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## Preparing for what? The administration of Youth Allowance Activity Agreements for young job seekers

The aim of this study was to explore the administration, by Centrelink, of Preparing For Work Agreements (PFWA) to unemployed young people (18–20 years) in receipt of Youth Allowance (YA), to determine how well they were tailored to the individual. The study was conducted by the Brotherhood of St Laurence and funded jointly with Centrelink Youth and Student Community Segment.

Open-ended questions in semi-structured interviews allowed 21 young job seekers' perceptions of the administration of PFWAs by Centrelink officers to be explored. In addition, seven youth workers through whom the job seekers were recruited and nine Centrelink officers from four Customer Service Centres in the three Centrelink Areas in Victoria were interviewed.

One of the strengths of this study was that the youth workers and Centrelink officers confirmed many of the issues raised by the young job seekers.

Due to the recruitment through youth support agencies, the majority of the job seekers interviewed faced multiple barriers to employment and may not represent the total population. This means the results cannot be generalised to the wider YA population. However, the problems identified with the administration of PFWAs to this disadvantaged group do require further attention.

### Key findings

The key findings can be broken into two parts: young job seekers' experiences with and opinions about Centrelink administrative processes, and the impact of these on the development and content of Preparing For Work Agreements.

#### Centrelink

Centrelink provided job seekers aged 18–20 years with their main connection to the participation support system, but the role of Centrelink as a referral gateway was not well understood by all of the 21 young people interviewed.

This misunderstanding about Centrelink's referral capacity may have influenced the perception of Centrelink's helpfulness in finding work. It is not within Centrelink's capacity to cover associated costs; it can only refer to community agencies that may or may not have brokerage funds. Where activities to reduce barriers to work had been identified by the job seeker, their lack of access to these was often attributed to Centrelink.

Most young people appreciated the access to loans, income support payments and referrals to courses and job search assistance when provided by Centrelink.

The attitudes of Centrelink officers towards young people were perceived to vary, from accepting and helpful on the one hand, to judgmental and unhelpful on the other.

Poor communication skills and negative attitudes on the part of some Centrelink staff contributed to difficulties in establishing rapport. Some young people were consequently reluctant to disclose relevant information, leading to inaccurate assessments of their job readiness.

Many YA customers preferred to have an adult with them during the claim process, partly to provide help in completing forms and partly because they felt more comfortable with the whole process when they were not alone.

Negative experiences and long waiting times meant that some young people were reluctant to deal with Centrelink directly. Instead, they would go elsewhere, particularly to workers in youth agencies, for assistance and to sort out mistakes with the administration of YA. These workers said they spent a lot of time on Centrelink business, which may have reduced their capacity to focus on other issues.

The loss of designated youth staff at the Centrelink sites included in this study was perceived by youth agency workers and some Centrelink officers to have had negative impacts on the delivery of Youth Allowance. Firstly, young people no longer are guaranteed to see an officer who understands the specific issues related to young people and youth services. Secondly, youth workers are no longer able to easily contact Centrelink officers with expertise in YA to sort out problems for their YA clients.

While it was not a focus of this study, a repeated theme was the time and effort required establishing the eligibility for YA to be paid at the independent rate because it was unreasonable for the young person to live at home. However Centrelink has mandatory assessment procedures that require comprehensive investigation of a young person's circumstances prior to payment being granted.

### **Preparing For Work Agreements**

Young people in the study generally did not understand the purpose of PFWAs and did not know they could negotiate the activities included within them. The process of completing the PFWA during the first interview (where eligibility to YA is also determined) meant that Centrelink staff had little time to identify both vocational and non-vocational barriers, especially of those young people who do not readily disclose relevant personal information. It seems unlikely that PFWAs prepared during this process were based on an accurate assessment of the capacity or job readiness of all claimants.

While all young people had been referred to Job Network providers for job matching, few had ongoing contact with them, few were confident that their vocational barriers were being addressed or that they were being connected to appropriate job vacancies.

The PFWAs we examined mainly contained job search activities, with relatively infrequent inclusion of other 'capacity-building' activities such as training or volunteer work.

The PFWA was often understood by both YA customers and youth workers to be a list of required job search activities that provided the basis of a possible breach, if the job seeker failed to comply.

The computer-based processing of YA applications appeared to contribute to the generation of a standard model of PFWA that primarily included job search activities. This automated system seemed to lack triggers to identify potential non-vocational and vocational barriers to employment.

As a result, PFWAs appeared to motivate young people to look for work but did not increase their capacity to get work or develop work-related skills. The sample of young people included one-third who had not completed Year 10 and only one-third had completed Year 12. They faced a range of barriers, yet the PFWA appeared to do little to address these.

While the inclusion of part-time work as a Mutual Obligation activity is negotiated with the young person (either to look for, or for those already with such work, to undertake it), there was some confusion about its inclusion in PFWAs.

Centrelink does not appear to have any quality assurance process to ensure that PFWAs include activities that reflect the vocational and non-vocational barriers that prevent the entry of marginalised young people to long-term employment.

## Conclusions

Our findings suggest that:

- Centrelink needs to do more to ensure disadvantaged young job seekers understand its assessment and referral role and its relationship with the Job Network.
- Some Centrelink officers require better interpersonal skills to develop rapport with YA job seekers that is essential for accurate assessments of job readiness.
- Some Centrelink officers require better knowledge of the youth labour market and youth services necessary for the design of effective YA PFWAs.
- The computer-based 'Preparing for work' format can result in inaccurate assessments of barriers to employment and the generation of 'standard model' PFWAs not tailored to individual needs.
- The time available to process YA applications and to negotiate PFWAs is not sufficient to design a PFWA that reflects, in particular, the employment barriers and long term goals of the marginalised YA job seeker.
- Young job seekers often lack the information, skills and/or confidence to negotiate activities better suited to their needs.
- As a result of these processes, PFWAs focus on job seeking activities and do little to assist disadvantaged young people address non-vocational barriers.

## Recommendations

### 1 Improved access to Centrelink information and services

#### *R1.1 Redesign letters, forms and written materials*

Engage young people and youth agencies in the redesign of printed information for young people.

#### *R1.2 Investigate ways to enable greater face to face contact time*

Separate interviews to complete PFWAs (as suggested below) may enable greater face to face contact time to devote maximum resources to those with the highest needs. Risk-based assessments may ensure adequate resources are devoted to the most disadvantaged and triggers to identify those with non-vocational and vocational barriers could be developed to stream vulnerable job seekers to longer interviews and reduce times for those not at risk.

#### *R1.3 Promote the designated Youth and Student line to the Centrelink call centre*

The dedicated Centrelink Youth and Student line should allow young people to feel more comfortable in contacting Centrelink by phone and to have greater confidence in the information or advice they receive. Few knew of this and it should be better promoted to young people.

### 2 Tailoring service delivery to the needs of young people

#### *R2.1 Ensure the lack of designated youth officers is not having a detrimental effect on the delivery of YA to job seekers (18-20 years)*

Areas are urged to consult with Centrelink personnel, local youth agencies, young people and their families to ensure marginalised YA job seekers (18-20 years) in particular, enjoy equal access to PFWAs that are effectively tailored to meet their individual needs.

#### *R2.2 Ensure Customer Service Officers with an interest in working with young people have the expertise to do so*

Centrelink to provide ongoing training and skill development to Customer Service Officers who express interest in the delivery of YA.

#### *R2.3 Develop an Initial Contact strategy for YA job seekers*

Ensure that from the first point of contact young people are informed about the administration of Youth Allowance (see R1.1) and that their first experience is as helpful and inclusive as possible.

#### *R2.4 Introduce a pre-grant seminar tailored for YA applicants*

Ensure that YA applicants understand the scope and more flexible activity testing of YA by tailoring the pre-grant seminar to their needs.

#### *R2.5 Separate the design of PFWAs from the YA application*

Develop the PFWA at a separate interview, perhaps with a member of the Participation team, in order to provide more time to build rapport and collect relevant personal information. It would also allow the YA applicant to think about their goals or discuss the PFWA with family or friends before having to complete it. This would lead to a more accurate Job Seeker Classification Instrument (JSCI) score and a PFWA better tailored to the needs of the job seeker especially where multiple barriers to employment exist.

#### *R2.6 Introduce indicators to identify YA applicants (18-20 years unable to live at home) who may not be able to complete application process for independent rate*

Develop and implement risk indicators to identify young people between 18 and 20 years of age who require assistance to apply for the independent rate of YA (Unable To Live At Home). Referral to a social worker should be offered to those at risk.

#### *R2.7 Conduct a quality assurance process of PFWAs*

Centrelink should institute a quality assurance process to ensure that PFWAs are individually tailored and include activities that enable disadvantaged job seekers to overcome employment barriers and develop skills.

### **3 Partnerships with all levels of government and the community to achieve better outcomes for young people.**

#### *R3.1 Develop out-servicing arrangements with youth agencies*

Centrelink should outplace Customer Service Officers to local youth agencies on a regular (weekly) basis to improve the access of disadvantaged young people to Centrelink services.

#### *R3.2 Improve links between Customer Service Centres and local youth services*

To maintain a focus on local youth issues, local barriers to youth employment and local youth labour markets, Customer Service Centres should:

- work with the existing youth services network in the community to develop local strategies to ensure PFWAs reflect the needs of YA customers
- develop partnerships with schools, business and agencies to promote Centrelink information and provide opportunities for Centrelink personnel to meet with members of the community to address the needs of unemployed youth.

#### *R3.3 Develop protocols for sharing information with local youth (and other) services*

Protocols need to be developed between Centrelink Customer Service Centres and local youth agencies to oversee the sharing of information about YA customers (with the person's consent and meeting privacy guidelines). This will improve the quality of information held about young job seekers and enable PFWAs to be better matched to their needs.

***A copy of the full report can be downloaded from the Brotherhood's website: [www.bsl.org.au](http://www.bsl.org.au)***

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October 2003**

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