

## **Senate Standing Committee on Education and Employment**

### **QUESTIONS ON NOTICE Additional Estimates 2016 - 2017**

#### **Outcome 1 - Employment**

**Department of Employment Question No. EMSQ17-003985**

**Senator Marshall provided in writing.**

#### **Question**

##### **MYEFO changes to wage subsidies**

Why cut any avenues that help people get into work when so many people are struggling to do so?

Why was the decision made to cut a long-term employment subsidy taken to make savings, then a decision made to spend \$20 million on advertising for Youth Jobs PaTH?

Isn't it more important to offer the subsidy that might get people into work than find money to give to advertising companies?

#### **Answer**

The Government is investing \$6.9 billion in jobactive, \$855 million in the Youth Employment Package (which includes the Youth Jobs PaTH) and \$385 million in Transition to Work over the forward estimates.

Savings from the wage subsidy pool were redirected to fund Government commitments including:

- \$200 million to the Regional Jobs and Investment Package to support communities in regional areas to diversify their economies, create new export opportunities and boost regional jobs;
- \$10 million to fund the Launch into Work program to assist the long term unemployed through training, mentoring and a community based work placement; and
- budget repair.

The Department of Employment is confident that the demand for wage subsidies can be met out of the current funding envelope.

The \$18.8 million communication campaign for the Youth Jobs PaTH is critical to ensure that interested groups such as young job seekers and employers are made aware of the program and the opportunities available to them.

This expenditure is consistent with that of previous communication strategies for employment programs.