

## Senate Standing Committee on Education and Employment

### QUESTIONS ON NOTICE Additional Estimates 2016 - 2017

#### Outcome 1 - Employment

Department of Employment Question No. EMSQ17-003999

Senator Marshall provided in writing

#### Question

##### PaTH - Hourly rate

What consideration has the government given to community concern that the hourly rate of payment for Youth Jobs PaTH participants will be lower than the national minimum wage? Given this is the first time a program of this nature will be opened up so widely to the private sector, what guarantees can the government provide to assure people that they won't be exploited?

#### Answer

Unpaid work experience programs have been a feature of employment services for around ten years. All programs allowed for a range of businesses including for-profit businesses.

The \$200 fortnightly incentive paid to PaTH interns is on top of their income support. The incentive is paid by the Government and is not a 'wage'.

There will be a range of mechanisms to assure that host businesses trial an intern appropriately. This is consistent with the department's program assurance strategy which includes scalable detection and corrective actions.

- Prevention - Program guidelines and the Internship Agreement will make the obligations and program intent clear to providers, participants and host businesses. Providers will have access to information on a host business' PaTH Internship history showing how many interns have been employed by the business,
- Deterrence—public communication that inappropriate use could result in exclusion from further access to the program,
- Detection—identifying non-compliance or triggering a review of a business' use of the program through data analytics, the Tip-off Line, the National Customer Service Line, job seeker surveys, and provider audits, and
- Correction— working with providers and host businesses to educate them on policy and requirements, terminating Internship Agreements and preventing access to the program to host businesses that use the program inappropriately.

In addition, providers will have access to feedback from interns who were placed with a business. Providers will use this information, alongside their local knowledge of the labour market and the host business, to determine the suitability of the host business.