

Submission response
from
Youth Affairs Network of Queensland (YANQ)
to

Participation Support for a More Equitable Society
(The Interim report of the Reference Group on Welfare Reform)

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ABOUT THE YOUTH AFFAIRS NETWORK OF QUEENSLAND

The Youth Affairs Network of Queensland (YANQ) Inc. is the peak community youth affairs organization in Queensland. Representing approximately 400 individuals and organizations from Queensland's youth sector, we promote the interests and well being of young people across the state. YANQ advocates for and with young people, especially disadvantaged young people, to government and the community. Further, YANQ encourages and participates in the development of policies, programs, projects and research that are responsive to the needs of young people.

YANQ also supports and promotes cultural diversity in Queensland. As such, YANQ in partnership and collaboration with the non-English speaking background Youth Issues Network (NESBYIN), which consists of 130 members, has continued to sustain the NESB Policy and Network Officer position for the last four years.

INTRODUCTION

YANQ welcomes the opportunity to respond to the Interim Report of the Reference Group on Welfare Reform, *Participation Support for a More Equitable Society*.

Over the years YANQ has done considerable work in the area of social and economic participation for young people including responding to issues of youth homelessness, alternative education, youth wages, income support and unemployment. More recently we have been active in responding to the implementation and evaluation of Youth Allowance, activity testing, breaches, issues for parenting young women and junior rates. YANQ is currently represented on the Federal Government's Activity Test Evaluation Community Reference Group.

YANQ wishes to respond on behalf of our members regarding a number of issues. These include opportunity for the community youth sector to respond to the Welfare Reform process. Firstly, the timelines and timing of both the original discussion paper and the interim report prevented large numbers of community groups and interested individuals from responding. The responses to the discussion paper were required during December 1999, (Christmas) a peak period for the community sector. Approximately eight weeks in the life of the community sector is not a lengthy period of time, given competing and inadequate resources. Similarly, responses to the Interim Report, which was late being launched, are due directly following the Easter 2000 break, at a time when the labour force is taking public holidays and consequently we have a significant number of short working weeks. Further hindrance to responding includes access to the interim report. The report was available on the Internet, however most of our members have been unsuccessful in downloading and printing this document. Attempting to procure a hardcopy of the document also proved difficult. When doing so by phoning the Department, information is provided that limited copies were printed and that it is impossible to send out a copy. It is only by persevering and lodging a complaint by phone that this State Youth Peak Body was able to procure one hard copy to share between almost 550 members statewide. The timeline also prevents an opportunity to consult widely with our membership, which is situated all over the vast state of Queensland. The Reference Group ultimately will miss out on valuable comment and feedback

YOUTH AFFAIRS NETWORK OF QUEENSLAND YOUTH POLICY PLATFORM

In 1999 YANQ released a number of policy positions which have relevance and present some framework for our response to this Interim Report. These Policy positions form YANQ's lobbying base on a range of issues, a number of which are relevant to this response. They are as follows:

Training pathways

In developing training options, pathways between education, training, and employment should be clearly articulated so that young people are not engaged in training as a method of reducing youth unemployment figures. Training opportunities should respond to industry need and young people's articulated choice. While YANQ encourages youth services and young people to become more involved in the development of training plans through their own volition, YANQ also believes that it is incumbent on government to include the range of stakeholders in consultations about training plans. YANQ believes that safety nets should exist to provide pathways for all young people between education, training and employment. Therefore young people who are denied income support and who are not in education should not miss out on training opportunities.

YANQ is committed to:

- ❖ Supporting access and equity strategies to monitor and ensure the most disadvantaged groups have access to training and ultimately employment options.
- ❖ Advocating for principles and guidelines for training provider organisations, including minimum standards which must become part of funding guidelines to ensure young people receive adequate support and training services e.g. cross-cultural issues.
- ❖ Encouraging the building of relationships between training providers and youth services in order to foster better communication and understanding of young people's issues.

Education

YANQ believes that young people have a fundamental right to free education. Education needs to be delivered in a way which recognises the cultural diversity of young people. Curriculum must recognise the true history of Indigenous Australians and the development of knowledge from a range of cultures. Young people must be seen as active participants in making decisions relating to the delivery of education. Young people must be given clear information about processes of suspension, exclusion, and cancellation of enrollment and what behaviors lead to these outcomes. All decisions must be subject to appeal options and a fair, independent appeal process must exist. Government departments need to have better coordination and greater consistency of policies affecting young people e.g. young people who are independent not being asked for parental/guardian permission. YANQ believes that schools must consider themselves as sites of learning that do not only prepare young people for the labour force. Alternative education options must be available to all young people as an informed choice and not be limited as a behaviour management strategy. Participation, respect, relevant curricula, flexibility, access to information and appeals processes are key area that need to be addressed in order to meet the educational needs of disadvantaged and marginalised young people.

YANQ is committed to:

- ❖ Supporting models of partnership between school and community based agencies.

- ❖ The development and implementation of innovative and creative alternative education models that are responsive to the education needs of disadvantaged and marginalised young people.
- ❖ Issues such as racism, sexism and homophobia being addressed within the education system.
- ❖ School based programs being enhanced to meet the needs of a culturally diverse society e.g. ESL.

Youth participation

YANQ recognises that young people are not viewed as full citizens in our society and as such, encounter multiple barriers that prevent them from fully participating in all aspects of community life. Youth participation is a process whereby young people are able to have their needs represented to society through having a voice either directly or indirectly. Youth participation is a founding element in any youth agency. It ensures the representation of young people and provides the information needed to implement youth directed strategies in order to fulfil the needs of young people. Youth participation models must reflect diverse populations and participation methods (not just be targeted at committees and formal meetings). They should be a reflection of what young people want as opposed to a model being imposed on them. It is also worthy to note that tokenistic participation is just as bad if not worse than no youth participation. Young people should not be left to operate in isolation of other young people or their supporting organisation\community. Participation is about power, therefore power must be shared more equitably in our society.

YANQ is committed to:

- ❖ Supportive and developmental processes that enable young people to participate.
- ❖ Developing mechanisms that ensure opportunities for young people to participate in decision-making that affects their lives.
- ❖ Ensuring that young people have the opportunity to learn the skills required for effective participation. Given the time and appropriate training young people can and do participate effectively at many levels.
- ❖ Supporting youth workers within the youth sector to advocate on behalf of young people as we should not assume that all young people will want to participate in matters affecting their lives.

Response to the Questionnaire

1. *Do you support the broad thrust of the interim report that the key goal of the social support system should be to help people access opportunities for economic and social participation?*

NO

YANQ concurs with the Queensland Council of Social Service (QCOSS), that the broad thrust of the social support system should be fundamentally income security, to purchase basic goods and services NOT as suggested helping people access opportunities on a basis of conditionality (mutual obligation). To ensure economic and social participation is not the role of the income security system.

Choice regarding social and economic participation is key. If communities are resourced adequately people will have options regarding participation.

People are not economic units. People live in communities in a society, not an economy.

Coercion and social control are implied with regard to achieving the outcomes referred to, rather than support and true participation.

YANQ supports the National Welfare Rights Network (NWRN) which refutes the ideal that the income security system itself is a cause of “welfare dependency” among workforce aged people. An adequate income security system is a necessary protection against poverty in society. No person in need should be denied a basic income support payment.

Long term income support need arises from a range of factors outside the income security system, which operate to exclude people from earning a sufficient livelihood. These factors include the availability of employment, the availability of accessible and suitable training opportunities, the availability of quality low cost child care, the availability of rehabilitation services, the availability of aids to assist disabled people in employment, the extent to which parent friendly employment practices exist and the extent to which the employment market discriminates against jobseekers with certain attributes.

YANQ also endorses the principles set out in the NWRN Welfare Reform Submission. These principles are:

1. Rules and procedures should be designed in a manner that enables their fair and consistent application. In so far as is practicable, rules and procedures which establish or diminish entitlements to payments, including any which authorise discretionary or customised actions, should be embodied in legislation.
2. All decisions must be open to external review.
3. Any new system should be designed from a standpoint, which recognises the reality of the experience and behaviour of Social Security recipients themselves.
4. Any customised requirements made of Social Security recipients should be genuinely and voluntarily agreed on by way of a process designed to take into account the inequality in bargaining power between negotiators.
5. There should be no requirement that a person undertake any form of activity that will not lead to a meaningful income generation or employment outcome.
6. Social Security payments must be sufficient to enable people to live above the poverty line and maintain a substantial level of engagement in society.

YANQ is concerned that the Welfare Reform will result in the loss of an essential safety net for the disadvantaged and marginalised in our communities.

2. *Would you support an integrated payment structure for people of workforce age to replace the current categorical system of income support?*

NO

The notion of a one payment suits all system would not be able to support the individual situations presenting for income support. Certain elements could be standardised in situations where individuals and families would be better off, not worse off.

Payment and associated services need to be flexible enough for packages to be tailored for recipients.

3. *Do you agree with the reports suggestion about the obligations of government, business, the broader community and individuals in increasing economic and social participation?*

NO

The reform report would need more depth and analysis of mutual obligation and potential extensions of activity testing. This would in fact highlight questions regarding long term sustainability of the system, flexibility, resourcing and the principle of choice of the income recipient.

4. *In what circumstances is it reasonable to **require** some form of social or economic participation from people who have the capacity, as the basis for income support provision to people of workforce age?*

NONE

Not when it is considered across the board that people with disabilities and primary caregivers, particularly single parents, just because they are of workforce age, are **required** to participate in order to receive income support. This implies a number of ideas, which in fact are contradictory to current federal government priorities such as *Strengthening Families and Strengthening Communities*. For example, it devalues the work performed by sole parents in their parenting roles, and that in their parenting roles they are often 'working' as volunteers in tuckshops, homework support, school reading groups etc. This is not to mention driving, coaching, supporting children and young people with dance lessons, basketball, baseball and the range of other activities that parents support in their communities.

The statistics regarding numbers of sole parents fail to identify any gender analysis, representing how many of these sole parents are in fact women who are not currently being adequately supported by fathers of their children.

There are also significant numbers of sole parents who are working and single income two parent families, who contribute to the working poor, who require additional income support. These people are already contributing/participating – are they to be expected to 'additionally' participate to be eligible to receive minimal income support payments.

In 1998, Centrelink imposed over 128,000 breaches on people receiving Newstart allowance or Youth Allowance. The information on breaches shows that Centrelink imposed 67,074 activity test breaches and 61,674 administrative breaches in 1998. In the year since the introduction of Youth Allowance and additional mutual obligation requirements for young people, there have been 40,055 young people who have incurred an activity test breach for failure to meet a mutual obligation or activity test requirement.

Time and again the statistics about activity and administrative test obligations reveal that those most likely to incur a breach are-

- Of Aboriginal or Torres Strait Islander descent; or
- Under the age of 25 years.

In addition, casework experience has shown that people with literacy problems, intellectual or psychiatric disabilities are more likely to incur a punishment for failure to comply with activity or administrative test obligations.

Given the vulnerability of these groups to poverty, discrimination in the workforce and homelessness, it seems absurd that the Social Security system, which is intended to help because of their disadvantage, actually punishes them harshly and disproportionately because of their disadvantage.

A system that supports recipients of income support to participate needs flexibility and significant resources

5. *Do you consider that improved (financial) incentives are required to increase economic participation?*

YES

In addition to a basic living income extra payment will assist income recipients to participate.

Other issues affect the ability of people to participate in work and need to be recognised. These include individual's skill levels, availability and accessibility of support services such as child care and public transport, literacy, locational disadvantage, cultural issues, availability of real job opportunities, etc. Many of these have resource implications.

6. *What changes to service delivery arrangements would be required to facilitate income support recipients of workforce age increasing their economic and social participation*

If this new system is to provide truly individualised services Centrelink will require a significant increase in one-on-one service model provision. Is this realistic, considering Centrelink has recently had major cutbacks and has an increasingly depersonalized service e.g. Call Centres, where many customers wait lengthy periods to access service?

We support QCOSS in noting that lack of affordable and accessible community services can also prevent people from participating in society. This has resourcing implications.

7. *Other Issues*

YANQ's most recent experience of reform in the area of income support has been with the implementation and ongoing evaluation of the Youth Allowance. Our members have been consulted widely in this area, including a Forum held in Brisbane, which was attended by 100 community service providers from across Queensland. The report from this Forum will be released shortly. We believe that a number of the issues have relevance for the Welfare Reform process. Consultations across Australia have been conducted by Family and Community Services, which have resulted in a number of reports being published on the implementation of Youth Allowance (YA).

The implementation of Youth Allowance in Queensland has been highly problematic despite some positive feedback provided in the Governments Youth Allowance Consultation Reports.

The FACS YA report notes that YA removed disincentives to study and reinforced a philosophy that families that have the means to do so should support young people until they reach financial independence. YA policy changes therefore benefited students to some degree and tended to make income support to young unemployed more stringent.

Alternative income support for jobseekers has become more stringent through: (a) the removal of income support to young people who are not full time students aged 15 – 18 unless there are exceptional circumstances (under 18's measure); (b) the introduction of a parental means test for young people who are not full-time students aged 18-21 and who are not identified as being independent; and (c) the tightening of the independence test for young people seeking employment aged 18-21.

The FACS YA report estimates that, as a result of the introduction of YA, 64% of young people have received the same income support; 27% have received more; 6% have received a reduced amount; and only 2% have lost income support. However, the statewide forum of key youth service providers conducted in May 1999 in Brisbane identified that these changes have had a major impact upon a significant number of young people. There is some evidence to support the forum's view. Firstly it is the unemployed young people who would largely make up the 6% reduced and the 2% lost income support. This is likely to reflect a significant percentage of young people who are unemployed given that YA recipients are mainly full time students. Secondly there is some reason to doubt the comprehensiveness of these figures. Whilst 2,263 young people (2.5%) had their payments cancelled in July 1998, an additional 1,737 young people (1.92%) lost income support from January to June of 1999 as a result of the under 18 measure which did not come into effect until after 1 January 1999. Furthermore the 2% estimate does not include the 6,500 young people (7.18%) who failed to return data forms in July 1998 –

the application forms and accompanying parental means test forms are highly complex. The Youth Allowance reform was intended to simplify income benefits for young people.

The discussion regarding percentages affected and unaffected to a certain extent disguises other adverse affects of the youth allowance upon the population of unemployed young people aged 15 – 21 that are not directly addressed, for example in the FACS YA Report. The Queensland forum identified a range of major negative affects including :

- A perception that the parental income test is assessed at a very low level. The forum concluded that a large number of families with relatively low incomes are expected to take on the additional financial burden of an unemployed young person whose income support is either non-existent or effected by their parent's income. This was perceived to have increased family conflict arising from financial stress.
- The forum also identified that family conflict had increased as a result of an enforced dependency of young people on their families particularly in families already experiencing difficulties in family relationships.
- Forum participants reported an increase in homelessness as a result of increases to family conflict and a subsequent increase in crime participation

Service delivery issues were also highlighted at the Queensland forum which specifically noted that young people and families were unable to access user friendly, appropriate and consistent information about the Youth Allowance, their expectations and rights from Centrelink. Young people and services reported that different staff provided different information and that there were significant difficulties accessing social workers. The forum also reported that the failure to access relevant, consistent and timely information has meant that many young people have been breached or gone without income support, often in times of major personal crisis. This assessment appears to be supported by other FACS documents that point to a significant cancellation rate for young people without family support. Only 12.9 % of YA customers under 18 are independent, yet they accounted for more than 75 % of under 18 YA cancellations from January – June 1999.

The forum reported that young people were being confronted by significant administrative difficulties including lengthy delays and waiting periods in the processing of claims; difficulty in contacting Centrelink on the phone; and a paucity of Centrelink staff who clearly understood the special needs of young people.

These particular issues regarding Youth Allowance are included in order to highlight some of the difficulties that have been encountered and continue during the process of reform of Youth Allowance.

A key objective of the changes to income support for young people was to simplify the system. Some of the effects have been noted above. If the aim of the future Welfare Reform is to simplify the system, then it is critical to ask the question for whom is the system being simplified? A number of the initiatives muted in the Interim report would require significant resources and flexibility in a system, which has not previously proven itself to possess either. The effect of this has been to further marginalise the most disadvantaged and marginalised citizens who access the service.