

CMY welcomes youth employment strategy in 2015/16 Federal Budget

Support and services for young people looking for work in Australia will be bolstered with Federal Budget commitments made to help young people develop the skills necessary to transition to employment.

The Centre for Multicultural Youth (CMY) welcomes the Federal Budget announcements this week, particularly in the areas of youth employment and building the capacity of young people.

CMY CEO, Carmel Guerra said given the current spike in youth unemployment, this budget's focus on a Youth Employment Strategy is timely.

"It is great to see specific funds have been allocated in this budget to assist young people from refugee and migrant backgrounds to access education and employment."

"With up to 45% of refugee and migrant young people experiencing unemployment in Victoria¹, it is heartening to see the Commonwealth Government recognising the issues facing this vulnerable group of young people."

"This new employment strategy will target refugee and migrant young people in need, helping them to build skills and knowledge that will support them to enter the workforce and become more connected, empowered and influential Australians."

"As part of a \$105.7 million commitment to help vulnerable young people into employment, \$22.1 million will be provided over four years specifically to support young refugees and other vulnerable young migrants to build skills and confidence to participate in education or work."

"Everyone should feel like they belong and can participate fully in their community, so CMY was pleased to see such an emphasis on programs that help to encourage and strengthen participation in work; especially for migrant and refugee young people who often face complex barriers to workplace entry."

CMY was also pleased to see \$149.5 million has been allocated for settlement services in 2015-16 and \$283.1 million allocated to the Adult Migrant English Program (AMEP), including additional funds to expand the AMEP to include holders of temporary humanitarian visas for one year.

While Ms Guerra noted that there was good news for youth employment and the multicultural sector in this Federal Budget, changes to waiting periods for unemployment benefits were still of concern.

"Though 4 weeks may seem minimal to some, for the young people that CMY works with who are already highly disadvantaged and whose families are also in deep disadvantage it could be devastating."

"CMY worries that these timeframes could send families that fall in to this group into deeper disadvantage or even homelessness in some cases."

Despite this concern, CMY looks forward to learning more about the proposed budget and working alongside the Commonwealth Government and other partners as it continues to support multicultural young people as they settle in Australia.

For more information about the 2015/16 Federal Budget and a comprehensive list of commitments, please visit <http://www.budget.gov.au/>

1. Facilitating the Transition to Employment for Refugee Young People, A data update and review of recent literature with a focus on 'what works?', CMY and Lord Mayor's Charitable Foundation, 2014

BUDGET WIN FOR MIGRANT AND REFUGEE YOUNG PEOPLE

\$22 million will be allocated over five years to support young refugees and other vulnerable young migrants to build skills and confidence that will equip them to participate in education or work.

Many young refugees and migrants come to Australia with high expectations and aspirations for their education and career. Despite this strong motivation, the reality is that many of them face a range of well documented challenges in their pursuit of education, training and transitioning to employment. This investment is a landmark initiative that can increase access to employment pathways and jobs for young refugees and migrants.

CMY has long called for specific and targeted investments for this group of young people as generalist youth programs often do not cater to the needs of migrant and refugee young people. A number of pilot projects have previously been funded to test 'what works', however this investment over five years will embed an approach that will be tailored to this group of young people.

CMY is keen to work with government and non-government agencies to provide input into the design of a culturally appropriate model that will improve participation for young refugees and migrants.

KEY BUDGET ITEMS FOR THE MULTICULTURAL SECTOR & YOUNG PEOPLE

The following items have been included in the 2015/16 Commonwealth budget but are not exhaustive:

YOUTH EMPLOYMENT STRATEGY

- \$22.1m over 4 years to support young refugees and other vulnerable young migrants to build skills and confidence to participate in education or work.
- \$55.2m over 5 years for community and non-government organisations to identify and engage early with disadvantaged youth who have multiple barriers to employment and support them to engage with the labour market.
- \$19.4m over 4 years for two employment support trials that will help improve employment outcomes for young people (up to age 25) with mental illness, who are at risk of disengaging from education and/or longterm welfare dependency.
- \$8.9m over 4 years for early intervention assistance in 10 locations with high numbers of disadvantaged parents, to ensure that parents with barriers to employment are job ready.
- Unpaid work experience will be varied to allow job seekers to undertake up to 25 hours p/week of unpaid work experience for up to 4 weeks. Participants will continue to receive income support and a supplement and the new programme will have a strong focus on creating opportunities for young job seekers. Employers who offer participants ongoing employment may be eligible for a wage subsidy.
- \$212 million in funding is welcomed for a new youth transition-to-work program to tackle long term unemployment, including support for community organisations to help young people find jobs, apprenticeships and traineeships; especially given the cessation of the previous Youth Connections program.

CHANGES TO INCOME SUPPORT

- The activity requirements for early school leavers, however, will be tightened. From 1 Jan 2016, they will need to actively look for work and will be required to meet activity requirements of 25 hours p/week until they turn 22 or achieve a Year 12 or Certificate III qualification. Education outcome payments to jobactive providers will be extended to include Certificate III qualifications.
- The proposed 6 month waiting period for unemployment benefits will be cut to 4 weeks for people under 25. It is still of concern that a period of 4 weeks exists for those young people who are highly disadvantaged and whose families are in deep disadvantage, with this timeframe likely to send them into deeper disadvantage or even homelessness for some.
- In addition, the age eligibility for Newstart and Sickness Allowance will be extended from 22 to 25 years of age from 1 July 2016.
- Overall, job seeker compliance will be tightened by introducing stronger penalties for those who do not meet the requirements. This will include extending the "no show, no pay" principle to missed appointments and activities like work for the dole. Those who fail to undertake adequate job search will be subject to income support payment suspension and will no longer have the financial penalty waived by agreeing to undertake a compliance activity.

LEARNING ALLOCATIONS

- Funding for AMEP in 2015-16 will be \$283.1 million and will aim to assist 60,000 migrants and humanitarian entrants.
- \$14.5 million has been allocated to expand the AMEP for 1 year to include those who hold temporary substantive visas. It will provide for up to 510 hours of English language tuition to eligible migrants and humanitarian entrants to help them acquire English language skills to assist with settlement in Australia.

SETTLEMENT ALLOCATIONS

- \$15.8 million has been allocated for the supervision and welfare for unaccompanied humanitarian minors, a reduction of \$3.2 million on 2014-15. It is anticipated to drop further in 2016-17 to just \$3.9 million.

INTERNATIONAL AID ALLOCATIONS

Funding for international aid was reduced by a further \$1 billion from 2014-15. Most of the reduction is in the Asia Pacific and Africa regions.

For more information and a full list of budget commitments, visit <http://www.budget.gov.au/>