



Tasmanian Jobs Programme Evaluation: Departmental response to recommendations

The Department has used and will continue to use findings from the Tasmanian Jobs Programme Evaluation to inform the policy development and implementation of similar programs.

In developing the Youth Jobs PaTH Youth Bonus and other enhancements to wage subsidies, announced in the 2016 and 2017 Federal Budgets, the Department drew upon a range of evidence, including from this evaluation. Some examples of this include:

| Recommendation | Policy or program decision |
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| Future initiatives should consider the target population. Programs that are specifically targeted at the most disadvantaged job seekers may be required. | From 1 January 2017, a new Youth Bonus wage subsidy was introduced to job seekers under 25 years of age who have been in employment services for six months or more. Job seekers in Streams B and C (less job ready) attract a higher Youth Bonus wage subsidy than those in Stream A – up to \$10,000 (GST inclusive) compared to \$6,500. Further to this, as announced in the 2017 Budget from 1 January 2018, Indigenous job seekers will be granted immediate access to a \$10,000 (GST inclusive) wage subsidy – reducing the time in employment services by six months and increasing the subsidy from \$6,500 to \$10,000. |
| Future initiatives should consider the level of subsidy offered and the incentive it creates for employers to hire subsidised staff. | The Youth Bonus wage subsidy offers up to \$10,000 (GST inclusive) to employers over six months. This is a larger subsidy over a shorter period compared to that available under the Tasmanian Jobs Programme. Based on feedback from a range of employers and business groups the guidelines and processes for employers and employment services providers were simplified to reduce red-tape and encourage take-up. |
| Paying a portion of the subsidy upfront may also assist with any upfront costs associated with recruitment and therefore increase employers' willingness to hire. | The payment schedule for all wage subsidies is negotiated between providers and employers. This includes lump-sum payments upfront or early on in the agreement. In January 2017 |

Departmental Response to recommendations of the Tasmanian Jobs Programme Evaluation

| Recommendation | Policy or program decision |
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| | <p>upfront payments ceased, but a kickstart payment came into effect that allows 40 per cent of the total wage subsidy to be paid after four weeks of the employment commencing – again based on feedback from employers and business groups that earlier payments would create employment opportunities by encouraging take up of wage subsidy assistance.</p> |
| <p>To improve program awareness, information about assistance to employers should be more easily available and directly targeted at employers; for instance, through emails, presentations and printed booklets to employers and employer organisations.</p> | <p>Comprehensive employer mobilisation and communication strategies will support the implementation of the Youth Employment Package, including improvements to all wage subsidies. Lessons learnt from the Tasmanian Jobs Programme have helped inform these strategies.</p> |