

Senate Standing Committee on Education and Employment

QUESTIONS ON NOTICE Budget Estimates 2017 - 2018

Outcome 1 - Employment

Department of Employment Question No. EMSQ17-004039

Senator Cameron asked on 29 May 2017 on proof Hansard page 51

Question

OECD recommendations regarding labour market participation

Senator CAMERON: How about you then provide details of what the OECD actually recommended.

Ms Leon: Sure.

Ms Jensen: We would be happy to do that.

Senator CAMERON: They did not recommend any specifics for this cohort, did they?

Ms Jensen: They recommended that they should be activated to get back into work, so that implies a range of activities that are relevant to job search and building skills to be ready for the job market. But we can get you the specifics on that. We are happy to.

Answer

- The OECD's *Connecting People with Jobs* report (2017)ⁱ recommended that Australia should consider adopting "*mutual obligations for mature age jobseekers, in line with other age groups*" (page 12).
- The report further elaborates that "*in order to improve the employability of workers throughout their working lives, Australia could take further steps to providing effective employment assistance to jobseekers, irrespective of their age, to ensure that mature age jobseekers have the same obligations as younger jobseekers for receiving unemployment benefits*" (page 74).
- The OECD highlights in the report that "*mutual obligations for jobseekers in Australia...still vary by age: younger jobseekers under age 30 face stronger participation requirements than those over age 50. Generally jobseekers are required to actively seek (and take up) paid work, which they must demonstrate through 20 job-search actions per month, unless their provider specifies a different number due to individual circumstances and labour market conditions*" (page 75).
- The *Connecting People with Jobs* report in turn references (page 74) the OECD Council's *Recommendation on Ageing and Employment Policies* (2015)ⁱⁱ, which recommends OECD countries, including Australia, increase the labour market participation of mature age workers through encouraging them to stay in or re-enter work through:
 - i) strengthening financial incentives to carry on working;
 - ii) tackling employment barriers on the side of employers; and
 - iii) improving the employability of workers. This includes "*providing effective employment assistance to jobseekers, irrespective of their age,.... while ensuring that older jobseekers have the same obligations as younger for receiving*

unemployment benefits in terms of actively seeking a job, but also the same rights in terms of access to targeted re-employment services.”

ⁱ OECD (2017), *Connecting People with Jobs: Key Issues for Raising Labour Market Participation in Australia*, OECD Publishing, Paris. <http://dx.doi.org/10.1787/9789264269637-en>

ⁱⁱ <http://acts.oecd.org/Instruments/ShowInstrumentView.aspx?InstrumentID=333&Lang=en&Book=False>