

Senate Standing Committee on Education and Employment

QUESTIONS ON NOTICE Supplementary Budget Estimates 2016 - 2017

Outcome 1 - Employment

Department of Employment Question No. EMSQ16-001017

Senator Marshall provided in writing.

Question

Youth Jobs PaTH - entry level job displacement

The NYCI found evidence the internships in Ireland displaced entry level jobs youth normally rely on to enter the workforce. How can the government prevent that in the PaTH program?

Answer

In developing the PaTH Internship program, the Department of Employment considered evidence from a range of international and domestic work experience programs, including the JobBridge scheme.

While there are similarities between JobBridge and the PaTH Internship program, there are also differences to specifically reduce the risk of displacement. These include:

- JobBridge internships were for either six or nine months. This timeframe increased the risk of displacement. PaTH internships are for a more limited timeframe of between four and 12 weeks, which will reduce the risk of displacement. This difference also takes into account feedback received from employers and employer groups in Australia that 12 weeks was sufficient for most industries to identify if someone is suitable for the role.
- PaTH Internships are much more targeted. Available only for job seekers 17-24 years of age who have been in employment services (jobactive, Transition to Work or Disability Employment Services) for at least six months, whereas JobBridge is available to all job seekers over the age of 18. The targeting to the youth cohort reduces the risk of displacing youth with older interns.
- Host organisations of PaTH internships are required to have a reasonable prospect of a job for the intern at the end of the internship, whereas host organisations participating in JobBridge did not have to have job opportunities for interns.
- Job seekers participating in JobBridge receive a lower incentive of around €100 per fortnight, compared to PaTH Internship job seekers who receive \$200 per fortnight.

Job seekers will be supported by employment services providers when undertaking PaTH Internships. The PaTH Internship program will have in place its own specific safeguards to prevent displacement.

Prevention - Host organisations that participate in PaTH Internships must be able to show reasonable prospect of employment following the internship. An employment services provider will need to be satisfied that any potential host organisation:

- has a current vacancy;
- is likely to have a vacancy following the internship; or

- has a regular pattern of recruitment, for a position that is aligned with the job seeker's interests, experience and qualifications.

Deterrence - Before a PaTH Internship commences, the host organisation will have to declare, in an agreement between it, the intern and the employment services provider, that it is not using the internship in lieu of creating paid employment opportunities or to displace an existing employee.

Detection - The Department's monitoring activities will help ensure that host organisations and providers use the program appropriately. This will include, but is not limited to, analysing the number of internships and the proportion that move into a job. The Department will also investigate any feedback received through the Tip-Off Line, National Customer Service Line or feedback loops from job seekers, providers and businesses.

Correction – Host organisations found to be misusing the program may be excluded from future participation.