an ABN as a first step to make their own job.

The challenge for local government will be how to support a much larger base of small and micro business enterprises in a financially sustainable and effective way and to assist new-start-ups. Part of the answer lies in commitment to partnerships to form a local innovation culture, including taking decisive early action to establish local networks of Café style incubators and creating competitive tension between them.

Given the expected wind down and closures of manufacturing companies and their attendant supply chains in Melbourne's West over the next few years to 2018, it is recommended that the six Councils adjust their budgets for Economic Development to lay the foundation for an effective three year program to support the establishment of incubators – particularly for young entrepreneurs.

This report highlights a number of successful models, trends, examples and innovative strategies that could be used to drive a youth jobs economy for the western region of Melbourne.

Rapid Cycle innovation
This term refers to a process of enabling innovators to rapidly define, discover and develop their idea in a short, compressed timeframe of say 3-5 days by working with people who can add value and drive the idea to rapid commercialisation.

Cities Surging Ahead in the Digital Economy
Research confirms that complex economic activities initiated through an entrepreneurial event will lead increasingly to migration from a low economic complexity region to a high economic complexity region in

order to secure access to utilities, product, service, competence and lead customer input. The key to a continued high productivity growth in highly productive cities such as Hartford, Connecticut and Oslo, Norway, rests on fostering more innovation, more collaboration and overcoming issues like efficient transport and affordable housing distributed across the cities.

The New Geography of Jobs

In 2012 American economist Enrico Moretti made a case for government support of individual mobility and locations that fostered innovation and entrepreneurialism. He outlined three distinct types of cities - innovative, well educated, entrepreneurial cities; dying manufacturing hubs; and cities that could go either way. He provides economic evidence that progressive cities achieve a definite trickle-down effect whereby the creation of one high paying, high tech job will have a job multiplier affect five times that number. Put simply, the well paid innovators have myriad demands in the marketplace – for doctors, hairstylists, lawyers, stockbrokers, party clowns, restaurants – such that their success leads to the forming of high-paying service work.

Transit Oriented Development

A transit-oriented development (TOD) is a mixed use residential and commercial area designed to maximise access to public transport, and often incorporates features to encourage transit ridership. A TOD neighbourhood is typically centred around a railway station, with adjoining tram stops or bus stops, surrounded by relatively high-density development with progressively lower-density development spreading outward from the centre. TOD has shown the potential to generate large numbers of local jobs and benefit low and moderate income communities.

The Next Workplace

A number of significant technological and environmental trends now affect small business and development of new commercial endeavour. In the current economic environment these factors converge to create the need for new forms of workplaces that support emerging entrepreneurs. The Next Workplace concept advocated by former Melbourne Lord Mayor Bill Deveney AO in 2013 predicted a need to be adaptable to local demographics and the availability of facilities provided by councils. The model foresaw a user pays system scaled to relative disadvantage.

Café Style Incubators

Traditional incubator approaches cannot meet the fast paced, more granular needs of thousands of micro business that are evolving in Melbourne's West. International experience suggests that a growing variety of incubators or co-working centres supported by social media has better capacity to meet the diverse needs of a growing, dynamic local micro business sector. Today there is a more diverse range of people who may wish to make use of a co-working centre and/or a companion local social network developed around a network of co-working centres.

Games

Gamification is now established as one of the key tools and engagement approaches emerging in the digital economy. In 1994, ahead of the introduction of the internet, futurists predicted we would see more and more games evolve online to be used with customers and employees. With the advent of universal access to 3G/4G technology in 2008 the games market and application of games in all walks of life has increased dramatically just as predicted. While games could be used as tools to assist jobseekers the challenge will be to ensure these game approaches are meaningful, authentic and operate for conversion into work, fuller engagement and corporate social responsibility.

Recommendations

The following recommendations provide a conceptual framework to bring about a holistic ecosystem that can deliver a different and more engaging service approach to long-term unemployed youth, including ideas for new local programs that lend themselves to pilot testing and the establishment of a viable, sustainable and alternative approach within two years.

The recommendations provide YouthNow with a foundation for dialogue with youth service providers, key regional stakeholders and government to bring about disruptive innovation and improvement in youth engagement and employment outcomes in Melbourne's West:

1. **Regional Job Drive**

Youth unemployment levels in Melbourne's western suburbs are at crisis point. It is in the region's strategic interest to implement a region wide job drive to build awareness and focus effort on improving employment outcomes for youth.

2. **Regional Youth Services Secretariat**

The region needs to establish a secretariat and research entity that can focus on gathering vital youth data and coordinate region-wide collaboration between youth service providers. Through targeted support, the secretariat could assist youth service providers to achieve greater success with grants and program funding submissions. The entity needs to ensure youth program funding allocated by Federal and State government is secured by the West. Greater regional effectiveness can be achieved through scale and an entity that represents the needs of a community of more than 1 million people and 20,000 unemployed youth.

3. **Modern Pathways for Young People**

Governments, educators and service providers need to update the information that is accessible to young people around the future of work. Young people must have access to the latest knowledge and thinking regarding the changing nature of work and effort needs to be placed into providing unemployed youth with strategies and skills to be competitive in the emerging job market and create their own work to improve their economic success. This new approach will succeed by providing a more co-operative, open, stimulating and motivating engagement for youth than they believe they currently experience in the system.

4. **A Network of Regional Incubators**

The region needs to embrace international experience and foster establishment of a network of youth employment incubators through which youth service providers can deliver alternative programs to unemployed youth and disengaged youth.

It is recommended that the YouthNow "SCIENSE" *'Innovation Lab'* model be supported, funded and tested as a superior, radically disruptive model compared to the traditional incubator and 'accelerator' models currently known to government. This model will include the establishment of a *virtual incubator* that communicates, engages and involves the *igeneration* in a trusted on-line collaborative environment on their own terms.

The *Sunshine Centre for Innovation, Employment and Social Enterprise* (SCIENSE) will differ from old paradigm incubators by servicing hundreds and eventually, thousands of youth, with access provided

through apps that allow youth the choice of opting in to programs and collaborations. The model will aspire to be the first of its kind in the burgeoning digital share economy

5. Pre-Training Programs

The SCIENSE Innovation Lab and virtual incubator will provide the new 'Mechanics Institute' framework through which youth service providers can deliver more engaging and disruptive pre-training programs to unemployed youth and disengaged youth.

6. Employer Workshops

There is a need for business consultative workshops in Melbourne's West to develop interest, support and involvement in the proposed new 'employment pathways' program. The workshops would target the participation of a mix of organisations ranging from major employers as well as established, growing and emerging SME/micro business across a variety of industry sectors.

7. Improved Mental Health Support

There is a need for the region to significantly improve mental health services for youth in Melbourne's West. By the admission of youth service providers and youth themselves current methods have failed. The beginnings of a different, disruptive and more responsive approach to youth mental health service provision could be achieved by piloting an embedded Mental Health Unit within the youth incubator, starting with a small targeted group of youth involved in the pre-training courses.

Introduction

YouthNow acknowledges there have been some improvements in participation and attainment in education and training for young people in the western region in recent years; however it also notes that this hasn't resulted in more successful transitions to employment.

The proportion of young people who are not working, not looking for work and not in full-time study or training continues to rise to record levels in Melbourne's West. Young people in the west also continue to experience higher than average levels of disengagement, unemployment and under employment compared to young people in other areas of Melbourne. This disparity highlights the need to develop and provide more effective support to prevent and address disengagement and help young people to make more successful transitions into work.

In December 2014, YouthNow, detected a seismic and negative shift in the nature of the youth labour market in Melbourne's West. This shift was generally characterised by:

- marked decline in entry level job opportunities for youth;
- disadvantaged youth failing to secure employment against adult competition;
- more employers investigating 457 visas to meet skill shortages rather than trained youth;
- increasing disillusion among youth that training does not lead to employment;
- rising levels of youth disengagement from education and training;
- rising levels of fatigue and mental health issues from conflict with the system;
- government defunding of services and programs designed to help youth;
- Lack of coordinated regional activity to address rising evidence of service dysfunction.

YouthNow's concerns for unemployed youth were amplified by receipt of a collective impact research project completed by Social Ventures Australia (SVA) in November 2014 that examined how collaboration between youth service providers could help improve outcomes for youth in Brimbank and the wider region. This report built on valuable insights from a LeadWest review of youth disengagement in the western region undertaken by Dr Ruth Morton in May 2014. The findings of both reports underscored objective observation that increasing numbers of youth in Melbourne's West were caught in a debilitating paradigm, that for them, would threaten to spiral downwards and could lead to long term personal and broader social problems, including the criminalization and radicalisation of youth.

In January 2015 Youth Now determined there was urgent need for the Western region to act on research findings and emerging trends and take steps to drive a more determined regional effort to improve outcomes for local youth. The concept of a *'Towards 2015 youth jobs in 2015'* campaign took shape, with the objective of motivating a concerted, coordinated and well-resourced regional effort that could achieve greater scale of outcome and progress for youth than had been achieved in recent years.

Discussion with councils and youth service providers in the western region quickly gathered in-principle support for improving youth services, however many organisations signaled that capacity to take action was linked to funding and observed that the region was effectively *'stuck'* until uncertainty around Federal and State contracts for service provision and program funding was clarified in April-May 2015.

Following consultation with the region's youth services sector, YouthNow used time available between February and April 2015 to examine potential for disruptive innovation in youth service provision in Melbourne's West to pilot projects that could attract Federal and State funding in 2015-2016.

Given evidence that traditional approaches to youth transition to employment were meeting with decreasing levels of success, YouthNow deemed it necessary to investigate a blueprint for a different service pathway that could help local youth achieve greater chance of success with employment.

The starting point in developing new tools, programs and services was the need to critically review the characteristics of the 'stuck' ecosystem that currently exists to examine why it might be failing. Key regional inputs were research projects undertaken in Melbourne's West in 2014: Ruth Morton's *Education and Engagement in Melbourne's West* (May 2014); and SVA Consulting's *Collective Impact Research Project* (November 2014). These studies were supplemented by ideas, views and opinions gathered from workshops involving regional youth service providers and unemployed young people.

Lastly, the review of local information, for reasons of objectivity, needed to then consider 'abrasive' and 'futurist' ideas, concepts and processes that may be known and/or practiced in other international jurisdictions, but may be largely unknown or not widely applied in Australia.

From this program YouthNow was able to develop for discussion a 'Pathway Blueprint' for a different youth service method in Melbourne's West.

While in many ways Australia is a dynamic, modern and progressive culture, paradoxically, we can also tend to be provincial, conservative and risk averse on social and economic issues. It is this dichotomy that often restrains public debate on contentious issues and delays progress when timely change is needed, placing Australia 'out of sync' compared to other OECD nations. When government is out of phase with the rest of the world, the onus falls on local communities to lead progressive action.

In contemplating the pilot test of a disruptively different pathway to achieve better outcomes for youth, it is acknowledged that the 2015 Federal and State Budgets will have a direct impact on available funds to support a project trial. An advocacy effort will be required to attract funding from these sources.

Finally, given the above considerations, recommendations in this paper focus on achieving local disruptive innovation and on providing a holistic framework for service delivery. Additional work will be required to scope the cost of developing program content, delivery, monitoring and evaluation. While feasibility studies are available for incubators, there is likely a need to invest in the development of a youth specific model.
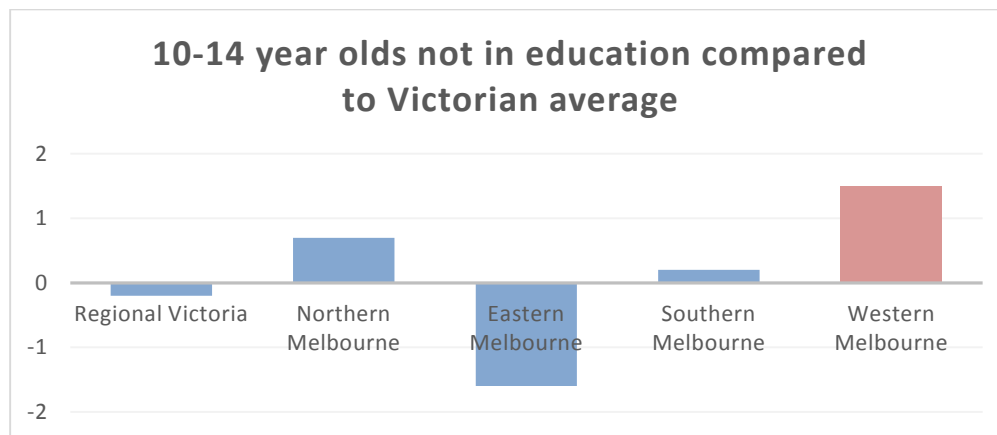
The Issue

The western region of Melbourne compares poorly on measures of youth engagement in education, training and employment, both against the rest of Metropolitan Melbourne and Victoria.

A 2014 report by Dr Ruth Morton, commissioned by LeadWest provided the Western region of Melbourne with an enhanced understanding of the scale and urgency of the issue of early school leavers and a better understanding of the factors that drive youth disengagement. There is an urgent need for a well-coordinated effort across the region to understand and address the causes behind educational disengagement amongst young people, if an unfolding social crisis is to be averted.

Educational Disengagement

Dr Morton's report analysed 2011 ABS Census data and subsequent review by Councils and youth organisations in the West suggest the situation now is much more urgent. The figures on educational attainment suggest that Melbourne's West is unlikely to meet the national target of 90% completion of Year 12 or equivalent by end of 2015. The numbers of 'early school leavers' are dramatic and although they over-estimate the extent of youth disengagement from education they raise important questions about why up to 20% of under-16s are not engaged by school.

- 6% of 15-19 year olds and 13.8% of 20-24 year olds in the Western Region were considered disengaged from education or training.
- 13% of 10 – 19 year olds that is approximately 11,600 were considered disengaged from education or training.
- Approximately 2,600 or 6% of 10-14 year olds in the Western Region were considered disengaged from education and training. The comparison to other regions of Victoria is striking (see chart below).

Chart: 10-14 year olds not in education compared to Victorian average

Youth Unemployment

High levels of educational disengagement amongst young people, especially those aged 10-14 years, makes it difficult to grow a workforce that is highly skilled and well-prepared for participation in increasingly high-tech industries. Youth in Melbourne's West are at significantly increased risk of higher incidences of unemployment, temporary and casual work, and inactivity compared to other areas of Melbourne.

- In 2011, 24.5% of early school leavers in Melbourne's West were still looking for work after not completing secondary school (or a vocational training equivalent). This number is believed to be around 26% in March 2015.
- In 2011, 57% of 15-19 year olds outside education in Western Melbourne were also considered not in Employment or Training. (See chart below).

This is a particular issue in Melbourne's west where an economy traditionally dominated by trade and industrial output is facing significant change. Local businesses, large and small, need appropriately qualified and educated young people who possess the skills necessary for work in the 21st Century (which increasingly occurs in the digital economy).

WESTERN MELBOURNE - OCCUPATION OF 15-19 YEAR OLDS OUTSIDE EDUCATION

Unemployed, looking for full-time or part-time work, 13%

Employed, away from work, 3%

Employed, worked part-time, 16%

Employed, worked full time, 24%
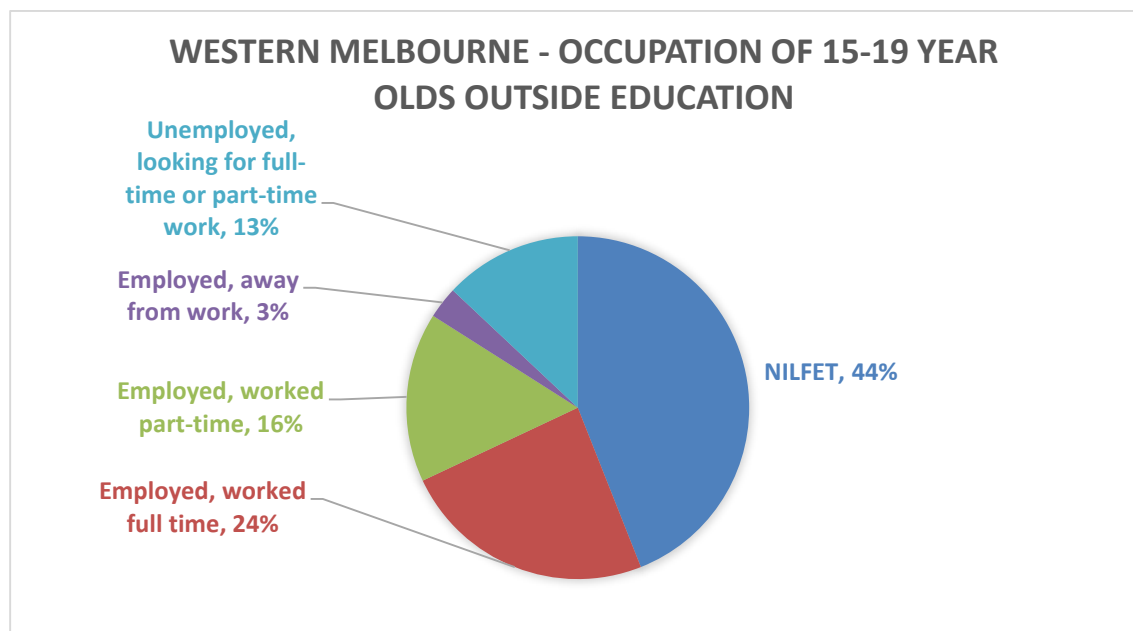
NILFET, 44%

NILFET: Not in Labour Force, Education or Training

Drivers of Youth Disengagement and Unemployment

A perfect storm of global trends and local forces are exerting enormous economic and social pressures on young people in the western region of Melbourne.

Australian living standards now face the greatest threat in a generation, with no signs of strong wage growth, longer unpaid commuting times and a rise in workforce casualisation putting more pressure on middle- and lower-income households.

"Paradise Lost?"[1] a major report by independent think tank Per Capita tabled on 20 April 2015 shows the split of national income between labour and capital continues to worsen in Australia, with wages' share of national income dropping from 65.5 per cent in 1999 to 59.7 per cent in 2012. This trend has occurred at the same time as the bulk of productivity improvements came from labour rather than capital. The report concluded that *'Australia must either reform once again or face a dramatic downwards adjustment in wage levels and living standards.'*

New Concepts of Work

Four major work concepts are beginning to define the nature of employment in the emerging post-GFC Australian economy.

Contingent working

There is no universally agreed definition on what type of working arrangement constitutes *contingent work*, but it is generally considered to be work with at least one of the following characteristics:

- Temporary or without job security
- Part time or casual
- Paid on a piece work basis
- Enabled by the internet

Since 2004 and coinciding with the advent of 3G/4G technology to enable mobile working, there has been growing internationally-based evidence of a major trend toward organisational staffing strategies that place an emphasis on the direct or brokered hiring of workers on strictly temporary, fixed-term or *"contingent"* employment contracts in lieu of contracts that imply an ongoing relationship.

Workers need to remain constantly available, where the timing and frequency is determined by the employer. In many cases the individual worker is now required to provide an ABN and manage their own taxation, superannuation and other obligations.

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[1]"Paradise Lost? The race to maintain Australian living standards" Per Capita, April 2015

Zero-hours Contracts

The emergence of 'Zero-hour employment contracts' in many sectors is characterised by employers asserting they have no obligation to provide work for the employee and that an employee needs to sign an agreement to be available for work as and when required. No particular number of hours or times of work are specified. The employee is expected to be on call and receives payment only for hours worked. Beauty therapists are one example of a class of worker that is subject to this practice.

Young people in particular tend to be exploited by the practice. For young people who need to live independently with responsibility for supporting themselves or a family, zero hour contracts run the risk of unpredictable hours and earnings.

From 1 July 2015, the nature of zero-hour contracting will unfold in the new era of "Earn or Learn". The social impacts of this new environment have yet to be understood.

Portfolio Working

Portfolio working is described as being a situation where an individual deliberately seeks 'multi strands' rather than just one strand to define their career. The practice is growing because:

- People are multi-dimensional and have different skills and interests
- The job for life is no longer possible for most - a portfolio career can be created by design
- More part time jobs are creating a financial shortfall that needs to be supplemented
- The younger generation actively seek more variety than the older generations
- People are now more used to choice
- More people are seeking meaning and purpose, a portfolio career enables people to earn money and give back
- Mixing employment and self-employment reduces the perceived risk of going it alone 100%
- More companies are seeing contracts and projects as a solution without increasing headcount

The Technology Driven Future

Exponential growth of devices, sensors and the internet of things will continue such that by around 2030 (the predicted date of technological singularity); the computing power of all computers will exceed that of the unenhanced human brain, with superhuman artificial intelligence appearing around the same time. Australia lags far behind other advanced nations in contemplating and understanding policy issues and social implications that will arise from the approaching date for technological singularity.

Key Enabling Technologies [KET] are characterised by the fact that they will impact multiple industries and they will form industries in their own right[2]. Based on the European Union definition[3] this group comprises:[4]

- Information and Communication Technologies including Big Data, Big Data Analytics and Internet-of-Things
- Advanced manufacturing technologies including additive manufacturing and robotics
- Industrial biotechnology including microbial consortia engineering and synthetic biology
- Photonics

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[2] 'The Singularity is near' Ray Kurzwell 2005
[3] Larsen et al., 2011
[4] Prof. Göran Roos, Technology Development and the Future of Work (2014) Economic Development Board of South Australia

- Advanced materials including lightweight and ultra-strong materials; materials capable of resisting aggressive environments; surface materials and coatings; electronic and photonic materials; smart, multifunctional devices and structures; biomaterials; and industrial materials.
- Nanotechnology
- Micro- and nano-electronics
- Technology driven production systems including - Individualised Production, virtual, hybrid and self-optimising production systems.

The key challenge for jobseekers in the new economy defined and shaped more by 'the internet of things' will be increasing demand for individuals with all three skill sets:

- Interpersonal skills (collaboration)
- Creative problem solving ability
- Domain expertise

Technology promises to decimate the service industry with computers being able to automate and process many medium skilled jobs. Futurist Goran Roos predicts that not only will the rise of technology and its associated innovations kill any hope of the emerging service economy being a large employer that provides decent salaries; it will also generate a major social problem for societies.

Many countries have in place a policy to increase the number of people with university education, but the universities are currently educating in only one of the three required skill domains. Historically driven "high-status" professions like law and accountancy will rapidly become low-volume employers in tomorrow's world. The few who succeed will be at the top of their class with an innate capability in the domains of creative problem solving and interpersonal skills providing them with a potential to reach the top of their chosen profession.

A Local Workforce in Transition

Major change is set to occur in the nature and structure of employment in the West within 5 years.[5] Continuing decline and closure of major manufacturing firms in Melbourne's west and the downsizing of impacted supply chain businesses will create unemployment and result in substantial reduction in the number of traditional full-time manufacturing employment opportunities. Industry restructure, shut downs and downsizing is predicted to continue to occur through the period 2015-2018 and may directly impact on the employment security of an additional 25, 000 residents in the West.

By 2020, in keeping with international trends (particularly in the USA, UK and Canada); approximately 30% of employed workers living in the West can be expect to become *contingent workers*[6].

This change will greatly impact youth as full-time jobs will become increasingly the preserve of older, experienced workers, leaving youth to secure part-time work and establish themselves in part as self-employed contractors. This scenario is presently at odds with current government policy settings and a cultural investment in the concept of full-time work; it is also at odds with workplace health and safety regulations and employment conditions.

Surveys and questionnaires of jobseekers in the West consistently show that jobseekers, in the absence of any other alternative, are more and more accepting zero-hours contracts and 'sub-contractor' arrangements (working under an ABN) in order to earn a living. More importantly, employers are stepping outside traditional industrial employment practices to hire the cheapest possible labour

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[5] Digital Economy Strategy for Melbourne's North: Markstone Group & Norton Digital 2012
[6] See Contingent Working

On 1 July 2015 the full 'Work-for-the-dole" policy will take effect, impacting most on young people aged from 22 to 30. The impact of this social change has yet to be modelled, however the first change will likely be the redefinition of youth to include people up to the age of 30, as it is entirely likely that youth services support will be needed by the 26-30 year cohort age group in coming years.

The 'earn or learn' requirement for people on benefit will likely have a disproportionately negative impact on the Western suburbs, where it is unlikely that councils and community groups have the capacity to source and create a large volume of ongoing community work of the scale required to engage the large number of young people who are unemployed. Given this scenario it is clear that conflict and friction will arise between people who have an obligation to undertake community work and the inability of communities or government to create the scale of programs and projects needed. It follows from this likelihood that three scenarios may emerge:

- Civil disobedience in respect to the policy where Government itself turns a blind eye in some cases and either deems that minimal involvement is sufficient (less than 25 hours per week), or it chooses not to pursue individuals for lack of compliance given a scenario where limited availability of work for the dole placements makes compliance virtually impossible;
- Individuals will be forced to participate in training for training's sake to give legitimacy to the underlying 'earn or learn' policy, creating an oversupply of trained resources; or
- Jobseekers will avoid conflict with government, 'opt out' and seek employment through different forms of contingent working, including zero-hours contracts, acquiring an ABN and starting up micro business activity to secure income. Lacking networks many of these can be expected to become under employed.

The question of what industry will replace employment loss from industry downsizing in the West is already being largely answered by ABS statistical evidence - more residents are engaging in small and micro business activity to such a level that 'sole trading' (0 employees) represents around 65% of all registered business in the West in 2011.

The West is impacted by converging economic factors beyond the control of Councils; this includes industry downsizing; change to the nature of work; rising contingent working; continuing population growth; increasing access to digital technologies; and changes to unemployment support arrangements. These changes will contribute to dramatic escalation of the number of micro business located in the region by 2020. This growth suggests local government will need to contribute more to local economic development to support a larger base of micro business to maximise local employment, as well as the caliber of local commercial acumen and competitiveness. Almost certainly, based on trends in the USA and Canada, there will be a need to embrace the concept of Transit Oriented Development (TOD) and higher density living within 800 metres of major railway stations.[7]

An Ill-equipped Service System

Support service systems are under pressure and not equipped to guide young people through the changes occurring in the west's traditional manufacturing-heavy economy.

Amid anticipated austerity funding cuts to youth programs and services introduced in the 2014 Federal Budget, including the defunding of Youth Connect and advocacy related services; restructure of contract arrangements with job service agencies (JSAs); and introduction of stronger welfare payment compliance

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[7] Urban Renewal from the removal of level crossings: Moreland and Darebin, 2014

requirements (i.e.: work for the dole), local government and community based organisations were compelled in 2014 to examine local needs to adjust to a different future post 1 July 2015.

The need to review the current situation for youth jobseekers became more apparent when Federal funding cuts cascaded into State government funding cuts to community based youth services, particularly the Workplace Learning Coordinators (WLC) Program and potential loss of funding for the Local Learning Employment Network (LLENs) Program.

Income support

- Stringent income support payment qualification requirements, including frequent testing, potential long periods without support and compulsory Work for the Dole obligations.

Intensive support and careers programs

- National programs and services defunded or reduced funding (Youth Connections, Partnership Brokers, My Future, National Jobs Guide)
- State programs defunded or reduced funding (Koori Transition Officers, LLENs)

VET system

- Young people have been encouraged into university and private RTOs instead of TAFE system
- Review of RTOs will result in dramatic reduction in course options
- Reduction in entitlements to qualifications

Three Key Drivers for Youth in the West

In 2014 the Brimbank Youth Sector Leaders Group (BYSLG) undertook an impact research project on the prospect of achieving greater impact on youth service provision through greater collaboration of effort. BYSLG understood there was a need for a whole-of-community approach to address issues facing young people and to enhance the lives of young people. (including industry, schools, higher education institutions, government and young people as well as youth service providers).Social Ventures Australia (SVA) was appointed as consultants to undertake the Research Project to identify the most effective strategy for addressing youth unemployment and disengagement in the municipality.

Taking Ruth Morton research findings into consideration and undertaking its own consultation and research, SVA identified three primary drivers of disengagement and unemployment in Brimbank, and by extension, in like municipalities in the west.

SVA found through consultation with stakeholders that - for a not insignificant group of young people - disengagement and unemployment are issues that can have a lifelong impact. From consultations SVA developed an 'issues tree' that diagrams key drivers for youth disengagement and unemployment.

SVA identified three key drivers for youth disengagement and unemployment in Brimbank and the western suburbs. The premise from the research is that identifying initiatives that enable service providers to collaborate across the region and respond systemically to these drivers will form the foundation for evolving effective new strategies to address the disengagement and unemployment situation for many young people in the west. SVA also established the youth service provider sector within Brimbank and the wider region was under stress and concluded that a number of political and systemic issues that would impact on the capability, capacity and viability of local youth services beyond 30 June 2015.

Key drivers	Service gap / delivery issues	Systemic issues	Outcomes of drivers
1. Limited support to address personal barriers arising from disadvantage Many young people in the west experiencing disadvantage face multiple personal barriers which can drive disengagement from school. Stretched regional support services that assist at-risk young people stay engaged with school and help plan their careers so they see the benefit of education and employment.	• With the ending of Youth Connections, services have very limited capacity for outreach into schools and homes or case management of young people who are not attending service centres • Services are primarily reactive in supporting young people in crisis rather than focusing on proactive early intervention and prevention	• Short-term funding cycles, competitive tendering and the lack of collaboration amongst services means there is no coordinated response and service duplication. Young people become confused about what services they can access • Young people do not trust service providers and the school system if their needs have not been supported in the past and it is hard to regain their trust	Young people experience low confidence, low expectations and gaps in their learning, driving disengagement from school. This has flow on effects to their aspirations, employability, skill-set and knowledge of different opportunities
2. Training does not lead to employment More young people are commencing and completing further training in the West. However, serious issues within the training system were identified, including quality, relevance of training options and lack of access.	• Due to the deregulation of the training provider market, many training courses do not match job opportunities and many qualifications are not considered to be high quality • There is limited engagement between employers, training providers and schools	• Information around labour market needs takes time to filter into training course provision and school curriculum	Young people are completing 'training for training's sake' and still struggle to enter the job market. The 'earn or learn' agenda may worsen the situation by effectively mandating that youth undertake available training
3. Lack of entry level job opportunities Due to the depressed state of the labour market, there are few entry level jobs available and young people are being squeezed out of the market by older, more experienced workers. Employment services are considered to be failing young people who need the most support.	• Employment services are struggling to place young people in jobs, due to lack of job opportunities and limited incentive, time and skills to provide informal support to help young people address their other issues that need to be resolved before they can be employed	• Economic development and job creation is not within the control of local service organisations, meaning a wider collaborative effort is required	Young people experience long periods of unemployment and inactivity.

Consultative Workshop with Youth Service Providers

In March 2015 Youth Now convened a collaborative workshop for organisations involved in youth training, employment, health and counselling services in Melbourne's West. The workshop considered the issues of youth disengagement and youth unemployment and sought views and inputs on the design of more positive, relevant and effective youth programs for the West.

Core Themes

The collaboration workshop identified several key themes that warrant consideration:

1. Provide young people with incentives and support, mentoring and modelling; let them know they are not alone, build mutual trust and interests;
2. Play on their own turf and interest areas, develop individualised approaches, challenge attitudes, focus on strengths not weaknesses, involve young people in the design of new programs;
3. New tools and experiences are needed to plan and ensure change, need to promote mutual learning, achieve relevance, discover hidden barriers, and provide peer-to-peer facilitation; and
4. Get industry organisations and councils to understand there is a real youth crisis; get LeadWest to set up a youth focused initiative; change industry perception of youth; bring employers on board with new programs, create new partnerships across sectors - especially new industries.

Top Ten Issues

Through consensus the top ten issues that emerged in priority order were:

1. Regional collaboration
2. Politicise the issue
3. Define a couple of pilot projects
4. Use social media and IT in more proactive way
5. Create more productive opportunities for youth and industries to interact
6. Create a culture of enterprise
7. Training for relevant and diverse skills for emerging and existing industries.
8. Research and undertake cost-benefit analysis for investing in young people in jobs.
9. Create space for youth led employment initiatives.
10. Provide financial incentives to employ and remove barriers (i.e.: payroll tax).

Consultative Workshop with Unemployed Youth

The challenge of being accepted for who you are and everyone's capacity to have a voice and express their power; particularly the power of thinking; and doing what you love to do and doing it well figured highly in a workshop with unemployed youth in Melbourne's west. Markedly, there was little commentary on making wealth; the primary focus was to gain forms of employment to sustain a basic level of living. Young people contributed thoughts and input on disruptive local action that could have a positive impact and develop more effective programs.

Key concerns for young people:

- the need for endurance and resilience in job seeking particularly the face of:
  - constantly changing government systems and mindless bureaucracy;
  - significant tightening of welfare obligations that blames the unemployed;
  - entry level jobs for youth are scarce;
- the Catch 22 problem of not having experience or VCE;
- having qualifications (including degrees and post graduate) without experience leave people in the same boat of having to find subsistence work;
- lack of connect between training and a job;
- constantly volunteering with no paid position as the outcome;
- doing course after course with no job to show for it, gaining useless qualifications;
- the lack of job creation initiatives or investment in the West;
- excessively long, tedious application processes that lead nowhere;
- lack of adequate or effective mental health support particularly for those over 18.

Personal challenges

- constant challenge of having to dodge and deal with conflict;
- conflict with bureaucracy – constant need to justify needs;
- being careful of not attract the tall poppy syndrome from peers;
- being mindful of the emotional impact on others when success is achieved
- constant demand to foster motivation and seek alternatives in the face of knock backs.

Positive suggestions for moving forward

- the need for youth centred networks
- learning how to present well and be well informed
- engaging with people to overcome shyness and improve confidence
- finding a relevant mentor to learn from
- entering into areas of interest initially by volunteering
- networking aligned with individual's interests and pathways
- hearing about job opportunities before they're gone
- job creation initiatives that create opportunity at scale
- financial assistance and advice for young people wanting to start a business
- running training and pathway initiatives for disadvantaged youth.

The Impact on Young People

Mental Health

Lack of support in the West for Mental Health issues was a strong message from two workshops undertaken in the region. This view was supported by the recent report released by the National Mental Health Council of Australia on 12 April, 2015.

The MHCA report called on the Federal government to urgently address 'an unfolding disaster within Australia's national youth mental health system' that is 'failing vulnerable young people and has become the "McDonalds version of healthcare" where centres have no capacity to respond to the unique needs of their local area'

Youth from Melbourne's West specifically identified that existing services were inadequate and a 'joke' as they did not assist them to manage issues that sometimes included depression, drug taking, indecisiveness, anti-social behavior and lack of organisation and motivation. Some noted a marked difference between the quality of service provided to youth under the age of 18 and what was available to those over the age of 18. Others noted that some services, including addiction centres, were being provided by social workers not medical doctors and as a consequence poor quality advice was being provided.

Mental Health and Justice System Nexus

In 2010 the British government introduced new procedures for repeat offenders moving through the justice system that involved mandatory testing for latent undiagnosed ADHD. The results have since proven there is a disproportionately high number of individuals with untreated ADHD in the criminal justice System. UK studies among offenders have indicated around 45% of youth screen positive for a childhood history of ADHD, 14% of who have persisting symptoms in adulthood that went untreated. ADHD was the most powerful predictor of violent offending, even above substance misuse. Australia is the only OECD nation that disputes the existence of *through the lifespan* (adult) attention deficit hyperactivity disorder (ADHD). Whereas evidence based science undertaken in other nations has established that a general adult population will be comprised of between 4 to 7 per cent with a predisposition to ADHD.

Compared to other countries, less than 2% of Australian psychiatrists have ever diagnosed and treated an adult to manage ADHD and lack the experience to do so. Professional skill in diagnosing and treating ADHD lies almost solely with pediatricians. In Australia the systemic breakdown occurs when a child turns 18, can no longer be treated by pediatricians and meet psychiatrists who do not believe ADHD exists as an adult condition.

Internationally it is recognised that long-term unemployment, disengagement, lack of motivation, lack of organisation, anti-social behavior, chronic smoking, drug taking, short-term relationships and frequent homelessness are co-morbid indicators to identify undiagnosed through the lifespan ADHD.

Blueprint for Disruptive Innovation: Solutions for the West

The next wave of value generation in the economy of Melbourne's western region is set to come from micro business, a sector traditionally overlooked by the three levels of government.

The challenge for local government will be how to support a much larger base of small and micro business enterprises in a financially sustainable and effective way and to assist new-start-ups. Part of the answer lies in commitment to partnerships to form a local innovation culture, including taking decisive early action to establish local networks of Café style incubators[8] and creating competitive tension between them.[9]

In its 2011 National Report[10], the Australian Centre for Entrepreneurship research concluded:

1. Australia's entrepreneurship rate is second only to the USA among developed countries.
2. We estimate that 10.5 per cent of the Australia adult population was actively engaged in starting and running new businesses in 2011. This equates to 1.48 million early stage entrepreneurs.
3. The vast majority of start-ups in Australia are founded on a desire to take advantage of perceived opportunities. Only one in five new ventures start out of necessity to earn a living

A report by the Reserve Bank of Australia[11]supports this trend noting:

"Small businesses are an important source of innovation in the economy. While ABS data indicate that small businesses are less likely to engage in innovative activity than larger businesses and account for a relatively small share of research and development expenditure, almost 90 per cent of the businesses engaging in innovative activity are small businesses, reflecting that small businesses are much more numerous. According to the OECD (2010), the contribution of small businesses to innovation is increasing as a result of new technologies which make it easier for small businesses to overcome barriers to entry and access larger markets"

The Australian Bureau of Statistics reported in *2010-11:*

- Most business entries (93.5%) continued to occur in the micro business population.
- Growth in micro business population is 8.9% between 2007-2010 including entries and exits.
- Exit rates for non-employing businesses are high at 16.9% (compared to 1-4 at 9.5%, 5-19 at 6.4%, and 20-199 at 4.6%. >200at 4.8%)

Melbourne's West could well witness compound growth in micro business registrations of around 4 to 8% per year for several years on end to around 2020. A strong portion of this growth will emanate from young people, who in an effort to avoid conflict with government and improve their economic independence, will take action to create a portfolio of work that includes registration of an ABN as a first step to make their own job.

There is much commentary within government on the need to foster "innovation" and create new globally competitive "knowledge-based" enterprises to generate new employment. But there is virtually no discourse on how government can or will help to unlock the economic potential of innovation from individuals who are forming micro and small business.

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[8] See definition of Café Style Incubator
[9] Plan to Foster Micro Business Innovation, Collaboration and Success in Melbourne's North. 2013
[10] Global Entrepreneurship Monitor; GEM Australia – 2011 National Report
[11] Small Business: An Economic Overview, Small Business Finance Roundtable, May 2012

The 2013 Victorian Parliamentary Review of Economic Development performance by Local Government identified a need for the sector to place greater focus, resourcing and investment into economic development - but provided little insight, direction or recommendations on how Councils could respond to the rapidly emerging micro business sector.

Scale of numbers, diversity of interest and rapid cycle innovation (see below) are key defining features of the rising micro business sector, particularly those operating within the digital economy. These features challenge the ability and capacity of Council economic development units and traditional business incubator models to render effective assistance.

International experience suggests Café style incubators and co-working centres better allow large numbers of individuals to come together, self-organise and collaborate. They can form the basis of a dynamic innovation culture that can deliver strong economic outcomes.

A sound example of a community based co-working centre pitched at micro business is the Nest Co-working Centre located in Northcote. This is a very capable co-working centre however its development potential is held back by limited capacity to market itself and evolve its business model. The experience of this centre suggests there is a positive and active role Council can take in supporting the development of a local network of Café style co-working centres within their municipalities. Several reasons underscore why Councils need to take an active role in fostering the establishment of a network of Café style co-working incubators in the region, these include:

- Unable to replace major manufacturers and automated logistics requires less people;
- Continuing population growth matched by high levels of unemployment;
- Need for large numbers of youth to enter the workforce;
- Need for older workers to remain in/re-enter the workforce;
- Increasing shift to contingent working;
- Large numbers of residents are engaging in micro business of all forms;
- Changes to dole eligibility impacts 22-30 year olds from July 2015;
- Reduction of family benefits will impact families in low socio economic groups;

Given the expected wind down and closures of manufacturing companies and their attendant supply chains in Melbourne's West over the next few years to 2018, it is recommended that the six Councils adjust their budgets for Economic Development to lay the foundation for an effective three year program to support the establishment of incubators – particularly for young entrepreneurs.

Rapid Cycle innovation

A larger group of residents from all walks of life within Melbourne's West are now prepared to take a risk and get involved with micro and small business activity.

The key to local economic success in the context of this rapidly growing sector is to help minimise risk for these people and to develop their business acumen by fostering a local support network

An appropriate role for Councils would be to help provide a local environment that supports innovation and value generation with opportunity for quick assessment of a business idea, and reward for the best ideas in micro business innovation. This environment will help people to learn quickly from success and failure, reduce their personal risk and minimise the chance of them losing limited financial resources.

In the United States *Rapid Cycle Innovation* is viewed as a key to achieving accelerated economic success in the emerging digital economy and is a method practiced widely in the Silicon Valley.

Rapid Cycle Innovation refers to a process of enabling innovators to rapidly define, discover and develop their idea in a short, compressed timeframe of say 3-5 days by working with people who can add value and drive the idea to rapid commercialisation.

The process aim is to stop people wasting their limited resources on time-consuming process when target buyers may ultimately reject the idea but take many months to do so.[12] People learn from success and failure and a rapid conclusion is less wasteful of the limited resources in a micro business and more effective in moving the innovator forward to a positive commercial outcome.

Rapid Cycle Innovation results in business practices that are markedly different to traditional approaches in Australia. Cities that understand this phenomenon and how to harness outcomes from this new economy are the cities that are surging forward as economic powerhouses.[13]

Providing micro business operators with opportunity for engagement in Café Style collaboration with peers, people with subject matter experience, business experience, mentoring and investors creates the environment through which rapid cycle innovation can be achieved.

The rapid rise of this more dynamic, primarily digital led business culture presents a challenge to the prevailing conservative business culture in Australia. Until recently, the concept that a one or two person micro business could generate more revenue with infinitely less overhead than a medium sized or large business was unknown. This experience is reflected by the reality that government has still yet to adequately respond to the growing micro business phenomenon, a situation is reflected by the following observations:

- Until 2013 Federal and State government had not collected metrics on micro business (companies with one or less employees);
- Government business programs, grants, services and training schemes are pitched at 'small' business with 4 or more employees and remain largely irrelevant to micro business;
- Micro business are usually 'too small' to qualify for government programs;
- Access to programs often require detailed business plans;
- Government decision making is too slow and ponderous;
- Compliance reporting is onerous and demanding for a one person business;
- Local government commitment to buy local rarely happens in practice;

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[12]. In our cultural context this translates to companies applying for government grants then constraining innovation to meet reporting and compliance requirements when government is unlikely to purchase an innovation.
[13] Technological Singularity and the Future of Work: Prof Goran Roos 2014

- Government places high barriers to entry on local contract workers, few micro business or start-ups can justify the cost to comply with the requirements compared to the fees earned.

Micro business owners face similar challenges in the commercial sector, particularly the banking sector where it is virtually impossible to secure any form of meaningful financial support for a start-up or micro business venture. The innate conservatism of the banking sector is such that the reliance on traditional methods such as putting the family home up as security, provision of a detailed business plan, proof of business expertise and or business turn over precludes banks from providing meaningful assistance.

Given this scenario the role of banks is therefore relegated to offering banking services only after a venture is fully formed, 'de-risked' and has established a history of trading. Increasingly, the funding gap at start up stage is being met by the phenomenon of 'micro loans' of small amounts of funding necessary to only reach the next step in the rapid innovation cycle and is a form of funding increasingly being provided by peers or emerging networks of local entrepreneurs willing to invest in a business concept. These funds are likely to emanate from China, India and the USA, which can result in promising intellectual property being quickly taken offshore.

Cities Surging Ahead in the Digital Economy

Research confirms that complex economic activities initiated through an entrepreneurial event will lead increasingly to migration from a low economic complexity region to a high economic complexity region in order to secure access to utilities, product, service, competence and lead customer input.

If migration is combined with agglomeration economic effects where emerging firms[14] that make up agglomerations have higher productivity as well as higher productivity improvements than firms that are not part of any agglomeration,[15] then migration effects and economic effectiveness is further strengthened.

Economic research shows that typical benefits from agglomeration are fourteen percentage points higher value added growth, seven percentage points higher profitability growth and two percentage points higher wages per employee (a proxy for productivity) to the advantage of firms in clusters versus those not in clusters.[16] These proximity benefits are articulated by Döring & Schnellenbach (2006) as offering two broad economic opportunities:

1. formal exchanges of knowledge through market relationships, where proximity allows the establishment of closer ties; and
2. informal exchange of knowledge in social networks of individuals.

Storper called these types of benefits that cannot be achieved without specialisation and close geographic proximity, untraded interdependencies. This explains why there is accelerating growth with associated high productivity jobs in economically complex urban agglomerations in relatively small cities like Hartford, Connecticut (pop 123,000), Bridgeport, Connecticut (pop 144,000) and Olso, Norway (pop 600,000) (see Figure below).[17]

The key to a continued high productivity growth in these cities rests on fostering more innovation, more collaboration and overcoming issues like efficient transport and affordable housing distributed across the cities.

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[14]Noting firm 'size' is measured in terms of turnover not employees: innovative micro business is capable of generating millions without the need to hire many people.
[15]Jaenicke et al.,2009; Garanti & Zvirbule-Berzina, 2013
[16]Extracted from Table 2,page 30 in Sölvell & Williams, 2013)
[17] Technology Development and the Future of Work, Roos 2014

The World's Most Productive Cities

Output Per Capita

Hartford, CT
Oslo, Norway
San Jose, CA
Abu Dhabi, UAE
Bridgeport, CT
Zurich, Switzerland
Washington, DC
Stockholm, Sweden
Boston, MA
San Francisco, CA

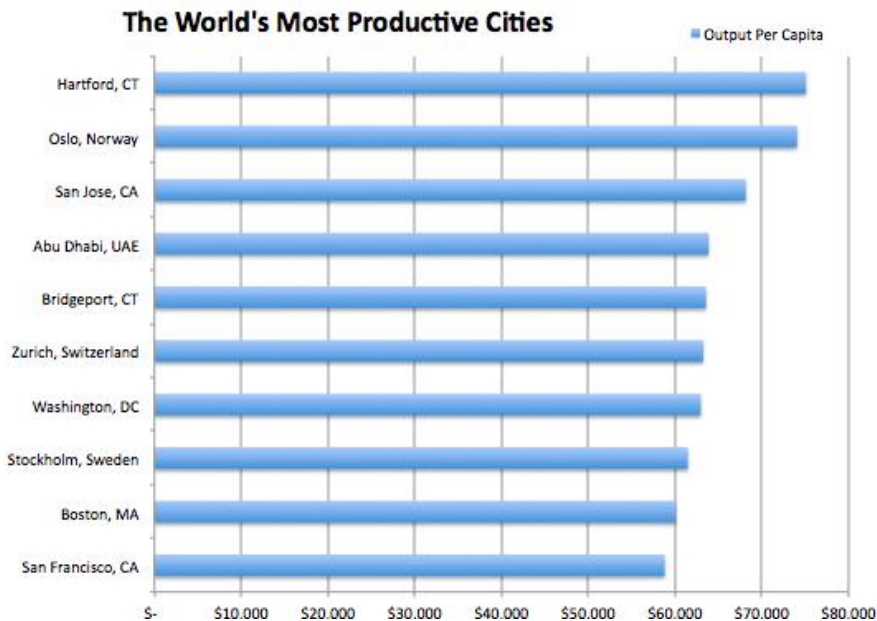$- $10.000 $20.000 $30.000 $40.000 $50.000 $60.000 $70.000 $80.000

Figure 1: The Ten Most Productive Cities in the World (Yglesias, 2012).

The New Geography of Jobs

In 2012 American economist Enrico Moretti made a case for government support of individual mobility and locations that fostered innovation and entrepreneurialism. *The New Geography of Jobs* has since been labelled 'extremely necessary reading for politicians and commentators alike.'

Moretti demonstrates that in the new positive economic evolution, a new geography of jobs is emerging where productive, vital companies focus on innovation and put manufacturing in their proverbial rear view mirror. He debunks the popular concept of the supposed *"death of distance"* and the view that technological enhancements mean it doesn't matter where workers migrate to. Moretti slays this notion with ease given his assertion that *"a company's success depends on more than just the quality of its workers – it also depends on the entire ecosystem that surrounds it."* More to the point, smart, innovative workers like to be around other smart, innovative workers.

Moretti doesn't shy away from the reality that talent disparities result in income inequality and that in the new geography of jobs there are three distinct types of cities:

1. innovative, well educated, entrepreneurial cities;
2. dying manufacturing hubs; and
3. cities that could go either way

He provides economic evidence that progressive cities achieve a definite trickle-down effect whereby the creation of one high paying, high tech job will have a job multiplier affect five times that number. Put simply, the well paid innovators have myriad demands in the marketplace – for doctors, hairstylists, lawyers, stockbrokers, party clowns, restaurants – such that their success leads to the forming of high-paying service work. As Moretti points out, *"in Silicon Valley, high-tech jobs are the cause of local prosperity, and the doctors, lawyers, roof tilers, and yoga teachers are the effect."*

Australia has high labour costs, but consistent with Moretti's observations, around 1/3rd of new venture capital investment in Australia finds its way to Victoria. After that, other locales that Moretti would refer

to as "brain hubs" include Sydney, Brisbane, Perth and Canberra can claim high average salaries, yet investment continues to migrate to where the talent is. Considering Victoria and its much commented on economic woes in manufacturing, Moretti would reminds us that talk about Victoria's looming death is overdone.

The failure of governments to stimulate innovators is "market failure" in Moretti's view and he makes the vital point that many governments and industry groups focus on reviving manufacturing because "in the past, good jobs and high incomes were tied to large-scale production of manufactured goods and factories were the places where economic value was created. But today little value remains in the production of goods that anybody can make."

Lost on many commentators is the fact that around 30% of jobs today emanate from companies and internet enabled industries that simply did not exist 10 to 15 years ago. Since the advent of ubiquitous access to 3G/4G communications platforms in 2008 there has been an explosion of new internet fuelled industry and employment, and the reality is that 30% of our teenagers aged 13 in 2015 will finish their university studies in 2023 and likely find contingent work, full time employment or create their own business in a sector that does not exist today. The challenge in the new geography of jobs is whether we have the dynamism and determination to help our youth shape the future of work.

Transit Oriented Development

A transit-oriented development (TOD) is a mixed use residential and commercial area designed to maximise access to public transport, and often incorporates features to encourage transit ridership. A TOD neighbourhood is typically centred around a railway station, with adjoining tram stops or bus stops, surrounded by relatively high-density development with progressively lower-density development spreading outward from the centre. In Canada and the United States TODs generally have a radius of 400 to 800m[18] from a transit stop, as this is considered to be an appropriate scale for pedestrians, and resolves the *last mile problem*.[19] TOD Developments are now understood to be an economic development boon as they become major generators of local small business and jobs.

TOD has shown the potential to generate large numbers of local jobs and benefit low and moderate income communities by linking to employment centres, create construction and maintenance jobs, and has the potential to encourage investment in areas that have suffered neglect and economic depression for decades.[20]. Policy that led to TOD outcomes at Footscray, Sunshine, St Albans and Werribee could provide much needed job precincts in the region where people can work locally.

The Next Workplace

A number of significant trends now affect small business and development of new commercial endeavour. In the current economic environment these factors converge to create the need for new forms of workplaces that support emerging entrepreneurs:

Micro business trend

A micro business is an enterprise that employs nil or no more than one employee. New technologically enabled micro business enterprises can have an annual turnover between a few thousand dollars per year to many millions. Australia generally classifies micro-business as small business; however until recently

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[18]Erick Guerra and Robert Cervero (Spring 2013). *"Is a Half-Mile Circle the Right Standard for TODs?"*. ACCESS, *University of California, Berkeley*

[19]The term "last mile" is applied in public transport to describe the difficulty of getting people from a transport hub, especially railway stations to their final destination.

[20]Federal Reserve Bank of San Francisco (2010). "Community Investments: Transit-Oriented Development"

collected little or no information on the micro business sector or trends. Government provides little or no meaningful grants or program assistance to micro business owners.

Technology trends

Rapid advancements in technology since 2008 has resulted in faster, more secure, mobile, accessible and affordable platforms and infrastructure and improved capability for monitoring, measurement and evaluation that has enabled significant new growth in e-commerce, particularly through mobility that enables the rise of contingent working.

Environment trends

The spreading urban landscape in Australia is driving up real estate prices and a decline in rural population. In rural communities, small townships are disappearing and giving rise to new urban regional centres. Infrastructure to support travel is struggling to meet demand and our traditional travelling habits have a significant carbon footprint. Travel time to work is increasing causing stress and pressure on work/life[21] particularly when the work may be contingent or zero-hours based in nature.

Next Workplace Model

The Next Workplace concept advocated by former Melbourne Lord Mayor Bill Deveney AO in 2013 predicted a need to be adaptable to local demographics and the availability of facilities provided by councils. With councils as partners The Next Workplace as a not for profit, would employ staff, develop and operate the bases, services, learnings and broker access to government programs. The model foresaw a user pays system scaled to relative disadvantage. In shaping its point of difference with other services, the Next Workplace analysed competitors:

Co-working centres are mostly commercial in nature; largely CBD or inner suburbs based and primarily cater to freelance businesses (58%) in IT and related industries, as well as stand-alone professionals in service industries.

Business Enterprise Centres (BEC) and incubators are more suburban and rural based but are narrow in their focus. Generally they assume a business has reached a certain 'bar' to participate in a service that tends to offer a user pays office facility and mentor program.

Australian Innovation Centres are primarily focused on manufacturing and require an additional proposal to compliment and address the broader environmental factors affecting work.

Teleworking Centres while a focus of discussion from 2010 to 2013 have not been fully embraced by major corporate organisations for a variety of reasons. Suitable facilities that meet OH&S and security standards are not generally available in suburban and regional areas and they often do not have the cultural readiness nor the techniques to manage a more mobile workforce.[22]

Council Business Incubators were established by several councils initially through Federal government funding assistance during the now defunct 1997-2010 Incubator program. Darebin Enterprise Centre Limited (DECL) and the Brunswick Business Incubator are the two best known examples. They focus on providing space, cheap services and access to mentoring and training to business owners with the goal to grow the size and management skill of tenants. All tenant companies are intended to graduate after a period and move out of the incubator. Entry is via interview and the service is more suited to an establish business rather than a start-up business.

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[21] B. Deveney, The Next Workplace, March 2013
[22] The Next Workplace 2013

Café style Incubators

Traditional incubator approaches cannot meet the fast paced, more granular needs of thousands of micro business that are evolving in Melbourne's West. International experience suggests that a growing variety of incubators or co-working centres supported by social media has better capacity to meet the diverse needs of a growing, dynamic local micro business sector. Key features and points of difference of the emerging Café style or Co-working incubator operating model can be described as:

- Ease of joining
- Do not intimidate
- Flexible participation
- Access to people with expansive range of experience, expertise and connections
- A friendly culture in which ideas are openly explored
- Access to a skilled facilitator
- Hot houses of innovation
- Linkage to the business and investor community
- Speed of incubation

Driving principles for consideration of establishing Café style incubators include:

1. New co-working centres are opening up across Melbourne (fewer in the West);
2. Steady job losses in manufacturing contribute to loss of regional competitiveness;
3. The West contains a higher number of employees impacted by industry closures;
4. Increasing numbers of individuals are registering an ABN for work and business purposes;
5. Rapid growth of the contingent working sector in Melbourne and the West;
6. There is a strong body of evidence in the US and UK markets that small cities that invest in fostering innovation incubator models and 'hot house' practice are showing far greater employment growth and economic activity than those who have not been pro-active;
7. The modern cycle of innovation must be fast - traditional incubator models cannot meet rising demand from contingent working/micro business and different models are needed.

Today there is a more diverse range of people who may wish to make use of a co-working centre and/or a companion local social network developed around a network of co-working centres.
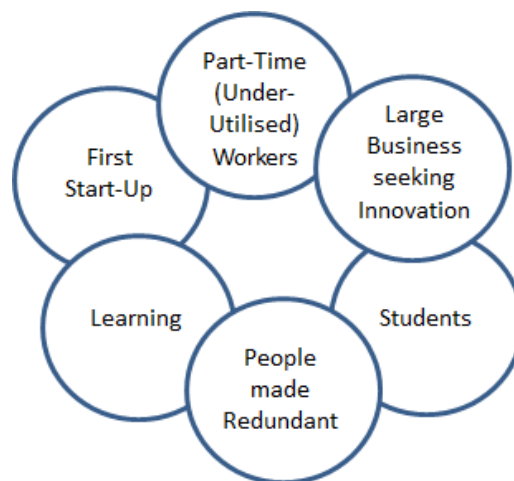
Who Needs Co-Working Space?

Melbourne is seeing the rapid rise of different variants of Café style Co-working centres including:

Co-working Centre	Maker Centre
A collaborative business incubator model that is typically privately owned and operates as a drop in centre environment. It provides a positive environment for the development of innovation and access to small start-up investment.	A variation of the co-working centre that features access to technologies such as 3D printing or green screen assets to enable local innovators to create models and samples of their concepts to accelerate the investment cycle.
Hacker Den	Kitchen Incubator
A Hacker Den is a location in which aspiring and established computer programmers and others involved in software development, including graphic designers, interface designers and project managers can come together to collaborate on software projects.	A model dedicated to early-stage catering, retail and wholesale food businesses. They are increasingly found in places with significant levels of food safety regulation where capital investment in commercial kitchen equipment can be prohibitive for start-ups.
Seed Accelerators	Hot Houses
Seed Accelerators offer fixed-short term, cohort-based programs that include intensive mentoring and educational components and culminate in a pitch event or demo day with potential investors. Accelerators can be privately or publicly funded and aim to capture and commercialise innovation.	Hot Houses are a variation of the Seed Accelerator model that focus on rapidly identifying and spotting the commercial value of an idea or innovation and achieving sales before the start up business is formed with the assistance of a venture capital partner.
Transit Based Co-working Centres	Pop Up Shops
A variation of the co-working centre that specifically places a centre within immediate proximity of a railway station, particularly within a transit oriented development setting. The intent is to meet the need of users who may rely on public transport (trains) to operate as mobile contingent workers as well as participants in entrepreneurial micro business activity. Convenience and easy access are key.	Empty and under-utilised shops are being frequently used as 'pop up' shops by micro businesses from one to two weeks at a time. Locals buy direct from local artists, designers, food makers and other providers. In Victoria the 'pop up' shop phenomenon relies almost exclusively on the personal initiative of individuals to identify suitable locations, source property owners and negotiate access.

Games

Globally we spend 3 billion hours a week as a planet playing videogames. Currently there are more than half a billion people worldwide playing computer and videogames at least an hour a day -- 183 million in the U.S. alone. The younger you are, the more likely you are to be a gamer -- 99% of boys under 18 and 94% of girls under 18 report playing videogames regularly. The average young person racks up 10,000 hours of gaming by the age of 21 (regardless of socio-economic circumstances) -- or 24 hours less than they spend in a classroom for all of secondary school if they have perfect attendance. In the United States more than 5 million gamers spend more than 40 hours a week playing games -- the equivalent of a full time job![23]

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[23]Jane McGonigal, Reality is Broken, 2011

Futurist Jane McGonigal argues that, gamers who prefer tough, challenging games, build up problem-solving resilience -- learn faster from mistakes, and become resilient in the face of failure.[24] She observes that the reason for mass exodus to virtual worlds is that games are increasingly fulfilling genuine human needs. *Reality is Broken*, McGonigal's groundbreaking exploration of the power and future of gaming reveals how we can use the lessons of game design to fix what is wrong with the real world. Her research suggests that gamers are expert problem-solvers and collaborators because they regularly cooperate with other players to overcome daunting virtual challenges.[25]

In *Reality is Broken*, McGonigal reveals how new alternate reality games are already improving the quality of our daily lives, fighting social problems such as depression and obesity, and addressing vital 21st-century challenges including disengagement and unemployment. McGonigal cites a growing base of evidence from university and corporate research that games make us better and can be used to change our world in a positive way. Some key positive message outcomes from games include[26]:

- Games help us tackle obstacles
- Games activate extreme positive emotions
- Games provide very satisfying work
- Games help us overcome failure
- Games strengthen social connection
- Games immerse us in epic efforts
- Games help us participate wholeheartedly wherever and whenever we can
- Games help us seek meaningful rewards for making a better effort
- Games contribute to a sustainable engagement economy

Gamification is now established as one of the key tools and engagement approaches emerging in the digital economy. In 1994, ahead of the introduction of the internet, futurists predicted we would see more and more games evolve online to be used with customers and employees. With the advent of universal access to 3G/4G technology in 2008 the games market and application of games in all walks of life has increased dramatically just as predicted. While games could be used as tools to assist jobseekers the challenge will be to ensure these game approaches are meaningful, authentic and operate for conversion into work, fuller engagement and corporate social responsibility.

Work Portfolio Games

With the introduction of 4G enabled technologies in 2008 and the dramatic rise of mobile contingent working as a consequence, various universities and private organisations have developed game based simulations and planning tools to enable smarter thinking in workforce planning. These games also explore how individuals can construct work portfolios to achieve optimum career and wealth outcomes as well as work/life balance. The games can be applied to assist people to 'game' and plan their interaction with work, contingent working, self-employment and entrepreneurial interests. Many of these tools and advances are either unknown or little used in Australia, or constrained to use within corporate environments.

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[24]ibid
[25]ibid
[26]*Reality is Broken* Jane McGonigal 2011

Conclusions

The review of the literature and outcomes of consultative workshops contributed valuable insight on findings relevant to shaping and developing a different, disruptive approach to current method:

Regional Structures and approaches

- Community based youth service providers in Melbourne's West generally agree that a crisis now exists in terms of lack of funding, structures, resources and relevant programs to tackle growing problems of youth disengagement and long-term unemployment.
- The recent election of the Andrews Government provides scope for the Western Region to enter into discussion with local Members of Parliament on ideas and solutions to address youth disengagement and unemployment issues.
- There is a lack of a coordinated, collaborative and well-resourced network of youth service providers in Melbourne's West to provide a united, systemic and effective approach to youth disengagement and unemployment issues. Youth re-engagement initiatives need to be coordinated and part of a regional strategy
- Mental health services for youth in Melbourne's West are considered by young people and youth service providers to be 'woefully inadequate.' In April 2015 the Mental Health Council of Australia tabled a report that called on the Federal government to urgently address 'an unfolding disaster within Australia's national youth mental health system' that is 'failing vulnerable young people and has become the "McDonalds version of healthcare" where centres have no capacity to respond to the unique needs of their local area'
- Regional strategy development for youth employment initiatives in Melbourne's West is generally the remit of regional economic development structures (LeadWest and WMRDA) with funding support from the State and Local Government, industry and community groups.
- Regional economic development effort is largely focused on infrastructure provision and the attraction of new medium and large scale enterprises and advanced manufacturing - with the view that employment opportunities for youth will trickle down from economic activity.
- The current approach to regional economic development does not contemplate initiatives that could generate mass entry level employment opportunities for unemployed youth. Currently there is little information on where thousands of community based work-for-the-dole places will be generated for the region post 1 July 2015.
- Regional economic development effort places a focus on generating traditional 35 hour a week 'full time' local jobs, whereas international evidence shows that for a majority of workers a mix of 'full time' work, contingent work, casual work and self-employment may become the norm for most workers.
- Current approaches to regional economic development overlook surging growth in the micro business sector, which now accounts for more than 65 to 70% of enterprises in each municipality. Unlike international jurisdictions the Melbourne West region (and the State Government) has yet to formulate a cohesive program of support for micro business or understand the potential of local business working within the global digital economy.
- Traditional business practices applied by Australian companies have become markedly less competitive in the emerging global digital economy. Our innate conservatism and 'zero risk' outlook is a principal cause for slowness and general reluctance to invest in innovation – an attitude diametrically opposite to more sophisticated investment markets and rapid cycle innovation cultures emerging in Canada, the UK and the USA. (Very few companies in Canada, the UK or USA find a need

to leave their country in search of investment and support to commercialise a new product or service – whereas many companies are forced to quit Australia)

- In 2010 the internet was reported as contributing $50 billion or 3.6% of Australia's GDP27 (contrasted to 12% in the UK). The internet industry directly employed 190,000 Australians, and it is estimated that approximately 20% of our current workforce now work in jobs that did not exist prior to the introduction of the internet in 1998. Since the rise of 4G functionality in 2008, futurists estimate that innovation driven by the global digital economy will see as many as 25% of young people aged 15 today working in jobs in 2022 that do not exist today.
- The dynamic nature of the global digital economy is such that companies are likely to have shorter lifespans, meaning constant change will be the norm. Customers will more directly contribute to innovation (i.e. Audi Virtual Lab) and will become the determinants of success.
- Emerging rapid cycle innovation processes increasingly focus on rapid definition of a product, its target customers and seed investment to achieve commercialisation via the digital economy after 90 days incubation. This process places the development of the business plan towards the end of the process, when hard data informs projections – a different approach to Australia where a detailed business plan is traditionally needed prior to investment or action.

Regional Labour Market Issues

- Young people identify that approximately 45% of employers in service industries now seek an ABN from people seeking work with their companies, demonstrating a shift to contingent working.
- Approximately 25% of young people over the age of 18 in Melbourne's West are likely to have an ABN so as to obtain work with some companies in service industries, particularly restaurants, hotels and related activity.
- An increasing number of young people have identified the practice of Zero-hours contracts, where payment is linked only to hours or shifts worked, with no consideration of leave and other entitlements. This trend appears to occur more in the personal services sector.
- Many employers take advantage of youth employment incentive subsidies, and then terminate employment shortly after a subsidy elapses.
- Many employers question the value or relevance of many of the vocational training certificates young people have earned.
- Very few entry level jobs are available to young people and young people are being squeezed out of the market by older, more experienced workers.
- Increasing numbers of employers are examining 457 visas as a way to find employees.

Youth Disengagement from Education and Training

- In 2011, 6% of 15-19 year olds and 13.8% of 20-24 year olds in the Western Region were considered disengaged from education or training.
- In 2011 approximately 4,500 or X% of 10-14 year olds in the Western Region were considered disengaged from education and training.
- Young people's socio-economic and cultural 'inheritance' has significant influence upon their educational achievement, engagement and post-school pathways, often creating narrow horizons.
- Opportunities, via information and personal experiences beyond students' socio-economic and geographical context are crucial to expanding young people's horizons and aspirations both in the short- and long-term.

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[27] Australian Bureau of Statistics: Economic Outlook 2010

- Parental involvement is key to educational engagement and achievement. Barriers to parental involvement include parental fears and uncertainty about what is expected of them, parents' own educational achievement, and parents' own experiences of school.
- Students are more engaged with education where they perceive it as being both relevant and valuable to themselves, both immediately and in terms of their future.
- Student and government / authority perceptions of education are often at a variance, with young people seeing education as a space for identity-development, in contrast to economic and societal aims of authorities.
- Deregulation of the VET system and changes to training entitlements resulted in many young people exhausting their entitlement, being unable to access additional training, and leaving with insufficient qualifications
- Poor quality training providers aggressively marketed to disadvantaged young people, which resulted in more young people receiving sub-standard qualifications

Youth Unemployment

- In 2011, 24.5% of early school leavers in Melbourne's West were still looking for work after ffailure to complete secondary school (or a vocational training equivalent). This number is believed to be around 26% in March 2015.
- Youth in Melbourne's West are at significantly increased risk of higher incidences of unemployment, temporary and casual work, and inactivity compared to other regional areas of Melbourne.
- Lack of successful transition to further education or employment has a significant impact on young people's lives, leading to reduced lifetime opportunities, lower earnings and wealth.
- Young people who experience long term unemployment and inactivity risk increased likelihood of health and mental health issues, long term welfare dependence and increased likelihood of involvement in the criminal justice system or radicalisation.
- For the economy youth unemployment and disengagement translates into reduced levels of GSP and GDP and lower national productivity. Wider social costs can be found in the health system, civic and social engagement, crime and terrorism.
- Many young people in West experiencing disadvantage face multiple personal barriers which can drive disengagement from school and employment.
- Young people are completing 'training for training's sake' and still struggle to enter the job market. Serious issues in the training system have been identified, including quality, relevance of training options and lack of access.
- Employment services are failing young people who need the most support.
- Support services are primarily reactive and geared to support young people in crisis rather than focusing on proactive early intervention and prevention.
- Disadvantaged young people do not trust service providers and the school system if their needs have not been supported in the past, and it is very hard to regain their trust
- Young people from disadvantaged backgrounds looking for work lack the networks, skills and experience to compete
- Recent changes in government policy, reduction of funding and the elimination of programs are likely to result in less support being provided to young people, with a flow on effect to increased levels of disengagement and unemployment.

Recommendations

The following recommendations provide a conceptual framework to bring about a holistic ecosystem that can deliver a different and more engaging service approach to long-term unemployed youth, including ideas for new local programs that lend themselves to pilot testing and the establishment of a viable, sustainable and alternative approach within two years.

The recommendations provide YouthNow with a foundation for dialogue with youth service providers, key regional stakeholders and government to bring about disruptive innovation and improvement in youth engagement and employment outcomes in Melbourne's West:

1. Regional Job Drive

Youth unemployment levels in Melbourne's western suburbs are at crisis point. It is in the region's strategic interest to implement a region wide job drive to build awareness and focus effort on improving employment outcomes for youth.

2. Regional Youth Services Secretariat

The region needs to establish a secretariat and research entity that can focus on gathering vital youth data and coordinate region-wide collaboration between youth service providers. Through targeted support, the secretariat could assist youth service providers to achieve greater success with grants and program funding submissions. The entity needs to ensure youth program funding allocated by Federal and State government is secured by the West. Greater regional effectiveness can be achieved through scale and an entity that represents the needs of a community of more than 1 million people and 20,000 unemployed youth. The secretariat can convey into the corridors of Spring Street and Canberra the message that Melbourne's West is united in its efforts and needs government to back the region over the next five years to determine how more productive local outcomes can be planned, implemented and achieved.

Core focus of the Secretariat

The secretariat would focus on three specific interrelated challenges:

1. encourage disengaged youth aged 10-19 to return to school, training or further study;
2. assist unemployed youth to gain meaningful work outcomes; and
3. improve mental health support for youth to achieve the above.

Establishment of the Secretariat

While mission, structure and resources for the Secretariat will need to be evolved with regional stakeholders, the following foundation principles may need to be considered:

- focus is placed on supporting the design, test and evaluation of disruptive innovation across the region to improve service outcome to disadvantaged unemployed youth.
- a five year initial lifespan to drive measurable change and improved outcomes for the regions long term unemployed youth;
- recurrent annual funding received from the six regional councils;
- matching funding provided by Federal and State government;
- entity may need to be linked to an existing regional structure;
- entity may need to be linked to a university.

3. Modern Pathways for Young People

There is a need to explain to youth that the nature of work has changed already in Melbourne's West and this is a key reason why there is difficulty finding employment. Young people who made the choice to leave school early and have experienced long-term unemployment need to be made aware that traditional full time 35 hour a week jobs are reducing in all sectors of industry – this requires that they shift their thinking to how they can win 'work' with more than one employer and create their own work by harnessing opportunity in the digital economy.

Youth need to understand that lifelong learning is important because stable employment is unlikely to be found in old paradigm industries that are being disrupted by technology and global competition. This extends to understanding that there will be little employment sustainability in retail checkout jobs, fast food jobs, and dozens of other basic jobs that long-term unemployed youth are often channeled to – simply because these jobs are already in the process of being replaced by technology and will not offer viable, sustainable future employment within the current decade. (i.e.: the self-serve systems in supermarkets, hardware stores and McDonalds restaurants) Effort needs to be placed into providing unemployed youth with strategies and skills to be competitive in the emerging job market and create their own work to improve their economic success. This includes awareness of:

a) Future employment choices

As automation increases and the size of companies reduce in the new economy, outsourcing of skills will increase and the number of available full-time jobs will diminish. The future for many young jobseekers may not be as a full-time employee of a single employer. Given this scenario there is a need for young jobseekers to be aware of the range of options they can consider to achieve their financial goals - given welfare dependence is not a career choice:

- continue to seek full-time employment and take advantage of what is available
- aim to build a 'portfolio of work' to reach career and financial goals
- seek part-time/casual work with more than one employer
- Create own work as a sub-contractor/contingent worker
- Create own work as a micro-business entrepreneur

b) The digital economy

Future work opportunity in Australia will be driven and impacted by technology impacts and the global digital economy. Youth need to have the appreciation that the digital economy is giving rise to global digital workforce opportunity and new paradigms through which people can derive an income. This new reality has exploded since 2009 with the rise of the $340 billion 'share' economy, which is still in its infancy and is exemplified by the millions of people of all ages and abilities deriving income in new disruptive ways through apps and innovative websites that connect people together for mutual interest, including:

- e-bay
- Etsy
- Fiverr
- 99 designs
- Uber

c) Tomorrow's Jobs

Young people need be given insight that around 15% of people employed today are in jobs and companies that did not exist prior to 2008. Most of these jobs have been created through access to the digital economy. Futurists predict that by 2020 another 15% or more of Australia's workforce will be employed in jobs and businesses that do not exist today - but will rise out of innovation driven by the digital economy. The disruptive nature of the digital economy is that this work could be created and driven by jobseekers themselves.

d) Three attributes for future employment success

Young people need to have awareness that there are three fundamental personal attributes that can greatly influence the capacity of individuals to be innovative and positively influence their competitiveness and economic benefit from the digital economy:

1. Domain knowledge/personal passion
2. Problem solving and creative thinking skills
3. Collaboration skills and opportunity to collaborate

e) Understanding Innovation

Young people need to be provided with the insight that disruptive innovation is a key driver of new business and employment opportunity in the new economy. Disruptive innovation (a new idea, more effective device or process) occurs in three broad forms (incremental, breakthrough and radical) and is the outcome of a managed process that can be learned by anyone. Today millions of people all over the world from different age groups, educational and economic backgrounds are driving disruptive innovation and creating new economic activity. This is happening every day. Innovation is a process that involves tools that any young person can learn and apply to create their own work and take more control of their own destiny.

This new disruptive program approach to helping youth is founded on three key values:

- Choice
- Trust
- Resilience

The new approach will succeed by providing a more co-operative, open, stimulating and motivating engagement for youth than they believe they currently experience in the system. This approach acknowledges that many of the region's long-term unemployed youth have had disappointing and bitter personal experience of unproductive interaction with 'the system'. Many are aware that they have been 'parked' and left to try and find work on their own initiative.

Hallmarks of a different approach

The program will trial a different approach to interpersonal communication to maximise engagement effectiveness, including:

a) Personal Invitation

A personalised invitation to youth to voluntarily take part in the program. This responds to a consistent theme from youth that they feel they are treated as 'numbers' not people, and the means for training providers to derive profit, rather than quality outcomes for themselves.

b) Choice

The program accepts youth need to choose to engage to help improve their economic situation. Individuals need to give themselves permission to engage with the program and the program is designed to motivate involvement in each step and engage at their own level.

c) Finding a Voice

Developmental steps in program aim to evolve youth confidence to work with peers around common interests and learn to communicate, collaborate and work with peers to work on shared projects related to their personal interest. Staged confidence building will to enable young people to find their voice and better articulate and negotiate their ideas in an employment context.

d) Develop a Personal Brand

The programs will promote the concept of personal 'brand' that can have a positive impact on future employment opportunity. The energy, confidence, clarity and means by which youth can communicate their personal message will make them more competitive in the new global digital marketplace, and with employers.

e) Peer Support

The program will convey the idea that collaboration is a powerful tool because it brings about creative abrasion – the contest of ideas – by creating opportunity through collaboration with a heterogeneous (mixed) group of peers from different backgrounds the program will aim to forge youth into productive and supportive teams.

f) Different Environments

The program needs to provide opportunity for youth to experience alternative environments outside of their normal domain, in which they can obtain stimulus, form ideas and experience application of their learning. Stimulus gained from other environments in the context of project development can significantly elevate engagement, commitment and effort.

g) STEM subjects

Greater emphasis needs to be placed on young people learning STEM subjects. Research is proving that people will achieve greater economic benefit from the digital economy and technology driven industry if they are proficient in one or more of the academic STEM areas (science, technology, engineering, mathematics). Schools need to develop programs that encourage and incentivise young people from disadvantaged economic backgrounds to consider these pathways.

h) Bridging the Gap on STEM

While many youth in the west may have left school early and shown little interest or aptitude for academic study, or study in STEM areas, there is a need to create alternative pathways to build personal capacity in STEM areas. Given academic study may not be a realistic affordable option for unemployed youth from economically disadvantaged backgrounds, pilots need to be developed with universities and schools to develop local strategies to 'bridge the gap'.

i) Game Theory

Research confirms 90%+ of unemployed youth have deep experience of sophisticated games; youth understand positive experiences that can be gained from games; and understand game simulation can be experienced in real life. The new program needs to embrace game theory concepts, including providing positive experience in different, unfamiliar and stimulating environments, provide opportunity to bond

with peers they do not know, collaborate with peers to develop a project idea, receive payment as reward, and opportunity to implement a project.

j)   Membership

Young people will have the opportunity to become members of the youth employment incubator through participation and completion of a set of key goals. Membership provides access to the incubator services and programs and opportunity to collaborate with like-minded peers.

k)   Socialisation

Young people will have the opportunity to become part of a community where they can socialise and collaborate with like-minded peers on the creation of ideas, projects and work opportunities and achieve a positive, supportive, stable environment in their lives.

l)   Graduate Alumni

Service providers would provide for ongoing 'alumni' style support for graduates of the program. This may entail involving graduates as role-models and promoting their achievement to other young people to provide relevant local stories and perspectives. This will provide graduates with opportunity to give back and be involved in emerging new projects from the program.

4.   A Network of Regional Incubators

The region needs to embrace international experience and foster establishment of a network of youth employment incubators through which youth service providers can deliver alternative programs to unemployed youth and disengaged youth.

It is recommended that the YouthNow "SCIENSE" *'Innovation Lab'* model be supported, funded and tested as a superior, radically disruptive model compared to the traditional incubator and 'accelerator' models currently known to government. This model will include the establishment of a *virtual incubator* that communicates, engages and involves the *igeneration* in a trusted on-line collaborative environment on their own terms.

The *Sunshine Centre for Innovation, Employment and Social Enterprise* (SCIENSE) will differ from old paradigm incubators (that only typically service 30 to 70 participants at a time with formed businesses and business plans) by servicing hundreds and eventually, thousands of youth, with access provided through apps that allow youth the choice of opting in to programs and collaborations. The model will aspire to be the first of its kind in the burgeoning digital share economy

In meeting the development needs of local youth, SCIENSE will follow successful international experience, particularly in the UK, to foster and support the development of youth social enterprises that have incubator specialisations, including:

- Co-working centre
- Maker centre
- Hacker centre
- Kitchen centre
- Craft workshop

In the first instance effort needs to be given to establishing the Innovation Lab as a standalone physical presence to convey that the centre offers a different spectrum of service to current practice.

5. Pre-Training Programs

The SCIENSE Innovation Lab and virtual incubator will provide the new 'Mechanics Institute' framework through which youth service providers can deliver more engaging and disruptive pre-training programs to unemployed youth and disengaged youth. These can include:

a) Youth engagement via personal interest

Pilot project - form and activate groups of 20 participants. Ideally this would be three discrete groups across the region to trial methods that motivate youth engagement from disengaged long-term unemployed youth in a *'design your own future work'* pre-training program.

- Personalised invitation to attend briefing and participate in the 'design your own future program' – candidates must make the choice to opt in
- Appropriate incentive is provided to attend the initial briefing session
- Prior to attendance candidates are provided a survey instrument (paper/on line)
- Candidates need to identify what they would like to be paid to do as work
- Candidates identify their personal interest or passion

The pilot program manager would review information to identify common interest and potential initial groups of five individuals that would become four collaborative teams.

b) 'Future work – skills I need to learn.'

Pilot project - candidates participate in an information program that has five steps:

- Awareness of future trends in employment, the importance of the digital economy and opportunities available to youth who are part of the *igeneration*.
- Awareness of different creative thinking and problem solving techniques (deBono, Hewitt-Gleeson, continuous improvement, Pareto etc).
- Awareness of design thinking techniques – anyone can bring about innovation
- Awareness of the importance of communication skills and the ability to collaborate with others, includes experience of collaboration with peers on a project
- Articulating their personal passion – what would they like to be paid to do and why.

At the end of this step in the program candidates have the choice to continue to the next stage and have inclusion in a program that can help them design and shape the future of their work.

c) 'I made that! We made that! We can do it!'

Pilot project – involves candidates in surprise workshops to hand make items in different locations that will be useful in further stages of the program (i.e.: mugs, plates, chairs, tables). This will increase collaboration and individual and team ownership of achievement, shared storytelling, sense of community and provide incentive to continue to work together through the program.

d) 'I have an ABN – what does this mean for me?'

Pilot information program to respond to the probability that around 25% of candidates will have already registered an ABN for non-GST purposes. Youth have done this as a means to 'play the game' to get a job with some employers. 99% of these young people have no understanding of their obligations as an ABN holder, or their rights as a subcontractor. This information session will better inform and advise candidates on how to put their ABN to maximum productive use.

e) 'How to design my own work opportunity.'

Pilot project to enable groups of young people to collaborate on the development of a short term project that has shared mutual interest. The program provides a means to implement foundation principles learned in the *'skills I need to learn'* program. Participants learn collaboration, business and education disciplines. The development program would include the following steps:

Participants collaborate in their groups to identify a work project all candidates would be willing to help develop and implement. Ideally the project would achieve common interest. The program would provide guided instruction through several steps that include:

1) Define project idea, group objective for the project, provide opportunity for:
   - Group collaboration;
   - Internet research;
   - Creative thinking
   - Sharing domain knowledge
2) Interact with a role model – someone who has developed an idea and taken to implementation in the same or similar area of interest
3) Collaborate with peers to apply design thinking principles to develop the idea
4) Develop an outline plan for implementing the project idea, including funding, resources, marketing, communications, social media plan, timing etc.
5) Prepare a presentation pitch for the idea
6) Pitch the idea to a guest review panel of business operators and potential investors
7) Receive a prize for the effort of having completed the project:
   - Reimbursement of any agreed costs involved in the program
   - Payment of a prize fee for level of quality achieved and presentation performance
   - Offer of capital investment to develop the project idea further in the incubator
   - Membership to the incubator.
8) Candidates have the option of taking their project to the incubator

f) 'How to make a work project idea a reality.'

Pilot project that enables candidates and collaborative teams earn their 'membership' and a 'right' to use the Innovation Lab to develop self-employment projects and work opportunity. This will include participation in further workshops that relate to turning ideas and innovation a reality. A critical difference at this stage is that access is given to potential investor(s) and the need to work to timeline and budget to implement their project. The program would include the following experiences:

1. Experience a retreat to a different environment to develop the idea further
2. Gap analysis – taking investor feedback into account – any training requirement?
3. Tighter review of planning assumptions for the project – where, when, how, who etc
4. Determine roles and responsibilities of the team members
5. Develop the business model canvas for the project
6. Identify target prospective investors for the project
7. Liaise and negotiate with relevant suppliers and venues for quotes
8. Learn sales and selling skills, presentation skills
9. Present refined project plan to guest review panel
10. Receive a prize for the effort of having completed the project:
    - Reimbursement of any agreed costs involved in the program
    - Payment of a prize for innovation, quality, thoroughness and detail achieved
    - Offer of capital to implement the project via the incubator

11. Candidates have the option of taking their project to implementation
12. 'Creating a shingle' and lodging the project on the incubator website for crowd-funding and other support options

g) 'Implementing a project is a business experience.'

Candidates in the collaborative team have been allocated a budget with which to implement their project idea. Interaction with the incubator provides support and advice to assist the team to implement the project. This could involve the following steps:

1. pitching the project to other targeted prospective investors or grants to obtain gap funds should a larger budget be required for implementation.
2. Marketing, publicity, social media
3. Project evaluation – what worked, didn't work – how would we do it better
4. Review and feedback from guest panel
5. Invitation to develop a personal idea with the incubator

h) 'Developing a killer idea that generates work.'

Candidates have the option of forming a collaborative team with other incubator members and working on a new innovation or project idea. The focus changes slightly and provides insight on customer demand rather than supplier driven approach. This introduces elements related to digital economy and business disciplines. They include:

1. Fundamentals of Market research
2. Understanding customer need/demand
3. How improvement can be achieved – innovation to cut cost has value
4. How innovation can create value – innovation can create new markets
5. The power of the global digital economy – the concept of a little amount from millions of users. Examine online sites such as Etsy, Fiverr etc
6. Work can be created if a solution is pitched to a business that increases profit
7. Looking at local business in context – how a pitch could be made
8. Develop the idea and implementation plan
9. Present refined project plan to guest review panel, obtain feedback and refine
10. Pitch the project to targeted prospective investors or grants to obtain gap funds

i) 'Creating my own future work.'

Candidates have the option of 'going solo' and working on a new innovation or project idea. The focus falls on the individual self actualising and using membership of the incubator and access to its closed regional environment to promote their 'shingle' and offer a service to others, apply for work opportunities advertised on the incubator website or collaborate with others on the development of their ideas.

j) Creating the Regional Youth Ecosystem and Toolbox

With the assistance of youth the service providers youth will help develop the incubator website into a protected social enterprise environment in which employers can lodge youth employment opportunities and investors can lodge interest in specific areas of innovation. The website would aim to garner a 1%

local spend from various organisations that can be directed to youth engagement and employment outcomes. This could potentially derive several million dollars in value into the incubator model, and contribute greatly to the sustainability of the program over the five year commitment period.

6. Employer Workshop(s)

There is a need for business consultative workshops in Melbourne's West to develop interest, support and involvement in the proposed new 'employment pathways' program. The workshops would target the participation of a mix of organisations ranging from major employers as well as established, growing and emerging SME/micro business across a variety of industry sectors.

The workshops would place a focus on 'what would it take to':

- Bring forward jobs over the next 12 months that could be filled by youth;
- Sponsor a local incubator program that aims to rapidly build youth human capital;
- Co-provide the incubator access to facilities to deliver programs;
- Support a 1% buy local program that gives youth work opportunity.

7. Improved Mental Health Support

There is a need for the region to significantly improve mental health services for youth in Melbourne's West. By the admission of youth service providers and youth themselves current methods have failed. The beginnings of a different, disruptive and more responsive approach to youth mental health service provision can be achieved through two key initiatives:

a) Regional Seminar

Examine strategies being applied by the UK and Canada in their acknowledged world best practice approach to mental health support for youth involved with the criminal justice system. The seminar would be targeted at mental health professionals, youth justice experts and relevant youth service providers. Guest speakers that need to be considered include:

- Dr Suzy Young, consultant on youth mental health to the UK and Canadian Governments;
- Dr Phil Anderton, former senior UK police officer and author of *The 'Tipping Points'*;
- Dr Rick Jarman, childhood development at Melbourne's Royal Children's Hospital.

b) Embedded Mental Health Unit

Embed and pilot a different service method in the youth incubator, starting with a small targeted group of youth involved in the pre-training courses. The unit would implement a krapalien evidence based approach to mental health service, necessitating the engagement of certified medical professionals – pediatricians and/or psychiatrists that can provide capacity for medical diagnosis and prescription. An initial step in piloting such a service will be the need to consult with pediatricians specialising in mental health at the Royal Children's Hospital.

The program will need to ensure continuity of any treatment by pediatricians in the transition of child to adult at age 18. This period of transition is a common point at which youth can be lost by the system, particularly psychiatrists that lack training, knowledge or proficiency in mental health spectrums that include *attention deficit hyperactivity disorder* (ADHD). The service would draw on best practice in other

OECD nations and acknowledge the existence of through the life ADHD. (Australia is the only OECD country that does not officially acknowledge the existence of *through the life* or adult ADHD)

The medical contention is that this service would provide screening and evidence based forensic evaluation that will more effectively address ICE addiction problems and provide a useful contrast to other programs that will be driven under social working contexts.

Attachment A

Learning from the world's best incubators

Since 2009 the United Kingdom has led the world in the rapid development of a complete ecosystem to foster micro-business entrepreneurialism and the ability of individuals to achieve economic prosperity by learning to harness the power of the global digital economy.

In 2011 unemployment amongst the younger generation in the UK reached the highest rate since records began and threatened the prospect of a 'lost generation' so real the British government took disruptive action. *Recognising its population is nothing if not enterprising and understanding that through emerging technologies the 'means of production' is now truly placed in the hands of the individual, the UK government implemented timely programs that has seen entrepreneurialism and single start-ups soar as the number of 'traditional jobs' has dramatically declined.*

In the new economy, armed with a computer and mobile phone, an individual with the right skills will be ready to work anywhere and start their own business or freelance contracting without office costs or geographic constraint and mobility. However, government recognised that younger age groups are not naturally inclined to convert their skills into businesses and a generational start up gap showed that help was needed if higher numbers of young people were to convert their talents and skills into work portfolios and self-employed enterprises.

Government supported the vision that a young entrepreneurial army could flourish within incubation centres providing confidence, company and support alongside inspiration and information. Converting abandoned industrial age facilities into shared workspace effectively created the environment to overcome the negativities of isolation and disconnection from peers and poor productivity experienced by young start-ups. Government agreed that shared workspace and access to collaboration is vital to the birth of new entrepreneurialism and innovation and disabused the myth that entrepreneurial endeavour is a 'one man' pursuit. Entrepreneurs may conceive their ideas independently but can only execute with successful collaboration.

Co-working hubs therefore, create perfect incubation centres where socialising, learning and collaboration leads to the increased success and diversity of young start-up businesses. The best feature of co working hubs is by far the atmosphere created by the diverse group that choose to call the space 'a business home'. With co-workers ranging from software designers and developers to rock bands, the UK experience is that there's never a dull moment and opportunities for collaboration are myriad.

Research demonstrates that Australia has a long way to go compared to the USA to tap into the full potential of micro business start-ups, currently the Melbourne startup ecosystem is smaller than Sydney, but it is home to some of the biggest and most vibrant startup gatherings. For example, every month a group of over 400 enthusiasts (on a waiting list) cram into Inspire9 for a Lean Startup meeting. Melbourne is home to some of Australia's great startup success stories: Envato, 99 Designs and Sitepoint

Relative size of startup hubs

Source: startupcompass.co
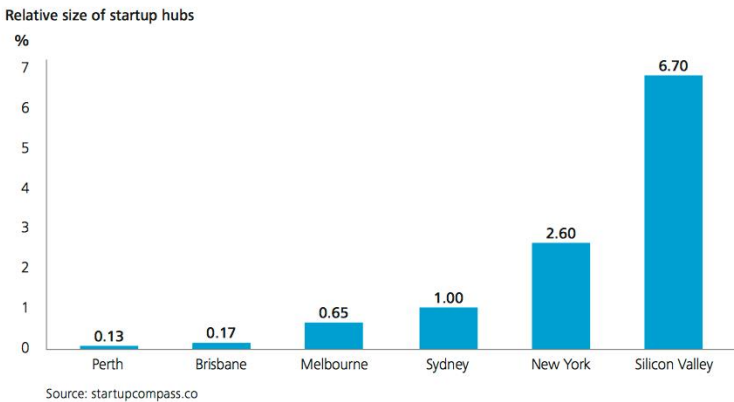
From the perspective of Melbourne's west, the task would be to develop an incubation centre that is focused on inspiring and lifting the capability and success of long term unemployed youth, rather than support the needs of capable, well-resourced individuals to accelerate a start-up idea.

Case Studies

Listed below are a wide number of case studies of incubators, accelerators and innovation labs that redefine how individuals can drive and control their own economic prosperity through the global digital economy.

HereEast (UK)
Construction of the massive 350,000 square metre incubator, accelerator and innovation lab in central London is a definitive national statement by the UK government that the prosperity of its people, youth and future generations lies in driving and defining new economic activity in the digital economy. The HereEast initiative is set to become the beacon and nerve centre for *Internet of Things* (IOT) start-ups and digital developments by hundreds of thousands of emerging British microbusiness into the future. Website: www.hereeast.com

Bathtub to Boardroom (UK)
Bathtub 2 Boardroom helps first-time entrepreneurs, including people who are unemployed, turn business ideas into reality by offering supportive incubator style co-working spaces in London. They fill empty commercial space with start-up communities that have limited capital but unlimited potential. Website: www.bathtub2boardroom.com

Cockpit Arts (UK)
An award-winning social enterprise incubator for designer-makers. Helps talented craftspeople, many of whom are unemployed, to grow their businesses. Many have gone to achieve national and international success. Website: www.cockpitarts.com

Centre for Fashion Enterprise (UK)
London's pioneering fashion business incubator is home to some of the fashion industry's brightest design talent. To ensure a new brand's survival and success micro entrepreneurs learn to understand their USP and vision, to be better informed and follow a considered development strategy. Website: www.fashion-enterprise.com

Collective (UK)
Collective is a pioneering project putting Camden Town at the heart of the UK's creative community. It supports creative unemployed people into employment and in setting up their own businesses. It offers access to co-working space, pop up shops on the high street, creative accelerator programs and coding courses, all for

free. Website: www.camdencollective.co.uk

Collider (UK)
An accelerator that invests in tech startups that are building disruptive platforms, products and services that enable brands to better engage, understand and sell to their consumers. By mobilising a pot of cash, a crack team of coaches, and an intensive program, Collider supports startups in becoming sustainable businesses. Over the course of a four month program, teams transform from startups to businesses, from unemployment and cash burning to revenue earning, putting them on the road from MVP to IPO. Brand partners include Unilever, Diageo, News UK and The National Lottery. Website: www.collider.io

Community Innovation Lab (Canada)
Not-for-profit organisation based in Durham that equips young people for success in their community by helping them to identify what they are passionate about, do best, where they fit best and how to get there. Here young people have access to an innovative suite of entrepreneurial, experiential and social innovation programs. Website: www.communityilab.ca

Crowdcube (UK)
London based Crowdcube is the world's leading investment crowd-funding site, enabling investors to help entrepreneurs raise the finance they need to grow.
Website: www.crowdcube.com

Fast Forward (UK)
London's Pre-Accelerator Program is supported by 16 accelerators across the UK. Works with up to 30 digital startups at a time at the beginning of their entrepreneurial journey, providing training from industry bodies and best practice from expert practitioners, culminating in a pitch to accelerator and first funding providers.
Website: www.FFWDLondon.com

Impact Hub London (UK) (Melbourne)
The first Impact Hub opened at Islington in central London in early 2005, and remains open and active. Located on the top floor of an old warehouse, Impact Hub London embodied the spirit of fostering grassroots entrepreneurship. Everything was built from scratch, from the tables, chairs, crockery and cutlery and the space was designed to provide a collaborative environment in which people could work, meet, and learn within a modular structure. It features leaf-shaped tables that allow for flexible co-working, a semi-open meeting room where users can hold workshops, a secluded library for quiet thinking, and a community kitchen where meals can be prepared from vegetable and herbs provided by the hub. There are now 45 Impact Hubs around the world, including one in Melbourne at 673 Bourke Street. Website: www.islington.impacthub.net

Innovation Warehouse (UK)
Innovation Warehouse is a London based co-working accelerator, a community of high-growth startups, events, mentoring, and investment. The perfect place to grow.
Website: www.innovationwarehouse.org

Inspire9 (Melbourne)
Supports startups, freelancers and creatives in their growth. Provides a space where people come together to work on their passion projects with bright, enthusiastic peers. The centre runs monthly lean start up workshops and has potential to connect to investors.

Website: www.inspire9.com

MakerFaire (UK)
Now a major national event, the MakerFaire provides the mechanism for hundreds of emerging maker and micro business centres across the UK to participate in local and national expos, share ideas and meet investors. The event is seen as an essential component of a thriving ecosystem that aims to inspire and elevate unemployed and older people into the digital economy. Website: www.makerfaireuk.com

Oxygen Accelerator (UK)
Accelerating tech startups by offering a combination of 3-month mentoring program, exposure, up to €21k investment, and community for collaborative support. Based in Birmingham & London.
Website: www.oxygenaccelerator.com

Passion for Fashion (Canada)
Delivered in partnership with the Toronto Fashion Incubator (TFI) the program specifically targets marginalised, disadvantaged and unemployed youth 18-29 and offers programs and workshops on starting a fashion business, developing a line, sales and marketing, and how to do presentations. Youth qualify for one-on-one mentorship with top industry professionals and learn from the industry guest speaker series. Website: www.yes.on.ca/passion-for-fashion-class-schedule

School for Creative Startups (UK)
Helps creative people build viable startups in London by offering interactive, accessible courses that deliver business skill without the technical gibberish. A 12 day bootcamp set over 9 months to support creatives wishing to start a new business, culminating in Makegood and Makefaire Festivals.
Website: www.schoolforcreativestartups.com

Seedcamp (Global)
Seedcamp is a new kind of fund supporting startups from the inception pre-seed and seed stage. It backs ambitious founders from around the world and help them build billion dollar global companies by providing the right access at the right time to learning, network, and capital. They invest initially from $0-$250K and accelerate enterprise across the product market fit, traction, growth, and scale stages from seed funding to IPO. Website: www.seedcamp.com

Startupbootcamp (Global)
Startup bootcamp is a global network of industry focused accelerators. They take people with ideas for startups global by giving them direct access to an international network of the most relevant partners, investors and mentors in their sector.
Website: www.startupbootcamp.org

TrueStart (UK)
A specialist retail and consumer sector innovation hub that helps startups and entrepreneurs become successful by providing a comprehensive network of support and a wealth of opportunity. The 6 month program includes funding, access to the team's global retail and consumer networks, mentorship, legal and accounting services, and office space. TrueStart looks specifically for motivated entrepreneurs with innovative product, service or business ideas targeted at disrupting any aspect of the retail, consumer or fashion landscape. Website: www.truestart.co.uk

Unreasonable Institute (USA)
Located in Boulder, Colorado, the Institute is the first of its kind in the world that focuses on accelerating the world's most unreasonable ideas to help create solutions to the world's biggest problems. Unreasonable Labs provide 5 day accelerator programs that involve some of the world's leading thinkers to rapidly explore and develop unreasonable ideas. The process identifies entrepreneurs with the potential to address problems like poverty, lack of education, and social injustice at scale, and then swarms them with mentors, funders, and partners to help grow their impact. The goal is to help each of these ventures scale up to meaningfully *impact the lives of at least one million people each.* **Website:** www.unreasonableinstitute.org

York Butter Factory (Melbourne)
A co-working centre located at 62 King Street, Melbourne, the centre provides space for high-potential early-stage technology entrepreneurs and is therefore home to startups with bold and global ambitions to change the world. **Website:** www.yorkbutterfactory.com

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