

Senate Standing Committee on Education and Employment

QUESTIONS ON NOTICE Supplementary Budget Estimates 2015 - 2016

Outcome 1 - Employment

Department of Employment Question No. EMSQ15-000285

Senator O'Neill asked on 22 October 2015 on proof Hansard page 29

Question

National Wage Subsidy Pool

Senator O'NEILL: I have a question on the national wage subsidy pool. In the May budget the government consolidated all wage subsidies into a \$1.2 billion national wage subsidy pool to target long-term unemployment.

Ms Leon: Not only long term.

Senator O'NEILL: Not only long term?

Mr Hehir: No.

Senator O'NEILL: Short term?

Ms Leon: It targets mature age, youth, long-term unemployed, Indigenous and also consolidated the Tasmanian Jobs program into it, which is a terminating program.

Senator O'NEILL: That is all the subsidies. The list that you gave me there would be—

Ms Leon: That is the cohorts.

Senator O'NEILL: That is the cohorts that have been consolidated into that?

Ms Leon: That is all.

Senator O'NEILL: What were they again?

Ms Leon: Mature age, youth, long-term unemployed, Indigenous, the Tasmanian Jobs program and also parents.

Ms Drayton: There is a parents cohort included in that wage subsidy pool as well.

Senator O'NEILL: Any further detail that you can provide on notice regarding that would be appreciated. There are several other questions on notice. I am particularly interested to find out what is going on in some of the regions across New South Wales, in all aspects of the region but particularly given our earlier conversations about young people and their access to work.

Ms Leon: They are best dealt with on notice because to try to give answers by region at the table would occupy quite a lot of the committee's time.

Answer

- As part of the Growing Jobs and Small Business Package, a \$1.2 billion (over four years) national wage subsidy pool was established from 1 July 2015.
- The national wage subsidy pool consolidates existing funding for the Restart, Youth, Long-Term Unemployed, Indigenous and Tasmanian Jobs Programme wage subsidies.
- So more job seekers can access wage subsidies, eligibility was expanded from 1 November 2015. The following job seekers receive priority access after six months in employment services.
 - Registered in jobactive
 - Indigenous
 - Parents
 - Registered in jobactive or Transition to Work
 - Youth under 30 years
- These job seekers after six months on income support.
 - Mature age 50 years and over - Restart
 - Tasmanian Job Seekers (ceases 31 December 2015)
- All other job seekers will be eligible after 12 months in employment services and registered with a jobactive provider.
- Eligible employers will be able to receive \$6,500 (GST inclusive) over 12 months for hiring an eligible job seeker and they can negotiate the payments to meet their business needs.
 - Employers of a Restart eligible job seeker receive an additional \$3,500 (GST inclusive) after the job seeker has been employed for 12 months, making it a total of \$10,000 (GST inclusive).

Note: employment services include jobactive, Disability Employment Services, the Community Development Programme, former Job Services Australia or former Remote Jobs and Communities Programme.