

# **Senate Education and Employment Legislation Committee**

## **Social Security Legislation Amendment (Youth Jobs Path: Prepare, Trial, Hire) Bill 2016**

**Children and Young People with Disability Australia  
Submission – November 2016**

## INTRODUCTION

Children and Young People with Disability Australia (CYDA) is the national representative organisation for children and young people with disability, aged 0 to 25 years. The organisation is primarily funded through the Department of Social Services and is a not for profit organisation. CYDA has a national membership of 5500.

CYDA provides a link between the direct experiences of children and young people with disability to federal government and other key stakeholders. The organisation's vision is that children and young people with disability living in Australia are afforded every opportunity to thrive, achieve their potential and that their rights and interests as individuals, members of a family and their community are met.

Due to the limited timeframe, CYDA is only able to provide a brief submission to the Committee regarding the *Social Security Legislation Amendment (Youth Jobs Path: Prepare, Trial, Hire) Bill 2016* (the Bill). This submission discusses some key considerations regarding the impact of the Bill and the *Youth Jobs PaTH* initiative on young people with disability.

## YOUTH JOBS PaTH

The *Youth Jobs PaTH* initiative aims to maximise “the chance of young job seekers obtaining a job and moving off income support.”<sup>1</sup> The three components of the initiative are employability skills training, subsidised internship placements and a youth wage subsidy.<sup>2</sup> The current Bill gives effect to the internship and wage subsidy components.

The internship component provides a \$200 fortnightly incentive payment to young job seekers who participate in an unpaid internship for four to 12 weeks.<sup>3</sup> To be eligible, young people must be aged between 17 and 24 years, have been in jobactive, Transition to Work or Disability Employment Services for at least six months and be currently accessing income support payments.<sup>4</sup> The Bill amends legislation to ensure young people can continue to access income support while internships are being undertaken.<sup>5</sup>

The *Youth Bonus Wage Subsidy* will be available to employers who hire a job seeker aged under 25 years who has been accessing employment services for at least six months.<sup>6</sup> The Bill amends legislation to ensure young people hired under the subsidy will have their income support payments suspended for up to 26 weeks, rather than cancelled.<sup>7</sup> This measure means young people can have income support payments restored without the typical waiting period if they lose the job within 26 weeks through “no fault of their own.”<sup>8</sup>

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<sup>1</sup> House of Representatives 2016, *Social Security Legislation Amendment (Youth Jobs PaTH: Prepare, Trial, Hire) Bill 2016 Explanatory Memorandum*, Commonwealth of Australia, Canberra, p. 1.

<sup>2</sup> *Ibid*, p. 1.

<sup>3</sup> *Ibid*, p. 4.

<sup>4</sup> *Ibid*, p. 4.

<sup>5</sup> *Ibid*, p. 4.

<sup>6</sup> *Ibid*, p. 6.

<sup>7</sup> *Ibid*, p. 6.

<sup>8</sup> *Ibid*, p. 6.

## EMPLOYMENT AND YOUNG PEOPLE WITH DISABILITY

Most recent statistics available demonstrate a significant disparity in employment outcomes between young people with and without disability:

- 38% of young people aged 15 to 24 years with disability either work, study, or do a combination of both on a full time basis compared to 56% of young people without disability;<sup>9</sup>
- 42% of young people with disability neither work nor study. There is no comparative data available for young people without disability;<sup>10</sup>
- 20% of young people with disability either work or study on a part time basis. There is no comparative data available for young people without disability;<sup>11</sup>
- The labour force participation rate for young people with disability aged 15 to 24 years is 56.6% compared to 70.8% for young people without disability;<sup>12</sup> and
- 24.2% of young people with disability aged 15 to 24 years are unemployed, compared to 11.4% of young people without disability.<sup>13</sup>

Key factors that impact employment opportunities for young people with disability include:

- Inadequate school education that does not provide the necessary knowledge, skills and resources to support future meaningful community participation including further education and employment pathways;<sup>14</sup>
- Limited or no formal post school transition provision. Post school transition refers to the period in which young people informally or formally consider and prepare for post school life. It is reported to CYDA that post school transition is typically a variable and ad hoc process. This time is fraught with limited information and negative attitudes from schools, employment programs and further education providers. Valuable opportunities such as work experience or part time employment are also frequently denied;<sup>15</sup>
- Negative attitudes about disability among employers.<sup>16</sup> For example, it may be assumed that people with disability are less capable employees or that it will be burdensome or costly to provide any required assistance, modifications or adjustments in the workplace;

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<sup>9</sup> Australian Bureau of Statistics 2012, *Australian Social Trends*, Commonwealth of Australia, Canberra, viewed 17 March 2015, <http://goo.gl/u0oAlp>.

<sup>10</sup> Ibid.

<sup>11</sup> Ibid.

<sup>12</sup> Australian Bureau of Statistics 2015, 'Table 4: ALL PERSONS AGED 15 TO 64 YEARS LIVING IN HOUSEHOLDS, Labour Force Status by Whether have a Disability by Age,' *Disability and Labour Force Participation, 2012*, Commonwealth of Australia, Canberra.

<sup>13</sup> Ibid.

<sup>14</sup> Children and Young People with Disability Australia 2015, *Hear Our Voices: Submission to the Senate Inquiry into Current Levels of Access and Attainment for Students with Disability in the School System, and the Impact on Students and Families Associated with Inadequate Levels of Support*, Melbourne, Senate Education and Employment References Committee 2016, *Access to Real Learning: the Impact of Policy, Funding and Culture on Students with Disability*, Commonwealth of Australia, Canberra.

<sup>15</sup> Children and Young People with Disability Australia 2015, *Post School Transition: The Experiences of Students with Disability*, Melbourne.

<sup>16</sup> National People with Disabilities and Carer Council 2009, *Shut Out: The Experience of People with Disabilities and their Families in Australia*, Commonwealth of Australia, Canberra, p. 38, Australian Human Resources Institute 2011, *Recruiting People with Disability: An Employer Perspective*, Melbourne, Australian Government Department of Education, Employment and Workplace Relations 2011, *Employer Perspectives on Recruiting People with Disability and the role of Disability Employment Services*, Commonwealth of Australia, Canberra.

- Difficulties in establishing flexible workplace arrangements and negotiating reasonable adjustments; and
- Current structural workforce issues that inhibit young people from locating and maintaining employment, such as increased workforce casualisation; and education systems not providing skill sets that align with the current and future labour market needs.<sup>17</sup>

Below is a small sample of some direct experiences of young people with disability that illustrate challenges in relation to education, post school transition and employment.

*I should be able to work in most jobs, with little changes (to support me). But really, getting a job in the first place is a nightmare! People judge my ability to work, based on an interview which I greatly struggle with – Young person.*

*(At school) I was never encouraged to achieve and found the expectations were very low for me – Young person.*

*(My child was) held back from work placement...We have had to fight for him to have transition for life after school – Parent.*

*(School) staff are ill equipped to provide the right support and are knocking back training and new strategies to help my son. As a result he accesses less than 10% of the curriculum, the school has become a baby sitting service. My son is missing out and falling further behind – Parent*

Young people with disability evidently experience distinct disadvantage in accessing employment that is additional to the barriers experienced by their peers without disability. Given these experiences, it is critical to consider how the *Youth Jobs PaTH* initiative can meet the needs of young people with disability.

## COMMENTS ON THE INITIATIVE

### Linkages with Other Areas of Reform

The Australian Government is currently undertaking a range of reforms at the national level with the aim of increasing employment of people with disability. This has included the creation of the Disability Employment Taskforce, which is reviewing the disability employment system and developing a new 'National Disability Employment Framework.'<sup>18</sup> The Department of Social Services is also currently undertaking consultations to inform a new model for delivering Disability Employment Services.<sup>19</sup>

It is important to consider how these concurrent areas of reform will be connected to provide assistance to young people with disability and ultimately improve outcomes. For example, the

<sup>17</sup> Foundation for Young Australians 2015, *The New Work Order: Ensuring Young Australians have Skills and Experience for the Jobs of the Future, Not the Past*, Melbourne, Foundation for Young Australians 2014, *Renewing Australia's Promise: Will Young Australians be Better off than their Parents?*, Melbourne, Foundation for Young Australians 2015, *Report Card 2015: How are Young People Faring in the Transition from School to Work?*, Melbourne.

<sup>18</sup> Australian Government Department of Social Services 2016, *Disability Employment Framework Consultation*, Commonwealth of Australia, Canberra, viewed 14 November 2016, <https://goo.gl/MIR1nw>.

<sup>19</sup> Australian Government Department of Social Services 2016, *New Disability Employment Services from 2018 - Discussion Paper*, Commonwealth of Australia, Canberra.

discussion paper regarding the National Disability Employment Framework includes a proposal to provide long-term career planning for people with disability.<sup>20</sup> Access to the wage subsidy may be a relevant consideration for some young people engaged in this process. While the Framework is yet to be finalised, it is important to ensure that these reforms are not developed in isolation and that there is capacity for linkages between systems to ensure coordinated support is accessible to young job seekers with disability.

### **Internships**

CYDA has some concerns regarding the internships component of the *Youth Jobs PaTH* initiative. 'Internships' have not been clearly defined within the Bill, aside from being referred to as "unpaid work experience" within the Explanatory Memorandum.<sup>21</sup> It is therefore unclear how appropriate protections will be afforded for young people with regard to working conditions.

Further, these internships will only be a viable option for young people who can afford to be unpaid for this work. CYDA notes that young people participating in internships will continue to access income support payments, as well as the incentive payment. However it has been recognised that for many, having a disability involves additional financial costs.<sup>22</sup> Examples include increased expenses associated with travel or the need to fund access to specialist services and supports. For some young people with disability, participating in these internships will therefore not provide sufficient income to be a feasible option.

There is also a need to provide clarification around how the *Youth Jobs PaTH* initiative will ensure that meaningful work experience and skills development opportunities will be provided through the proposed internships.

### **Access to the Mobility Allowance**

The Mobility Allowance is a Commonwealth payment that assists in meeting transport costs for people with disability, illness or injury who work, study, volunteer or are seeking employment.<sup>23</sup> A Senate Inquiry is currently considering legislation that proposes changes to the Mobility Allowance in order to transition the payment to the National Disability Insurance Scheme.

Currently, eligible young people can access the Mobility Allowance to assist with transport costs associated with participating in unpaid or voluntary work. However, the proposed changes to the Mobility Allowance eligibility would exclude people who are undertaking volunteering from 2017.<sup>24</sup> As 'unpaid work experience,' it appears that participation in an internship through the *Youth Jobs PaTH* initiative would not enable access to the Mobility Allowance if the new eligibility requirements are implemented. This would remove access to vital financial support for young people with disability that impacts mobility to travel to internships.

Please contact CYDA if you wish to discuss further any issues relevant to this submission and the Inquiry.

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<sup>20</sup> Australian Government Department of Social Services 2015, *National Disability Employment Framework – Discussion Paper*, Commonwealth of Australia, Canberra, p. 12.

<sup>21</sup> House of Representatives 2016, *Social Security Legislation Amendment (Youth Jobs PaTH: Prepare, Trial, Hire) Bill 2016 Explanatory Memorandum*, p. 1

<sup>22</sup> Australian Council of Social Service, Social Policy Research Centre 2016, *Poverty in Australia 2016*, Sydney, p. 35.

<sup>23</sup> Australian Government Department of Human Services 2016, *Mobility Allowance*, Commonwealth of Australia, Canberra, viewed 4 November 2016, <https://goo.gl/kNGZrl>.

<sup>24</sup> *Social Services Legislation Amendment (Transition Mobility Allowance to the National Disability Insurance Scheme) Bill 2016*, s. 6, 11.

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