

Issued: 14 March 2005

Chair – Phillip Barresi MP Deputy Chair – Brendan O'Connor MP



Working for Australia's Future

Industrial award reform, assistance and incentives to targeted groups of jobseekers and taxation review will be three of the big workforce issues tackled in a new report released today by the House of Representatives Standing Committee on Employment, Workplace Relations and Workforce Participation.

The report, *Working for Australia's future: Increasing participation in the workforce*, makes a total of 23 recommendations. It focuses on providing a range of incentives to jobseekers and employers, as well as encouraging more holistic approaches to training and assistance programs.

Australia's participation rate is currently 63.8 per cent – which is below that of comparable OECD countries. Further in a number of areas, such as participation rates for mature age workers, women and people with a disability, Australia's compares poorly to other countries.

The chair of the committee, Mr Phil Barresi MP commented that "The finding of the report is that there is considerable scope to increase participation in the workforce – particularly for certain groups who face barriers or discrimination to entering the workforce".

"Through the strategies identified", he added, "We can increase opportunities to participate in paid employment, and provide the appropriate mix of incentives, participation requirements and assistance programs".

The report recommends:

- reforming industrial awards by reducing the number of allowable matters and removing barriers to part-time and casual employment;
- reviewing participation requirements for Parenting Payment recipients;
- expanding after school care and holiday programs, and making approved childcare services Fringe Benefits Tax exempt;
- increasing the support for those people with a disability or chronic illness to find work and stay in work through expanding the Workplace Modifications scheme and increasing employer awareness of the assistance available;
- increasing the work capacity eligibility requirements for the Disability Support Pension;
- providing new funding for programs addressing skill shortages, particularly in rural and regional areas;
- expanding the Transition to Work assistance and the support provided to mature age workers seeking employment;
- standardising recognition of prior learning for youth and mature age apprenticeship schemes; and
- reviewing tax free thresholds, effective marginal tax rates, taper rates and income test stacking to remove potential financial disincentives to paid work.

The inquiry into increasing paid employment was commenced in the last Parliament. During that time, the Employment Committee amassed a large body of evidence; over 100 submissions were received and more than 20 public hearings were conducted across Australia.

Twenty out of the 23 recommendations were agreed unanimously. There was dissent from nongovernment members on three of the recommendations that concerned the reform of industrial awards and eligibility criteria for the disability support pension.

Copies of the report can be obtained by contacting the committee secretariat on (02) 6277 4162 or on the Committee's website at <u>www.aph.gov.au/house/committee/ewrwp</u> or emailing <u>ewrwp.reps@aph.gov.au</u>

For media comment please contact the Committee Chair Mr Phil Barresi on (02) 6277 4350 For information contact the Committee Secretary, on (02) 6277 4157