

Senate Standing Committee on Education Employment and Workplace Relations

**QUESTIONS ON NOTICE
Additional Estimates 2012-2013**

Outcome 3 - Employment

DEEWR Question No. EW0869_13

Senator Sinodinos asked in writing.

Question

Job Bonus Scheme

1. How many staff in the Employment department are allocated to the Job Bonus Scheme?
2. Has the introduction of the Job Bonus Scheme led to the hiring of new staff within the Employment department? If so how many, and what were the employment positions?
3. How many applicants has the program had to date?
4. When was the first payment made?
5. Please outline the application process.
6. Please outline the criteria for application as determined by the department or the Minister.
7. What is the acceptance rate/ success rate of applications?
8. If any applications have been rejected could you please give reasons as to why they were rejected?
9. How many payments have been made to date, number of recipients and amount spent so far?
10. Please provide an age breakdown of recipients for the following ranges: 50–54, 55–59, 60–64, 65 plus.
11. The amount provided was for 10,000 workers, given that the amount projected in the 2012/2013 budget was 10.0 million over four years. Forward estimates allow for 2.5 million per year, or 2,500 workers. To date in this financial year how many recipients have received the \$1000 payment?
12. Does the Department project that they will make 2,500 payments this financial year?
13. The Job Bonus Scheme was designed to encourage employers to employ workers for three months. How many of those workers ceased employment after those three months, and how many of those who ceased employment then returned to welfare payments?
14. The Job Bonus Scheme was designed to encourage employers to employ workers for three months. How many of those workers ceased employment after six months, and how many of those who ceased employment then returned to welfare payments?
15. Has the Minister or the Prime Minister requested a briefing on this matter?

Answer

1. Two full time equivalent staff are allocated to the establishment, management and administration of the Jobs Bonus program.
2. No additional staff have been recruited since the introduction of the Jobs Bonus program.
3. The online application and payment system became available on 10 December 2012. A total of 169 applications have been received (as at 25 March 2013). Employers are able to lodge applications for eligible job seekers who commenced employment on or after 1 July 2012.
4. The first payment was made on 19 December 2012 following the online system becoming operational.
5. Employers apply through the Department's Jobs Bonus website which provides step-by-step instructions on the process. Employers must complete the registration for the Jobs Bonus online and provide their details and those of the nominated employee. Once submitted, the registration is then assessed by the Department and employers are advised of the result.
Employers who have submitted approved applications are reminded when the 13-week period of employment has been achieved that they may claim a Jobs Bonus. If all criteria have been satisfied, the claim is approved and the payment is processed directly to the employer's nominated bank account.
6. The Jobs Bonus is open to all employers who satisfy basic requirements, such as being a legal entity. For an employer to receive the Jobs Bonus, the new employee must meet eligibility criteria which include:
 - being 50 years of age or older when they start work
 - being unemployed and registered with a Job Services Australia (JSA) provider to receive either Stream 1 (Limited), Stream 1 or Stream 2 services
 - not be eligible for a Wage Connect Subsidy
 - having commenced employment on or after 1 July 2012
 - being employed as an ongoing employee (for a minimum of 15 hours per week)
 - being employed under legal industrial agreements and receive a weekly award-based wage.
7. To date the acceptance rate/success rate of applications submitted is approximately 36 per cent. This rate has improved with employers and JSA providers becoming more familiar with the eligibility requirements of the program.
8. The reasons for rejection of applications include:
 - employee not being registered with a JSA provider at the time of employment
 - employee being not being in an ineligible Stream— that is not in Stream 1, Stream 1 (Limited) or Stream 2
 - employee being eligible for Wage Connect Subsidy, on the basis that the Wage Connect is a different wage incentive that provides longer term assistance and is targeted to those who require a higher level of structured assistance.
9. As of 25 March 2013, a total of 54 Jobs Bonus payments have been approved totalling \$59 400.
10. Of the 54 applications paid and approved to date, 17 are in the age range 50–54, 30 in the age range 55–59 and 7 are in the age range 60–64.
11. To date a total of nine recipients have received 25 \$1000 payments between them this financial year.
12. There is a major focus on increasing the awareness of mature age programs, including the Jobs Bonus, through a communication strategy directed towards

mature age people, employers and employment services providers. It is anticipated that as awareness of the program increases, a higher volume of applications will be processed in the final quarter of 2012–13, and it is therefore difficult to estimate the final number for 2012–13.

13. Four workers have ceased employment after three months and have returned to welfare payments.
14. Three workers have ceased employment after six months and have returned to welfare payments.
15. The Minister receives regular updates on the program.