



Australian Government

WHAT'S IN IT FOR YOUTH?

A QUICK GUIDE TO
YOUTH BUDGET AND
OTHER RELEVANT
MEASURES 2009

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FOREWORD

Since the Rudd Government was elected we have been getting on with the job of providing young Australians with the opportunity to contribute to the direction of our nation on a scale never seen before. That is why we established the Australian Youth Forum—to directly engage with Australia's youth about the issues that affect them and their communities.

Building on this new approach, *What's in it for Youth?* highlights what the 2009-10 Budget means for young Australians.

This year's Budget is about nation building for recovery. It supports jobs and small business today by investing in the infrastructure we need for tomorrow. It stimulates the economy and helps cushion Australia from the full impact of the global recession—while also laying the foundations for a stronger and more prosperous future. It will enable Australia to recover from the global recession faster than most other advanced economies.

The Budget is important for young people. The Compact with Young Australians will keep young people at school or engaged in further education and training and will prevent many from experiencing long-term unemployment. Significant new investments in higher education, vocational education and training, and research will help to secure the jobs of the future and long term prosperity. Reforms to Youth transitions and careers programs will create a stronger safety net for young people. These important measures will ensure that all young Australians can participate in our nation's economic future.

There are many other areas of the Budget that will be of interest to young Australians right across our diverse community—from climate change to high speed broadband, from paid parental leave to sport, from Indigenous issues to the arts.

I hope that you find *What's in it for Youth?* useful. I look forward to continuing our conversation, particularly through new and innovative ways such as this—the first ever online youth budget kit.



Kate Ellis

**Minister for Youth
May 2009**

KEY MEASURES FOR YOUNG AUSTRALIANS

The following measures are significant investments in the Budget for young Australians. Many of them are among the highlights identified by the Government in its *Budget at a Glance* and *Budget Overview*.

If you want to find out more detail about any of these measures, you can go to www.budget.gov.au.

Jobs and Skills

The Government's \$1.5 billion **Jobs and Training Compact** will provide relief and assistance to those affected by the downturn.

It includes the following elements, all of which are relevant to young people:

- A \$277 million **Compact with Young Australians** will guarantee training places for every young person under 25 who wishes to upskill and ensure young people participate full-time in study, training or employment, until age 17. It will also bring forward—from 2020 to 2015—the commitment in the National Education Agreement that 90 per cent of young Australians attain Year 12 or equivalent qualifications.
- Many young Australians get their start through **Australian Apprenticeships**. As part of the Compact the Government is providing additional funding of \$155 million to support out-of-trade Australian Apprentices and will encourage the use of Australian Apprentices in Government infrastructure projects.
- The Government will help eligible income support recipients to undertake approved training through a new temporary training supplement of \$41.60 per fortnight. The supplement will assist those who have not completed Year 12 or who are upgrading their qualification by providing extra income support while they are undertaking training.
- Vulnerable young job seekers will be assisted to acquire skills. The Budget provides \$30.2 million for an additional 3,650 pre-vocational training and support places for young job seekers aged 19 to 24 as part of the **Australian Apprenticeships Access Program**.
- A \$438 million **Compact with Retrenched Workers** will provide immediate support to Australians who experience a job loss.
- The Government will build on its \$800 million Local Community Infrastructure Program by providing \$650 million through its Jobs Fund to support local jobs in areas hardest hit by the downturn. The **Job Fund** includes \$300 million for projects that help protect the environment or promote sustainability; \$200 million to get communities working for local council and not-for-profit projects; and \$150 million for local infrastructure projects that create immediate jobs.

The Government is also investing \$4.9 billion over three years in new employment services. These will be provided through more than 2,000 Job Services Australia sites across the nation—commencing on 1 July 2009. There will be 63 specialist services under Job Services Australia to help people who are unemployed Australians with specific needs—including young people—but also people who are homeless, people with a mental illness and people from culturally and linguistically diverse backgrounds.

Youth Careers and Transition Programs

The Government understands that for many young Australians it is not as simple as just walking into a training course or a job. That is why the Government is strengthening the safety net for at risk youth. We want to give these young people the support they need to re-engage with education or training to participate more productively in the workforce in the future and realise their potential.

This will be achieved through reforms to the Government's \$618 million investment in youth transitions and careers programs. From 1 January 2010 existing programs will be restructured into two new, better targeted programs:

- **Community and Education Engagement Partnerships** will improve community and business engagement with schools to extend learning beyond the classroom, increase student engagement, deepen learning experiences, lift attainment and improve educational outcomes.
- **Youth Connections** will provide an improved safety net for youth at risk through the provision of tailored case management and support to help young people to re-connect with education or training and build the resilience, skills and attributes that promote positive choices and wellbeing.

From 1 July 2009, the Government will also increase the **Transition to Independent Living Allowance** (TILA) for young people leaving care from \$1,000 to \$1,500 at a cost of \$5.3 million over four years. TILA provides one-off financial support for young people leaving formal state-based care or informal care, such as out-of-home care and Indigenous kinship care arrangements. TILA assists with the costs associated with moving from care to independent living such as moving, furniture, education and transport costs.

Universities

A new approach is needed for higher education for the 21st century, one based on acknowledging the central importance of students. The existing system limits the capacity of universities to respond to changes in student preferences and demand, causing potential students to miss out on studies of their choice.

The Government will invest \$491 million over four years to uncap the number of public university places from 2012, allowing universities to offer a place to all eligible students. This will result in an additional 50,000 new students receiving places by 2013 and help achieve the Government's ambition that 40 per cent of all 25-34 year olds attain a bachelor level qualification or above by 2025.

The Government will invest \$206 million over two years in performance funding, to drive institution-led solutions to improve teaching quality, participation, student engagement and completion rates. The Government will set agreed performance outcomes across a range of indicators with reward funding attached.

The Government will implement a two-pronged strategy to encourage universities to take a greater leadership role in providing education to all groups in society.

\$325 million over four years will be invested to reward institutions for attracting and retaining low socio-economic status (SES) students. Universities will also be given \$108 million over four years to build long term partnerships with schools in disadvantaged areas to promote the benefits of higher education.

To support more participation in higher education, the Government will reform the student income support system to boost the level of assistance to those most in need. The Government has taken the tough decision to tighten the definition of independence, to ensure that only students who have demonstrated genuine self-support can qualify for Youth Allowance through independence prior to turning 22 years of age.

The savings from tightening the independence test will be reinvested to provide greater levels of support and more generous means testing arrangements for lower income students.

Education is a key building block for future growth. That is why the Government is investing \$578 million over three years to increase the rate of indexation for higher education funding. This change will improve funding across learning, teaching and research, reduce pressure to cross subsidise courses and help Australia compete in an increasingly international market for higher education.

To support the increased investment in teaching and learning the Government is rolling out the second Education Investment Fund (EIF) funding round. This funding round commits \$613 million to fund 11 higher education projects and 12 vocational education and training projects. In addition, \$750 million has been provided for future EIF funding rounds.

Schools

As part of the Education Revolution, the Government is investing a record \$62.1 billion in Australian schools from 2009-12. This will help ensure every Australian school is a great school and every Australian child receives a world class education.

Through new agreements with the States and Territories, the Government is investing:

- \$540 million to improve literacy and numeracy, with pilot projects already beginning in schools around the country.
- \$550 million for reforms to improve teacher quality, including a \$50 million investment in leadership development for principals.
- \$1.1 billion over five years for disadvantaged school communities.

The Government is investing in the biggest school modernisation program the nation has ever seen through the \$14.7 billion **Building the Education Revolution** program. Funding will start flowing to schools from early May 2009 for new facilities and refurbishments so Australia's schools can meet the needs of 21st century students and teachers.

Innovation will be central to securing Australia's competitive advantage in the future. The \$2 billion **Digital Education Revolution** program includes funding of \$807 million to school authorities to cover the associated costs of implementing the initiative. This initiative ensures that school students experience a technology rich learning environment, which will prepare them for the technology rich work environments of the future.

The Government is also working to raise the status of vocational education and training (VET) and better integrate the school and tertiary education sectors. The ten-year \$2.5 billion investment to establish **Trade Training Centres** in secondary schools to help increase the proportion of students achieving Year 12 or an equivalent qualification and help address skill shortages in traditional trades and emerging industries.

Youth Development

The Budget also includes significant investment in youth development programs:

- \$0.5 million per annum to the new **Youth Development and Support Program** to fund organisations to support initiatives aimed at offering development opportunities for young people.
- \$14.9 million over four years to support a new international scholarship scheme—the **Prime Minister’s Australia Asia Endeavour Awards**—enabling the best and brightest students at undergraduate and postgraduate levels from Australia and the Asia-Pacific to participate in a series of two-way exchanges that integrate study and work opportunities.
- \$10 million to engage young Indigenous Australians in education through sport by way of the **Sporting Chance** Program.
- \$5.4 million over four years towards operational funding for the National Institute of Dramatic Art, Australian Ballet School and Australian Youth Orchestra. The funding will be used to enable these organisations to continue to deliver elite training to young Australians pursuing careers in theatre, dance and music.
- \$9.6 million over four years to support young and emerging artists. One-off grants of up to \$10,000 will be provided to individual graduate artists to enable them to create a major work or event to build their portfolio and increase their self-sufficiency.
- \$1 million in 2009-10 to the Australia Council to continue support for small to medium arts organisations, and to provide international touring support for Australian artists. This measure will give young and regionally-based Australians increased opportunities to participate in the arts, and increase community awareness of and access to the arts.

Health

The Budget continues the Government’s commitment to a more effective health system by providing increased funding for public hospitals, reforms to deliver more choice and better access to services for patients across Australia, as well as investment in health infrastructure.

The Government is investing \$64 billion over five years to rebuild our public hospitals. This includes \$2.5 billion over five years to drive hospital and health workforce reform with the States and Territories. It also includes a \$3.2 billion investment in hospital infrastructure, translational medical research infrastructure and a national cancer statement. These investments will deliver better health outcomes while stimulating the economy.

In addition, a new **Rural Health Workforce Strategy** will provide \$134 million over four years to attract medical practitioners to areas of need.

Closing the Gap

The Budget invests nearly \$1.3 billion to underpin the Government's urgent reform agenda to close the gap between Indigenous and non-Indigenous Australians.

It builds on the substantial reform agenda agreed to by all Australian Governments in 2008 through five Indigenous specific National Partnerships—in health, housing, early childhood development, economic participation and remote service delivery.

Since the last Budget the Government has committed \$1 billion to specifically close the gap in educational attainment and employment participation of Indigenous Australians. This brings total new and existing funding across all Indigenous education programs to around \$2.1 billion over the four school years from 2009.

Paid Parental Leave

To boost participation in the long run, and to improve work-life balance, the Government is implementing a long overdue Paid Parental Leave scheme.

The Government is investing \$731 million over five years to implement the scheme for eligible working parents from 1 January 2011.

Paid Parental Leave was one of the top ten recommendations from the Australia 2020 Youth Summit, demonstrating the strength of support for this initiative among young Australians.

National Broadband Network

The Government has established a company to invest up to \$43 billion in a **National Broadband Network** (NBN) to provide superfast broadband to Australian homes and businesses.

In rural and regional Australia, the NBN will help connect communities, families and friends. It will help to revitalise our regions and improve the delivery of social services.

A new fibre optic network will connect up to 90 per cent of homes and workplaces. Broadband speeds of up to 100 Mbps will be available, placing Australia as a world leader. In other parts of Australia, households, businesses and communities will have consistent broadband speeds of 12 Mbps or more. These services will be delivered through next-generation wireless and satellite technologies. This is much faster than existing speeds in many areas of Australia.

First Home Owners Boost

To further support housing activity and the construction industry the Government will extend the **First Home Owners Boost** for an additional six months at a cost of \$539 million.

Until 30 September 2009, the First Home Owners Boost, in combination with the existing \$7,000 First Home Owners Scheme, will provide first home buyers with a total of \$14,000 for established homes and \$21,000 for new homes. From 1 October to 31 December 2009, the Boost will halve, providing \$10,500 for established homes and \$14,000 for new homes (including the First Home Owners Scheme grant).

OTHER IMPORTANT MEASURES FOR YOUNG AUSTRALIANS

The Budget also contains a diverse range of other initiatives that will be of interest to all or some young people. Here are some of them.

Health and Community Services

- \$1.8 billion over four years for a new, permanent Carer Supplement of \$600 per annum for Carer Payment recipients and \$600 per annum for Carer Allowance recipients for each eligible person in their care.
- \$9.3 million over four years to provide an additional 250 places for outside school hours and vacation care for teenagers with a disability or a severe medical condition.
- \$28.4 million over three years for youth diversionary services in the Northern Territory. This will offer a range of safe and healthy activities for Indigenous youth in the Northern Territory as an alternative to drinking and other forms of substance abuse.
- The Government has made an initial investment of \$42 million to implement a number of new initiatives which will progress the National Plan to Reduce Violence against Women and their Children.
- The Government will build on the success of Communities for Children by investing in innovative service delivery sites to reduce child abuse and neglect in locations experiencing disadvantage. This will mean that an additional 1,200 vulnerable children and families will get the help they need through intensive early intervention services in their local community, over the four years of this initiative. Sites will bring Australian, and State and Territory Government services together to address the risk factors for child abuse and neglect before they escalate.
- \$6.7 million over four years to extend the Mental Health Services in Rural and Remote Areas program.
- \$3.5 million over four years will be provided to tackle eating disorders, including \$500,000 to the Butterfly Foundation to establish a National Eating Disorders Collaboration. This initiative will bring together experts to develop a coordinated national approach to eating disorders, focused on filling gaps in services, and providing information to adolescents, schools, health providers and the media. The Collaboration will also work on the best ways to prevent eating disorders among school aged children, through promotion, prevention and early intervention.
- \$4.4 million to Surf Life Saving Australia, as a contribution to help upgrade Surf Life Saving Australia's information and technology system. The new system will provide coordinated data collection and improvements to the administrative and business processes across the organisation to allow it to better plan and deploy services.

Clean energy

The Government will invest \$4.5 billion (including \$1 billion in existing funding) as part of a new Clean Energy Initiative designed to assist Australia's transition to a low pollution economy, improve our competitiveness and help us build the jobs of the future.

The Initiative comprises three new elements:

- A \$2 billion investment in carbon capture and storage (CCS) projects under a CCS Flagships program. The projects are expected to comprise the development of a carbon dioxide storage hub as well as demonstrating a range of technologies to capture carbon dioxide from coal-fired power stations.
- A \$1.5 billion Solar Flagships program will invest in large-scale solar electricity generation projects. Through the development of up to four major projects the program will demonstrate solar at a capacity of 1,000 MW, which is similar in scale to that of a large coal-fired power station.
- A new independent body, Renewables Australia, with \$465 million seed funding, to support leading edge renewable technology research and development.

In addition to the Clean Energy Initiative, the Government will provide a \$100 million grant in 2009-10 to create an energy network in one demonstration project that integrates a smart grid with smart meters in homes.

Infrastructure and Transport

Investment in Australia's economic infrastructure is vital. The Government is investing \$22 billion to improve Australia's transport, energy, communications, education and health infrastructure.

The Government is committed to building world class infrastructure that enhances the amenity and productivity of our cities. As Australia's major cities continue to grow and expand, investment in urban infrastructure is urgently needed to support sustainable development and renewal.

The Government is investing \$3.9 billion over six years as contributions towards five major rail projects around Australia. More efficient metro rail networks will deliver economic and social benefits through faster travel times, less road congestion and lower greenhouse gas emissions.

The Government is also providing \$317 million over six years as contributions towards three public transport links for Australia's major cities.

Rural and regional

- \$11.2 million over three years to continue to provide access to Youth Allowance for children of eligible primary producers and small businesses in drought declared regions.
- \$7.6 million in 2009-10 to continue social and emotional counselling services to support families in drought affected local communities. Support will be provided by 25 Family Support Drought Response Teams, as part of the Family Relationship Services Program.
- \$15.3 million over three years to the Australian Broadcasting Corporation (ABC) to assist regional communities to create local broadband material to complement the roll-out of the National Broadband Network.
- \$26 million to extend the existing Drought Assistance for Schools program for 12 months. This program provides grants of up to \$10,000 per school per annum to assist the operation of government and non government schools in Exceptional Circumstances declared areas. The extension of this program until 30 June 2010 will assist rural families experiencing financial hardship as a result of the drought to meet ongoing education expenses.
- \$10.1 million over two years to extend the Distance Education Allowance Supplement of \$1,061 per annum per student until 30 June 2010, the Additional Boarding Allowance of \$1,000 per annum per student and the consequential ABSTUDY Boarders' rate for School Fees Allowance until 31 December 2010. The extension of these measures, which are specifically targeted at geographically isolated families, will help ensure that current levels of financial assistance are maintained for rural families who may be experiencing financial hardship as a result of living in drought affected areas.

Communications

- An additional \$150 million over three years from 2009-10 as a contribution towards the Australian Broadcasting Corporation (ABC). This funding will enable the ABC to meet key priorities including the establishment of a digital children's channel.
- \$30 million over four years to implement the Indigenous Communications Program, to provide community phones, basic public internet access facilities and computer training for remote Indigenous communities in partnership with the States and Territories.
- \$14 million over four years to fast-track and enhance the Digital Regions Initiative. The Digital Regions Initiative will promote broadband-enabled delivery of health, education and emergency services in regional, rural and remote Australia.

You can find out more about these measures at www.budget.gov.au.



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