

## Senate Standing Committee on Education and Employment

### QUESTIONS ON NOTICE Budget Estimates 2017 - 2018

#### Outcome 1 - Employment

Department of Employment Question No. EMSQ17-004281

Senator Marshall provided in writing.

#### Question

##### Change in activity for 60-69 year olds

- Why has the government decided to ask job seekers aged 60 to 69 to do 10 hours activity per fortnight? What will that achieve?
- Who was consulted on the policy change?

#### Answer

International evidence shows that the best way to reduce welfare dependency is to engage welfare recipients to search for work and undertake activities that increase their chances of finding work. Most recently, the March 2017 OECD report *Connecting people with jobs: key issues for raising labour market participation in Australia*, recommended increasing participation requirements for several groups of job seekers, including older Australians. The Treasury 2015 Intergenerational Report also raised the need to encourage older workers to stay in or re-enter the workforce.

Introducing 10 hours of Annual Activity Requirements per fortnight for job seekers aged 60 to the Age Pension age is consistent with existing evidence and will achieve an increase in mature-age workforce participation by ensuring mature-age workers undertake activities that enhance their chances of finding work. This will reduce welfare dependency, leading to benefits for the individual job seekers, the community and the economy.

As part of the development of the new Annual Activity Requirements for job seekers aged 60 to the Age Pension age, the Department of Employment consulted and worked with the Department of Human Services and the Department of Social Services. Other Australian Government departments were also consulted as part of the usual Budget processes.

The Department of Employment has commenced post-Budget consultations on 2017–18 Budget Measures, including the change to job seekers aged 60 to the Age Pension age.