



Western Australia

Youth Affordability and Employment Bill 2017

Explanatory Memorandum

In the current climate, it is extremely difficult for youth to afford a house or rent a unit, car registration, and keep a job. It is projected that, by 2030, there will be 551,100 young Western Australians who are unemployed. This will in turn affect their ability to purchase or rent housing and to pay for registration. The current median price for renting a unit is \$335 per week, according to REIWA, and the minimum wage for an 18 year old who works 38 hours a week full time is \$485.10. This leaves only \$150 for bills, food, fuel and other weekly expenses. The average 18 year old university student does not have 38 hours free per week to work full time, meaning that they would earn even less, making it impossible to move out of home and earn a degree simultaneously. As car registration is determined per 100kg, registration fees for young people can range from any price between \$200 to \$800 for a year. This can be extremely difficult for young people to pay, especially in a short amount of time.

The Youth Affordability and Employment Bill will implement a Young Renters Affordability Scheme which will assist young Western Australians to start renting a home or apartment. This scheme will also benefit those renting out homes and units to young people. A Young Home Buyers Grant will also be established to ensure young people can get into their own home. A Stamp Duty Concession for young home buyers will also be implemented as Stamp Duty is one of the most expensive costs associated with buying a home, often making it difficult for young Western Australians to buy.

This Bill will also implement the Registration Fee Reduction, which will help out young Western Australians to pay their registration, as it will lower the often high cost of registration fees.

The Youth Affordability and Employment Bill will also focus on helping young people get and keep a secure job through the establishment of a Youth Benefit Wage Subsidy and a Job Commitment Bonus. The Youth Benefit Wage Subsidy will encourage employers to employ young Western Australians in both part time and full time positions. It will also help the people employed through this scheme to gain workplace training and experience in the field. The Job Commitment Bonus will be established to give employees an incentive to maintain their continuous employment for up to three years.

The Youth Affordability and Employment Bill will help young Western Australians to move out of home, whether it be moving into their own home, or moving into a home or unit to rent, pay for registration and help them to get and keep a secure job.



Western Australia

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Western Australia

Youth Affordability and Employment Bill

A Bill for —

An Act to help young Western Australians with the affordability of moving out of home and the costs of owning a car and helping them gain and maintain a secure job and for related matters.

The YMCA Youth Parliament of Western Australia enacts as follows:

Part 1 — Preliminary

1. Short title

This Bill may be cited as the Youth Affordability and Employment Bill

2. Commencement

This Bill commences on the day on which this Act receives Royal Assent.

3. Interpretation

In this Bill, unless the contrary intention appears —

s. 3

“Continuous gainful employment” means working for financial benefit or reward, as an employee or as a self-employed person. If you finish one job and start another, this is considered to be continuous work if there are less than 5 business days between jobs.

“Financial situation” means the salary, wages, investments, savings or debt of a person.

“JCB” means the Job Commitment Bonus.

“Misbehaviour” means misconduct as outlined in *Corruption, Crime and Misconduct Act 2003*.

“Significance experience” means someone with greater than 10 years experience in the specified field.

“Success” means how the schemes implemented in the bill achieve their overall goals.

“RFR” means the Registration Fee Reduction.

“Workplace Training Program” means an on the job training program run independently by every business that is participating in the YBWS.

“YAEC” means the Youth Affordability and Employment Committee.

“YBWS” means the Youth Benefit Wage Subsidy.

“YHOG” means the Young Home Owners Grant.

“Youth organisation” means an organisation that works to address the issues faced by youth.

“YRAS” means the Young Renters Affordability Scheme.

Part 2 — Control and Oversight

Division 1 — The Youth Affordability and Employment Committee

4. Creation of the YAEC

- (1) A Youth Affordability and Employment Committee (YAEC) is to be established.
- (2) The YAEC is an agent of the state, and as such, has the status, privileges and immunities of the State.
- (3) The YAEC is eligible for proceedings to be taken by, or against their corporate name.

5. Remuneration

- (1) The Public Sector Commissioner will provide a recommendation to the Treasurer regarding remuneration and other allowances for each member.
- (2) The Treasurer will determine the appropriate remuneration and other allowances for each member, based on the advice of the Public Sector Commissioner.

6. Required Annual Meetings of the YAEC

The YAEC must hold at least four (4) official meetings per calendar year.

Division 2 — Membership of the YAEC

7. Membership of the YAEC

- (1) The committee will be composed of seven (7) members.
- (2) On the committee there will be –
 - (a) one (1) YAEC Chairperson, as selected in clause 8;
 - (b) two (2) representatives of the Department of Commerce;
 - (i) one member must have significant experience as an employer;

- (ii) one member must have significant experience in dealing with financial matters and knowledge of the government's budgetary stance;
- (c) two (2) representatives of the Department of Housing;
 - (i) one member must have significant experience or knowledge of accepted minimal standards of housing and shelter as per international regulations;
 - (ii) one member must have significant experience or knowledge of challenges and current affairs within the housing market for Western Australia;
- (d) one (1) representative of the Department of Transport who must have significant experience in licensing and costs associated with owning a car; and
- (e) one (1) representative of the Department of Local Government and Communities who must have significant experience working in a youth organisation.

8. Presiding Officer

- (1) The Minister for Commerce will select a chairperson for the YAEC.
- (2) The chairperson is required to preside over all YAEC meetings.

9. Chairperson Absence

In the event that the chairperson is absent, members present must elect a temporary chairperson to preside over the meeting.

10. Temporary Membership

- (1) If a member is temporarily unable to perform their duties, they must inform the Minister for Commerce at least three (3) days before the next scheduled YAEC meeting.
- (2) The Chairperson will appoint a temporary YAEC member, to act in his or her place, during their tenure, this temporary member is to be taken as a full member of the YAEC.

11. Termination of Membership

The Public Sector Commissioner will have the power to suggest the termination of committee members to the Premier on the following grounds of –

- (a) failing to comply with the requirements outlined in clause ten (10) three (3) times per term; and
- (b) misbehaviour or incapacity.

12. Length of Membership

Members will serve a term of two (2) years, after which they are eligible to be replaced, or reappointed.

Part 3 — Housing Affordability

Division 1 — Young Renters Affordability Scheme

13. Establishment

A Young Renters Affordability Scheme (YRAS) will be established.

14. Eligibility

The YAEC will determine the eligibility criteria for the YRAS, but they must include the following factors:

- (1) Age of –
 - (a) the applicant; and
 - (b) any potential partner, parent, or other co-occupant that the applicant may potentially be residing with.
- (2) Current living arrangements of the applicant.
- (3) Financial situation of –
 - (a) the applicant; and
 - (b) any potential partner, parent, or other co-occupant that the applicant may potentially be residing with.
- (4) Any other criteria that is determined at the discretion of the YAEC.

15. Application

- (1) An online application system for the YRAS will be set up by the Department of Housing.
- (2) For an application for the YRAS to be accepted, a person must:
 - (a) comply with the criteria set out in clause 14; and
 - (b) comply with any additional criteria that is determined by the YAEC, on advice from the Department of Housing.

16. Value

- (1) The minimum value of the YRAS is 7.5%, unless otherwise modified by the YAEC.
- (2) The value of the YRAS outlined in subclause (1) will be reviewed annually by the YAEC.

- (3) The YRAS will co-exist with current grants available as of July 2017 unless they are repealed, discontinued, or specifically excluded in legislation.

17. Enactment

- (1) Any person who applies for the YRAS must do so in consultation with their landlord.
- (2) Any person who successfully applies for the YRAS must inform their landlord of their qualification to the scheme.
- (3) The landlord must then reduce the rental price of the successful applicant, by the value outlined in clause 16.
- (4) The rental property owner will receive a tax concession equal to the lost income from clause 16.

Division 2 — Young Home Owners Grant

18. Establishment

A Young Home Owners Grant (YHOG) will be established.

19. Eligibility

The YAEC will determine the eligibility criteria for the YHOG, but they must include the following factors:

- (1) Age of –
 - (c) the applicant; and
 - (d) any potential partner, parent, or other co-occupant that the applicant may potentially be residing with.
- (2) Current living arrangements of the applicant.
- (3) Financial situation of –
 - (a) the applicant; and
 - (b) any potential partner, parent, or other co-occupant that the applicant may potentially be residing with;

- (4) Applicant's ability to satisfy the criteria for the First Home Buyers Grant.
- (5) Any other criteria that is determined at the discretion of the YAEC.

20. Application

- (1) An online application system for the YHOG will be set up by the Department of Housing.
- (2) For an application for the YHOG to be accepted, a person must –
 - (a) comply with the criteria set out in clause 19; and
 - (b) comply with any additional criteria that is determined by the YAEC, on advice from the Department of Housing.

21. Value

- (1) The minimum value of the YHOG is \$10,000 AUD.
- (2) The value of the YHOG outlined in 21(1) will be reviewed annually by the YAEC.
- (3) The YAEC will adjust the value of the YHOG annually, based on the findings of the review.
- (4) The YHOG will co-exist with current grants available as of July 2017 unless they are repealed, discontinued, or specifically excluded in future legislation.

22. Enactment

- (1) Upon successful application for the YHOG the grant will be paid to the applicant.
- (2) The applicant must provide proof that the grant was used to purchase a home, within one (1) year of receiving the grant.

23. Stamp Duty

Successful applicants to the YHOG will receive a twenty-five (25) percent discount on their stamp duty fee.

Part 4 — Registration Fee Reduction

24. Establishment

The Registration Fee Reduction (RFR) will be established by the YAEC.

25. Registration Fee Reduction

- (1) The Registration Fee Reduction entitles an applicant to a reduction in their registration fees.
- (2) The YAEC will determine the amount of Registration Fee Reduction.
- (3) The amount of the Registration Fee Reduction will be reviewed by the YAEC in the three (3) year review.

26. Eligibility

The YAEC will determine the eligibility criteria for the Registration Fee Reduction, and must take into account the following factors:

- (a) age of the applicant;
- (b) the financial situation of the applicant; and
- (c) the ANCAP star rating of the car.

27. Application

- (1) An online application system for the RFR will be set up by the Department of Transport.
- (2) For an application for the RFR to be accepted, a person must:
 - (a) comply with the criteria determined by the YAEC; and
 - (b) submit their application within thirty (30) days of purchasing the Car.

28. Transfer of Registration

If a person wishes to transfer the Registration Fee Reduction to another car, they must inform the YAEC of their intent to do so

Part 5 — Job Security

Division 1 — Youth Benefit Wage Subsidy

29. Establishment

A Youth Benefit Wage Subsidy (YBWS) will be established.

30. Subsidy Value

- (1) The default value of the YBWS is \$7,500 AUD.
- (2) The value of the YBWS outlined in subclause (1) will be reviewed annually by the YAEC.
- (3) The YAEC will adjust the value of the YBWS annually, based on the findings of the review.
- (4) The YBWS will co-exist with current grants available as of July 2017 unless they are repealed, discontinued, or specifically excluded in future legislation.

31. Eligibility

To be eligible for the Youth Benefit Wage Subsidy a person must:

- (a) be aged to 15 to 25 years old; and
- (b) be currently unemployed.

32. Conditions

For an employer to accept the Youth Benefit Wage Subsidy they must:

- (a) hire the employee on a part-time or full-time contract;
- (b) ensure they participate in the Workplace Training Program; and
- (c) contract the Department of Commerce to inform them of their participation in the subsidy program.

33. Enactment

The employer will receive the subsidy payment if:

- (a) six (6) months has passed since the employee's employment; and
- (b) the employer has upheld the conditions outlined in clause 32;

34. Workplace Training Program

The employer is responsible for ensuring that their WT program meets the following standards:

- (a) ensure a minimum of 3 hours training specific to the employee's role per month;
- (b) ensure that the training of clause 34(a) is performed by an employee with at least 6 months experience in that role; and
- (c) all further details relating to the Workplace Training Program will be determined at the discretion of the YAEC.

Division 2— Job Commitment Bonus**35. Establishment**

A Job Commitment Bonus (JCB) will be established.

36. Bonus Value

- (1) The default value of the JCB is \$3,000 AUD –
 - (a) this will be paid in two instalments of fifty percent, as outlined in clause (37).
- (2) The value of the JCB outlined in subclause (1) will be reviewed annually by the YAEC.
- (3) The YAEC will adjust the value of the JCB annually, based on the findings of the review.
- (4) The JCB will co-exist with current grants available as of July 2017 unless they are repealed, discontinued, or specifically excluded in future legislation

37. Payments

- (1) To be eligible to claim the first Job Commitment Bonus, a person must:
 - (a) be aged 18 to 26 years old;
 - (b) be an Australian citizen or permanent visa holder; and
 - (c) maintain continuous gainful employment for a period of 18 months.

- (2) To be eligible to claim the second Job Commitment Bonus, a person must:
 - (a) satisfy the requirements of clause; and
 - (b) maintain continuous gainful employment for a further period of 18 months.

Part 6 — Review

38. Review Period

- (1) A review, to be conducted by the YAEC, into the Youth Affordability and Employment Bill will be conducted every three (3) years from the commencement of this bill;
- (2) The committee will submit a report to the Minister for Commerce, detailing the findings of each review; and
- (3) Reports must be submitted within three (3) months of each review being complete.

39. YAEC Review

The YAEC will be responsible for reviewing:

- (a) the maximum value of properties eligible for the YRAS;
- (b) the value of the YRAS;
- (c) the value of the YHOG;
- (d) the reduction percentage for the Registration Fee Reduction;
- (e) the value of the YBWS;
- (f) the value of the JCG; and
- (g) the overall success and sustainability of these schemes.

40. Sunset Provisions

Unless renewed, this Bill and any amendments made will cease to have effect after ten (10) years from the commencement of the Bill and after the second review has been published.