



Brotherhood of St Laurence
67 Brunswick Street
Fitzroy 3065 Victoria Australia
Telephone: 03 9483 1183
Facsimile: 03 9417 2691
DX 282 Melbourne

9 June 2015

Standing Committee On Community Affairs
PO Box 6100
Parliament House
Canberra ACT 2600

Inquiry into the Social Services Legislative Amendment (Youth Employment and Other Measures) Bill 2015

The Brotherhood of St Laurence welcomes the expenditures outlined in the Budget 2015-16 to help young people who are not working or learning to become job-ready.

We know that rising levels of youth unemployment are scarring young people, their families, their communities and the Australian economy. Whilst the burden of youth unemployment falls heaviest on young people who are deeply disadvantaged, there is a growing body of evidence that all young people face challenges navigating the world of work with its changing labour market. The challenges seeking work faced by today's young people looks very different from the one that their parents or grandparents encountered when they left school.

Against this background, the new Youth Employment Strategy which includes provision for work experience while on income support and intensive interventions for highly disadvantaged young job seekers are to be commended. The real test for these measures is how they are implemented. We are also pleased that a measure proposing the introduction of a 26-week waiting period for receipt of income support and subsequent non payment periods for job seekers under 30 will now not proceed

However, we remain concerned about the proposal - outlined in the current bill - for a revised waiting period to be introduced of 4-weeks duration which would be applied to new claimants of Newstart Allowance, Youth Allowance (Other) and Special Benefit for those aged under 25.

Whilst we welcome indications that a broader set of exemptions will apply (it is unclear if all are explicated in the explanatory memorandum); a period of four weeks without income support continues to have potential for harsh unintended consequences that will be borne hardest by those young jobseekers who do not have financial support of their families.

The revised system also still relies on careful calibration of Centrelink assessments of jobseekers' circumstances - and our experience is that such assessments can be often unreliable thus leading to youth being allocated to inappropriate 'streams' within the jobactive (formerly JSA)

system. The reality is that true circumstances sometimes are not disclosed until after the assessment is made.

The extension of the age for Youth Allowance (Other) also risks potential adverse consequences for disadvantaged young people's capacity to transition into adulthood. Particularly, our concern is how it will affect the ability of those young jobseekers who lack family financial support as they struggle into self reliance.

Yours sincerely,

Tony Nicholson
Executive Director