



**Submission to the Senate Select Committee
Into the Abbott Government's Budget Cuts**

Presented on behalf of the Youth Connections National Network (YCNN)

The Youth Connections National Network (YCNN) is pleased to present this Senate Submission on behalf of the wider Youth Connections network of providers nationally. The YCNN is a collective of peer selected representatives representing each State and Territory from the Providers of Youth Connections around the nation.

The YCNN believes that the proposals contained within the Federal Budget introduced in May 2014, should they be passed in the Senate, will have profound negative effects on all young people, and particularly those who are disadvantaged.

Youth Connections providers are community based organisations that are experts at delivering support services to the most vulnerable young Australians. Young people present with multiple and complex barriers to engagement and who are highly vulnerable because of their at risk state. Barriers often include mental health issues, substance addiction, homelessness, poor literacy/numeracy, living in intergenerational poverty and contact with the juvenile justice system.

Youth Connections is a federally funded program administered by the Department of Education (formerly the Department of Education, Employment, and Workplace Relations DEEWR). Youth Connections is delivered in 113 regions across Australia, by 65 Providers, covering every state and territory.

The Youth Connections program generally assists young people aged 13-19 who are disengaged and inactive to reconnect to education, further training or in some instances, employment. Service delivery is characterised as youth focused, individualised intensive case management. Nationally, 30,000 young people are assisted annually in metropolitan, regional and remote Australia. Approximately 20% of the client case load identify as Indigenous.

Cessation of Youth Connections – Absence from Forward Estimates

Federal Transfer of Responsibility of Under 17s to the State

After nearly 20 years of Federal Government funding in this space, Youth Connections is set to end on 31 December 2014. Once Youth Connections ceases there will be no Federal Government program or assistance for disengaged young people to reconnect to education or training.

The ending of Federal Government funding will leave a significant gap in services available as it is the only program for young people who are disengaged and needing case management support. With the ending of the program, there will be little or no community based support case management services for young people.

In Budget and Estimate hearings, the Federal Government stated that individual States will be responsible for the provision of educational and support services for all young people of compulsory school age whether they are engaged or disengaged from their education. However, no funding has been provided from the Federal Government to the States to implement such services.

As specialists working with vulnerable, disengaged, disadvantaged young people, the YCNN believes the ending of Federal Government funding for transitional support coupled with the proposed changes to young people's access to financial support through Centrelink will leave many young people in significant financial and emotional distress.

If young people who are disengaged do not have the intensive support needed to address the barriers to education and training, they will not be able to successfully transition into employment.

The YCNN believes the Government's policy of not providing support will increase activity and engagement is misinformed. There appears to be an assumption that by removing transitional support and Centrelink financial, young people will swiftly and independently transform and then successfully transition into training or employment.

It is nonsensical to believe that a young person with poor educational experiences and non-vocational impediments which often includes diagnosed or suspected mental health issues, poor literacy/numeracy, low self-esteem, drug/alcohol substance misuse can successfully transition without professional support. The removal of case management transitional support provided to young people through Youth Connections, will lead to deeper disengagement and long term inactivity.

Changes to Centrelink Payments

The loss of transition support services coupled with the proposed changes to Centrelink payments through the extension of Youth Allowance to age 25 and six monthly cycles of financial assistance for job seekers under the age of 30, will lead to increased homelessness, severe financial distress and the likelihood of increased crime through necessity.

The YCNN believes that the Federal Government has not given due consideration to how a young person without family support will be able to find safe shelter, food and clothing during Centrelink non-paying periods.

The assumption that young people will be supported by family until they transition into employment is a fallacy. The Youth Connections National Network conducted a destination survey in January 2014 of young people who received a final outcome from the program in 2012. Of the 835 young people surveyed, 20.3% were living independently. For many young people, living in the family unit is not safe or possible. Issues such as family violence, systemic family dysfunction, re-partnering of parent or relocation of parent often leaves young people instable and negotiating the housing market independently.

The current Youth Allowance rate for a young person aged 18 and over who is living away from home and independent from the family home is \$414.40 per fortnight. A young person is also able to access rental assistance of up to \$126.40 per fortnight. The median fortnightly rental for a one bedroom home in Melbourne's middle suburbs is \$542.00 per fortnight, more than their entire Youth Allowance payment and rental assistance. If a young person is unable to find employment to supplement their payments, they are left without money for food, utilities and public transport access.

It is the understanding of the YCNN that young people will be subject to six monthly periods of non-payment of Youth Allowance or Newstart followed by six month periods of payment whilst they undertake Work for the Dole, 25 hours of activity each week. During the periods of Work for the Dole activity, a young person will also be required to look for employment, which has been reported by Minister Abetz to be a proposed 40 applications each month. There is also speculation that while a young person is without income they will be required to continue to apply for a minimum number of jobs. Preparing job applications is expensive. Access to a computer, printer and stamps is costly. How is a young person expected to cover this cost during periods of income support?

The YCNN implores the Senate Select Committee to consider how each of the proposed Abbott Budget measures will affect our disadvantaged and vulnerable young people. The YCNN believes that the majority of measures proposed will detrimentally affect young people, leading to the likelihood of increased poverty and juvenile justice involvement through necessity. Proposals that make the goal of educational attainment and successful transition to employment less attainable should not be supported.

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