



Q&A

Compact with Young Australians

Questions and Answers

What has changed?

The Compact with Young Australians is a concerted action to increase young people's engagement in education or training to attain at least a Year 12 or equivalent qualification as a key to realising their potential and enhancing Australia's future prosperity.

From 1 July 2009:

Young people aged 15–19 will have an entitlement to an education or training place for any government-subsidised qualification, subject to admission requirements and course availability.

Young people **without** Year 12 or equivalent qualification must undertake full-time (25 hours or more a week) education or training to be eligible for Youth Allowance (Other). Those in part-time education or training must undertake additional activities to meet the 25 hours a week target (e.g. voluntary work, paid employment) to be eligible. Exemptions apply for some disadvantaged young people.

Young people **with** Year 12 or an equivalent qualification and not undertaking full-time study are eligible for Youth Allowance (Other) but must undertake regular job search or other approved activities.

From 1 January 2010:

Young people under 17 must be in school (or an approved equivalent) until they have completed Year 10. On completion of Year 10, these young people must then participate full-time (defined as at least 25 hours a week) in education, training or employment, or a combination of these activities, until age 17.

Young people aged 20–24 will have an entitlement to an education or training place for any government-subsidised qualification leading to a higher qualification, subject to admission requirements and course availability.

What are the changes to Youth Allowance (Other)?

From 1 July 2009, claimants for Youth Allowance (Other) are being assessed under the new 'learn or earn' participation requirements. Young people aged under 21 without Year 12 or an equivalent (Certificate Level II) qualification will be required to study full time, or participate in part time study or training in combination with other approved activities, usually for at least 25 hours per week.

The new requirements will be progressively implemented for existing recipients without Year 12 or an equivalent qualification between 1 January 2010 and 30 June 2010.

There is no change to participation requirements for young people who have completed Year 12 or an equivalent qualification.

Why have things changed?

The Australian Government and the States and Territories have implemented the changes in the belief that every young person is entitled to education or training that will give them access to employment, help them participate in the community and realise their potential.

How will it work?

A National Partnership Agreement on Youth Attainment and Transitions has been signed between the Australian Government and the states and territories.

The Australian Government is working with state and territory governments and training providers to make sure that there are education and training places available, including in rural and remote locations. Ultimately, states and territories will have responsibility for providing the education and training places entitlement under the Compact. Similarly, the National Youth Participation Requirement will be implemented through state and territory legislation where provisions are not already in place.

The Australian Government may make changes to other programs and assistance schemes where they help make the Compact work. For example, for the duration of the Compact, young Australian jobseekers aged 15–19 and working up to 15 hours a week may now also be eligible for a 100 per cent subsidised training place under the state-delivered Productivity Places Program.

How will the changes to Youth Allowance (Other) work?

Young people who choose to do an approved full-time course of study will generally qualify for Youth Allowance (Student), but if the course is short (up to 12 months long) and full-time they can stay on Youth Allowance (Other).

If the education or training is part time, then additional activities will generally be required. Additional approved activities may include things like paid employment, voluntary work or participation in a youth transitions program. Compulsory job search will not be an approved activity for this group.

Most young people doing part time training in combination with other activities will be referred to Job Services Australia. Job Services Australia providers will help young people to prepare a written Employment Pathway Plan which includes (generally) 25 hours of activities per week, including a part time study or training component, and will ensure they have the help they need to meet their requirements.

Youth Allowance (Other) is also referred to as Youth Allowance (Jobseeker).

Who is involved?

The Australian Government and the states and territories are working together to ensure that the government and non-government school sectors, public and private training providers, the business sector and the community sector are engaged in delivering the reforms under the Compact with Young Australians.

What is the equivalent attainment of Year 12?

An equivalent qualification of a Year 12 (Senior Secondary) Certificate issued by a Senior Secondary Board of Studies is:

- an Australian Qualification Framework (AQF) Certificate II or higher qualification issued by a Registered Training Organisation or a higher education institution, or
- the Certificate of General Education for Adults, the International Baccalaureate or other higher education pre-entry course.

What if a young person already has Year 12 or an equivalent attainment?

The priority for the Australian Government is that young people attain Year 12 or its equivalent qualification.

However, young people aged 15–19 who have already attained these qualifications—such as a VET Certificate II or above in a school environment—will not be disadvantaged when seeking post-school or employment training opportunities, including Australian Apprenticeships. They will be entitled to a government-subsidised education or training place as long as they meet the eligibility requirements and a course is available, regardless of level.

For young people aged 20–24 who have attained a Year 12 or equivalent qualification, their prior qualification will affect the focus of the education or training entitlement. They will need to undertake a qualification that will lead to a higher level of education than currently held. That is, if a young person aged 20–24 has a Certificate II qualification, for example, the entitlement to an education or training place is for any government-subsidised qualification leading to a **higher qualification** than Certificate II, subject to admission requirements and course availability.

Is there a cost involved?

The education and training entitlement for young people aged 15–24 is for government-subsidised education and training places. The cost of these courses is therefore already reduced because the Australian and state and territory governments have paid a proportion of the fees.

However, additional forms of support may be available to help with the costs of study. Some students in receipt of income support from Centrelink may be entitled to an exemption or concession on their tuition fees. If a young person does not qualify for income support ('non-allowee youth') they can still continue to volunteer for employment services with Job Services Australia. This includes young people who may be precluded from receiving Youth Allowance due to their parents' income, as well as young people without Year 12 who do not participate in study or training under the new rules.

For example:

- for young people who access a Productivity Places Program course, the costs are fully met by the Government.
- Job Services Australia providers will have the discretion to help with course costs through the Employment Pathway Fund.
- from 1 January 2009 to 30 June 2010 recipients of Youth Allowance (Other) who commence full time study or training may be eligible for the Education Entry Payment of \$208 and the \$950 Training and Learning Bonus.

How will the government assist and support young people to successfully attain qualifications?

The Australian Government is aware that all young people generally need assistance and support to both determine their chosen field or pathway and to develop the attitudes and skills needed to achieve success. An array of general career planning and development sites, and the education and training options for Australian jobs, is provided at the end of this factsheet.

The Australian, state and territory governments will negotiate a strengthening of social inclusion outcomes for priority groups, such as Indigenous people and young Australians with low language, literacy and numeracy skills. The additional assistance and support that arise from these negotiations will be aimed at building self confidence and helping to address the language, literacy and numeracy deficits among a number of disadvantaged young people in order to boost their participation in education and training.

In addition, the Australian Government will also:

- fund and deliver youth labour market programs and prevocational training for 15–24 year olds to support the education and training entitlement
- ensure Job Services Australia supports increased participation of young people aged 15–24 in education and training, including increasing referrals of young people aged 15–24 to education and training programs and prevocational training and through use of the Employment Pathways Fund to support participation in these activities as a priority
- expand eligibility for young people aged 15–19 to the Productivity Places Program for the duration of the education and training entitlement
- fund and deliver the National Career Development Initiatives
- implement higher education policy, including access by young people aged 15–24 and implementing transitional arrangements in 2010 and 2011 for a demand driven system for undergraduate places to be fully implemented by 2012, and
- undertake payment of income support to eligible 15–24 year olds.

How will young people have access to greater flexibility and clarity in programs and services for young people?

Young people need opportunities to learn in a wide range of contexts and with flexible time frames. The Australian Government is committed to a comprehensive reform agenda to ensure the education and training systems are more dynamic and flexible to better meet the needs of industry and students, including improving flexibility of schooling, training and higher education pathways in order to contribute to the target to lift the Year 12 or equivalent attainment to 90 per cent by 2015.

The Australian Government is also implementing changes to its youth career and transitions program arrangements. It has committed \$623 million over four years for measures to improve young people's educational attainment and transitions from school. These reforms will be delivered under a National Partnership on Youth Attainment and Transitions and will include the consolidation of existing youth transitions programs into two programs that will be developed in consultation with the states and territories and put in place from 1 January 2010:

- The School Business Community Partnership Brokers program will broker improved partnerships between community, business, and schools to assist them to extend learning beyond the classroom, increase student engagement, lift attainment and improve educational outcomes.
- The Youth Connections program will help provide a safety net for young people who are at risk of disengaging or who have disconnected from education, through flexible case managed support with services to build resilience, skills and attributes that promote positive choices and wellbeing.

A suite of Australian Government youth career and transition programs and initiatives exist to help young people make good education, training and employment decisions. They include *myfuture* and *Year 12—what next?* and the *Job Guide* as well as websites covering *going to uni* and Australian Apprenticeships.

Where will the training come from?

The Compact with Young Australians creates an entitlement to an education or training place for any government-subsidised qualification for young people aged 15–24 years. This is subject to admission requirements and course availability. As part of the Compact arrangements, state and territory governments have indicated an intention to work with their education and training providers to address issues related to the provision of education places, including in rural and remote areas.

In addition, Job Services Australia providers may help young people access education and training through the \$2 billion Productivity Places Program, which is now administered by the states and territories.

What will happen if a training place is not available?

With regard to Youth Allowance (Other) the requirement to undertake training or study may be deferred where a place is not available. This could include where:

- there are no locally accessible courses (including by distance education)
- a course is locally accessible, but there is no place available, or
- the course won't start until a future date.

In these circumstances, the young person's Employment Pathway Plan should record that study or training will be undertaken at the first available opportunity. The young person would then be required to do other approved activities, generally up to 25 hours a week.

What about young people who find it difficult to study (including part time courses)?

The new participation arrangements under Youth Allowance (Other) have been designed to be flexible for young people who will find it difficult to undertake full time study or training, or 25 hours a week of part time study or training in combination with other approved activities.

These arrangements include:

- exemptions for young people who lack capacity to undertake study or training (either because they are not qualified or they have a disability that would preclude them from doing a course)
- access to existing activity test exemptions, such as those for temporary medical incapacity or a major personal crisis
- the ability for Centrelink or Job Services Australia providers to reduce the number of hours a young person may have to undertake a combination of training and other activities to **less than 25 hours a week**, having regard to the young person's circumstances
- scope for young people with non-vocational barriers to undertake non-vocational activities concurrently with their education or training (for example, drug and alcohol counselling)
- scope for young people to address their non-vocational barriers prior to commencing their training or education if this is most appropriate (for example, help to secure housing if homeless)
- the ability for young people to satisfy the requirements while undertaking activities in the following programs:
 - the [Adult Migrant English Program](#)
 - the [Language Literacy and Numeracy Program](#)
 - the [Apprenticeships Access Program](#)
 - Stream 4 in [Job Services Australia](#), [Disability Employment Services](#) and Vocational Rehabilitation, and
 - from January 2010, the new Green Jobs Corp and Youth Connections programs.

What happens if a young person refuses to meet the new participation requirements?

Centrelink and Job Services Australia providers have been advised that where an early school leaver has not been participating in study or other activities included in their Employment Pathway Plan, the primary aim should be to re-engage the young person with their activities or, where appropriate, negotiate a new Employment Pathway Plan.

Youth Allowance (Other) will not be payable if an early school leaver capable of participating in study or training does not agree to do so.

Where can I obtain more information?

- The Compact with Young Australians:
www.deewr.gov.au/Youth/YouthAttainmentandTransitions
- Youth Allowance (Other) and FTB Part A:
www.deewr.gov.au/Youth/Pages/newsitem_ChangestoYouthAllowance.aspx
- Australian Apprenticeships: www.australianapprenticeships.gov.au
- Productivity Places Program: www.deewr.gov.au/Skills/ProductivityPlaces
- Prevocational Training: www.accesstraining.deewr.gov.au
- Career Planning, Education and Training Options: www.myfuture.edu.au
- Year12—what next?: www.year12whatnext.gov.au
- Job Guide: www.jobguide.deewr.gov.au
- Going to uni: www.goingtouni.gov.au
- Indigenous Youth Mobility Program: www.deewr.gov.au/Indigenous/Schooling/Programs/Pages/YouthMobilityProgram.aspx
- Indigenous Youth Leadership Program: www.deewr.gov.au/Indigenous/Schooling/Programs/Pages/IYLP.aspx
- Information for young people: www.youth.gov.au
- School Business Community Partnerships Brokers: www.deewr.gov.au/Youth/YouthAttainmentandTransitions
- Youth Connections Program: www.deewr.gov.au/Youth/YouthAttainmentandTransitions