



Multicultural Youth Advocacy Network (MYAN) Australia and the Federation of Ethnic Communities' Councils of Australia

Submission to the Senate Inquiry on the Social
Security Legislation Amendment (Youth Jobs
Path: Prepare, Trial, Hire) Bill 2016

18 November 2016

Introduction

The Federation of Ethnic Communities' Councils of Australia (FECCA) and the Multicultural Youth Advocacy Network (MYAN) Australia welcome the opportunity to make a submission to the Senate Committee's inquiry into the *Social Security Legislation Amendment (Youth Jobs Path: Prepare, Trial, Hire) Bill 2016* (the Bill).

FECCA is the national peak body representing culturally and linguistically diverse (CALD) Australians. The MYAN is the national peak body on multicultural youth issues, representing the needs and interests of young people from refugee and migrant backgrounds.

Employment opportunities for migrants and refugees are a key issue for our organisations. Young people from these backgrounds face multiple disadvantages in the employment market.

Young people from a refugee and migrant background make up a significant proportion of the Australian youth population.¹ Their engagement as active citizens in Australian society, including their meaningful economic participation, has significant and long-term benefits for them, their families and communities, and for a diverse, socially cohesive Australia.

The research and the community engagement that our organisations undertake across Australia indicate that many migrants and refugees face multiple levels of disadvantage, especially in relation to economic participation. The design of government employment programs needs to consider and address the multiple levels of this disadvantage.

The Youth PaTH program

The PaTH legislative amendment establishes a three phase youth employment program comprising pre-employment skills training, voluntary internships of between 4-12 weeks, and subsequent employment through payment of a youth bonus wage subsidy. During the internship phase, young people will receive a fortnightly 'incentive' payment (an additional payment that will not count as income, and will therefore not impact on social security payments).

PaTH will be mandatory for young people in jobactive for more than five months with certain exceptions (for example, participation in an Adult Migrant English Program).

Overall, we support the objective of producing actual employment outcomes through providing a combination of training, support and job exposure activities. However, making PaTH potentially mandatory is of concern when it is applied to young people from refugee and migrant backgrounds.

Under the legislation, eligible young job seekers will be:

“given the opportunity to undertake unpaid work experience by participating in internships. Both businesses and eligible young job seekers will be able to choose whether to participate in an internship. To encourage eligible young job seekers to undertake an internship, participants will receive a fortnightly incentive payment (initially \$200). The fortnightly incentive payment will be paid in addition to eligible young job seekers' social security payments and will not be remuneration for work”.²

For many migrants and refugees, service providers acting on behalf of government are agencies of significant authority, particularly when they have the power to stop their social security payments. As

¹ One in four young Australian's are from a refugee or migrant background. MYAN Australia (2014). *The CALD Youth Census Report*. Carlton: CMY

² Social Security Legislation Amendment (Youth Jobs Path: Prepare Trial Hire) Bill 2016, Explanatory Memorandum

a result, they can regard the presentation of what is actually a voluntary option, as a requirement that must be followed.

We would recommend that, as a minimum, information about the internship and its potential benefits, should be provided to the job seeker clearly in their preferred language. The information should also clearly communicate the voluntary nature of their participation.

Clarity in explaining what is required and what is voluntary to young jobseekers, and supporting them to take advantage of such offerings, requires specific skills and cultural understanding. In addition to being flexible and targeted, programs and processes that successfully support engagement of young people from migrant and refugee backgrounds and facilitate their transitions into economic activity are culturally inclusive and designed to respond to their unique experiences and needs.³

The MYAN is involved in the Youth Transitions Support Pilot (YTSP) Program for young refugees and recently arrived migrants currently being run in three states. The YTSP, funded through the Department of Social Services, is assisting young people gain employability skills and work experience through a variety of providers, services, and approaches. The YTSP also combines education, skills training, and engagement in employment. Common features producing strong engagement of young people across the providers in the three states are the voluntary involvement of young people, the importance of assessment of individual employment preparation needs, and flexibility in duration and activities to meet those needs.

Key principles

Based on our experience working with service providers and young people from refugee and migrant backgrounds, we would recommend several key principles underpin the implementation of PaTH.

Meeting diverse needs

In order to ensure that the welfare of young people, we would recommend that:

- It should be clear that participation in the program is voluntary, with no compulsion to commence, nor penalty for withdrawal
- Information on the internship and its voluntary nature should be available in the language with which they are most familiar
- The capacity to participate should be properly assessed before young people commence employment
- Adequate support should be provided while in the workplace to ensure fair treatment, and reasonable conditions of work.

These principles are particularly relevant to the refugee and migrant population, who are new to the Australian labour market and are especially vulnerable to pressure and exploitation.

Employability skills training

PaTH will provide a relatively short phase of Employability Skills training in blocks of a few weeks. Participants are then intended to move on to internships. The provision of Employability Skills training prior to placement is a good idea, and makes sense. However, blocks of formal training lasting three weeks at a time is unlikely to meet the needs of recently arrived young people from culturally diverse backgrounds. For some of these young people, employability skills training may take months rather than weeks.

The Employability Skills training should be sufficiently flexible to meet the range of needs of young people, rather than a standard program of fixed duration.

³ Beadle, S. (2014). *Facilitating the Transition to Employment for Refugee Young People*. Carlton: CMY

Support during the intern and employment phases

Commitments from employers to providing support and mentoring to assist young people through these phases would be welcome, but may not be sufficient on their own.

Some form of case management during the internship will provide support for participants and protection from exploitation. In particular, those less familiar with Australian culture and workplace systems and structures are likely to need greater support.

Additionally, providing sufficient support should include the involvement of youth or community organisations with the capacity to demonstrate an understanding of the experience of refugee and migrant young people (particularly in those regions with higher concentrations of young migrants and refugees).

Part of the role of *jobactive* providers is to make an initial assessment of the employability of the jobseeker. Subsequent *jobactive* engagement with young job seekers from refugee and migrant backgrounds should include a responsibility to identify where a partnership with specialist youth organisations, that possess knowledge of refugee and migrant experience, would ensure those with knowledge and expertise in cultural competence are supporting delivery of appropriate services and programs.

The discretionary Employment Fund available to help *jobactive* providers pay for services and interventions aimed at improving clients' employability is reported to be commonly underutilised. More effective use could be made of this fund to assist young people from a recently arrived background. In particular, they could be used to support longer periods of employability skills training and/or culturally competent case management support.

Other Safeguards

The need to ensure that protections are in place to prevent exploitation of young people, particularly for young people less familiar with the Australian workplace, should be a high priority.

We understand that the Bill would amend the social security law to protect young job seekers whose employers are eligible to receive a Youth Bonus wage subsidy in relation to them. It would allow these young people to have their income support payments suspended for a period rather than cancelled. These young people will have their social security payments restored (without having to make a new claim) if they lose their job (through no fault of their own) with an eligible employer within 26 weeks of ceasing to receive income support because of that employment.

We welcome the safeguard of 'suspension' of welfare payments rather than cancellation where people are employed by a business that is eligible to receive a Youth Bonus wage subsidy.

However, we note with concern the absence of an appeal mechanism, or right of review, if a decision is taken to cease employing a young person as a direct or indirect result of a voluntary act by the young person that either was not reasonable, or as a direct result of the person's misconduct.

Conclusion

FECCA and the MYAN support the introduction of additional assistance to enable young people to develop the skills and acquire the experience needed to gain employment. In order for any program to operate in the best interests of young people, it is essential that there is adequate involvement from young people and those working with them to ensure that young people are employed in reasonable conditions, are treated fairly, and have appropriate protections and training.