

Senate Standing Committee on Education and Employment

QUESTIONS ON NOTICE Budget Estimates 2015 - 2016

Outcome 1 - Employment

Department of Employment Question No. EMSQ15-000104

Senator O'Neill asked on 01 June 2015 on proof Hansard page 107

Question

Youth wage programs and subsidies - Central Coast region

Senator O'NEILL: Can I ask you on notice, in terms of the Central Coast region in particular, for any details that you have about youth wage programs and subsidies and information about the Central Coast. I would appreciate as much information as you could provide to me for the seats of Dobell and Robertson in the Central Coast region, thank you.

Ms Drayton: Okay.

Senator O'NEILL: Thank you.

Answer

The Minister for Employment advises that the Central Coast of New South Wales is well represented in the Parliament by the Member for Dobell, Karen McNamara MP and the Member for Robertson, Lucy Wicks MP both of whom have worked closely with Ministers Abetz and Hartsuyker in both advocating and delivering for their local communities.

Youth Employment Strategy: The Youth Employment Strategy will be a national programme. It will introduce new initiatives targeting youth at risk of long-term welfare dependency, to become job ready and find employment. The Youth Employment Strategy includes a \$212 million Transition to Work programme that will provide intensive support to help young people, aged 15 to 21 years, become job-ready. From 1 January 2016, the programme will target job seekers who have disengaged from education and employment, in particular those who have not completed year 12. Eligible job seekers will receive intensive support from community based organisations with expertise in helping young Australians to develop the work related skills employers want and need. Once fully established, around 19,000 young job seekers will be expected to benefit from the programme each year.

The Growing Jobs and Small Business package also includes youth employment initiatives targeted at assisting those youth at greatest risk of long-term welfare dependency, to become job ready and find employment. It includes:

- \$55 million for Innovative Youth Programmes. This programme provides grant funding to community and non-Government organisations to trial innovative and/or localised programmes to support around 10,000 young people at high risk of welfare dependency to find a job.
- \$90.6 million for Supporting Parents to Plan and Prepare for Employment. This programme will provide early intervention for parents, with a focus on getting them job ready earlier and in particular by the time their youngest child goes to school. This program continues the most successful elements of the existing Helping Young Parents and Supporting Jobless Families trials (which will continue to 31 March 2016, to provide a smooth transition into this new programme).

- Two additional programs being delivered by the Social Services Portfolio, the \$19 million Employment Support for Young People with Mental Illness programme and the \$22 million Transition Support for Young Refugees and Other Vulnerable Young Migrants measure.

Dobell and Robertson, New South Wales: The unemployment rate in the electorate of Dobell stood at 7.8 per cent in the March quarter 2015 (latest available data). In the electorate of Robertson, the unemployment rate stood at 5.6 per cent (see Table 1).

Table 1: Unemployment and Unemployment rate for the electorates of Dobell and Robertson, March quarter 2015.

	Unemployed	Unemployment rate (%)
	Mar-15	Mar-15
Dobell	5,359	7.8
Robertson	3,962	5.6

Source: Parliamentary Library, derived from Department of Employment Small Area Labour Markets data.

More detailed and up-to-date data are only available at the ABS Statistical Area Level 4 (SA4). The Dobell and Robertson electorates fall within the SA4 of Central Coast. While the Dobell and Robertson electorates account for around 89 per cent of the Central Coast SA4, labour market data at the SA4 level have been exhibiting considerable volatility in recent times and should be viewed with caution.

Table 2: Labour market indicators in the Central Coast SA4, May 2015

	Employed ('000)	Unemployment rate (%)	Participation rate (%)
	May-15	May-15	May-15
Central Coast	149.7	5.1	57.2
New South Wales	3,690.2	5.7	63.3
Australia	11,759.6	6.0	64.7

Source: For Central Coast, ABS, *Labour Force, Detailed - Electronic Delivery, May 2015* (Cat. no. 6291.0.55.001) data are three-month averages of *original* estimates. For New South Wales and Australia, ABS, *Labour Force, Australia, May 2015* (Cat. no. 6202.0) data are in *seasonally adjusted* terms.

In the Central Coast SA4, the level of employment stood at 149,700 in May 2015, while the unemployment rate stood at 5.1 per cent, below the national average (of 6.0 per cent). The participation rate in Central Coast, however, stood at 57.2 per cent in May 2015, well below the 64.7 per cent recorded for Australia.

Youth Wage Subsidy: This wage subsidy commences nationally from 1 November 2015 therefore details of specific impacts on the Central Coast are not yet available.

The Government will introduce broader eligibility criterion for the Youth Wage Subsidy to provide incentives for the employment of Fully Eligible Participants in jobactive, who are under 30 years of age. The job seeker must also have been continuously registered with an employment services provider (including jobactive, Job Services Australia, Disability Employment Services and Remote Jobs and Communities Programme providers) for at least six months.

In the meantime, job seekers under 30 years of age may be eligible for the Long Term Unemployed (12 months unemployment) and Indigenous (six months unemployment) Wage Subsidy, from 1 July 2015.