



Australian Government
Department of Education,
Skills and Employment



Incoming Government Brief

2022



Australian Government
Department of Education, Skills and Employment

Secretary
Dr Michele Bruniges AM

The Hon Tony Burke MP
Minister for Employment and Workplace Relations

Dear Minister

Congratulations on your appointment as Minister for Employment and Workplace Relations. I look forward to working with you to implement your *plan for a better future for all Australians*.

Employment provides economic and social benefits to Australians, their families and communities, and employment policy ensures all Australians have the support they need to find work.

My department stands ready to implement your agenda by providing national leadership on employment policy. We will partner with stakeholders to deliver pathways for people to access job opportunities and build a stronger, broader, more inclusive and sustainable economy.

I look forward to meeting with you and discussing your agenda further.

Yours sincerely

Dr Michele Bruniges AM



1 June 2022

Table of Contents

1. Introduction

Provides an overview of the department and its role, introduces the leadership group, and provides a high-level economic and labour market outlook.

2. Your agenda

Provides advice on your reform agenda, including a high-level roadmap of key milestones, and 


Commitments

Employment

3. Early priorities

Identifies the briefings you will receive in the first week and first month to make time-critical or significant decisions, stakeholders you might like to contact, and early event opportunities you may wish to consider.

4. Overviews

Describes how the employment sector operates, with reference to key data and reforms. Also includes overviews on significant issues, such as women's labour market participation and Closing the Gap.

SUPPLEMENTARY PRODUCTS



Portfolio guide

Provides information about the architecture and main activities of the education, skills and employment portfolio, including overviews of all administered programs.



1

Introduction

Table of Contents – Introduction

1. Introduction

Introduction to the department

Departmental leadership

Economic and labour market outlook

Introduction to the department

The Department of Education, Skills and Employment's (the department) purpose is to *contribute to Australia's economic prosperity and social wellbeing by creating opportunities and driving better outcomes for people, through education, skills and employment pathways.*

An educated workforce and society, with the ability to learn new skills, innovate and create new knowledge, improves the economic capacity of the nation and increases productivity and potential future growth.

The work we do

The department implements Government policies and programs that impact Australians from their early years and throughout their lives, as well as being a driving force behind the economic and social wellbeing of the nation.

The policies and programs help enable all Australians to overcome disadvantage, positively participate in their community and contribute to social and economic life.

We achieve this through our four Outcomes, as outlined in the Portfolio Budget Statement:

- 1** Improve early learning, schooling, student educational outcomes and transitions to and from school through access to quality child care, support, parent engagement, quality teaching and learning environments.
- 2** Promote growth in economic productivity and social wellbeing through access to quality higher education, international education and international quality research.
- 3** Promote growth in economic productivity and social wellbeing through access to quality skills and training.
- 4** Foster a productive and competitive labour market through policies and programs that assist job seekers into work and meet employer needs.

In 2022-23, the portfolio will manage around \$59.1 billion of Australian Government funding (including Portfolio Agencies and Treasury Appropriations). Of this, \$58.1 billion is for administered expenses and \$848.3 million for departmental expenses.

How we do it

The department provides advice to its Ministers and effectively implements Government policies and programs. In doing this, the department draws on the best available research, evidence and data.

The department works closely with other government agencies, state and territory governments, international organisations, regulators, businesses, education institutions, peak bodies, providers, industry and the community. This engagement combined with strong working relationships ensure policy development, program delivery, services and evaluation reflect the needs of the sectors, stakeholders and the Australian public.

We aim to maximise the benefit of our state, regional and international presence to support local relationships, contribute local knowledge and deliver services nationally and internationally.

As at 31 December 2021, the portfolio¹ employed approximately 4,369 staff under the *Public Service Act 1999*. The department has a presence across Australia, including 3,871 staff (88.6 per cent) in Canberra, central Melbourne and central Sydney, 427 staff (9.8 per cent) in other capital cities, and 60 staff (1.4 per cent) in regional areas (Alice Springs, Bendigo, Cairns, Newcastle, Orange, Mackay, Rockhampton and Townsville). Our international Counsellor network includes Brazil, China, France, India, Indonesia, Japan, Malaysia, Mexico and Vietnam.

Portfolio agencies

- Australian Curriculum Assessment and Reporting Authority
 - Australian Curriculum, Assessment and Reporting Authority Board
- Australian Institute of Teaching and School Leadership
 - Australian Institute for Teaching and School Leadership Limited Board
- Australian Research Council
 - Australian Research Council Advisory Committee
- Australian Skills Quality Authority
 - National Vocational Education and Training Regulator Advisory Council
- Tertiary Education Quality and Standards Agency
 - Tertiary Education Quality and Standards Agency Accountable Authority

Bodies forming part of the portfolio's administrative arrangements orders

- Australian National University

Statutory Bodies

- Australian National University (ANU) Council
- Higher Education Standards Panel
- Initial Teacher Education Quality Assessment Expert Panel
- National School Resourcing Board
- Tuition Protection Service (TPS) Advisory Board

Statutory office holders

- National Skills Commissioner
- Tuition Protection Service (TPS) Director
- Unique Student Identifier (USI)

Non-Statutory Appointments

- Regional Education Commissioner

¹ Data reflects the department, Australian Research Council, Australian Skills Quality Authority, and Tertiary Education Quality and Standards Agency. Data for the Australian Curriculum Assessment and Reporting Authority (ACARA) and the Australian Institute for Teaching and School Leadership (AITSL) are not included as these agencies do not employ staff under the *Public Service ACT 1999*.

Non-Statutory Boards

- Australian Industry and Skills Committee
- Council for International Education
- Equity in Higher Education Panel
- National Careers Institute Advisory Board
- Performance-Based Funding Review – Expert Group
- Quality Indicators for Learning and Teaching Working Group
- Skills Expert Panel

Ministerial Forums Relevant to the Portfolio








- Education Ministers’ Meeting
- Skills National Cabinet Reform Committee
- Skills Ministers’ Meeting

Other Structures within the Portfolio

- Australian Education Research Organisation Limited (AERO)
- National Centre for Vocational Education Research Ltd
- Australian Children’s Education and Care Quality Authority
- Australia India Education Council
- Australia Indonesia Centre
- Australian-American Educational Foundation (Fulbright Commission) Board
- Education Services Australia (ESA)

Further information can be found in the *Education, Skills and Employment Portfolio Guide*.

Departmental leadership

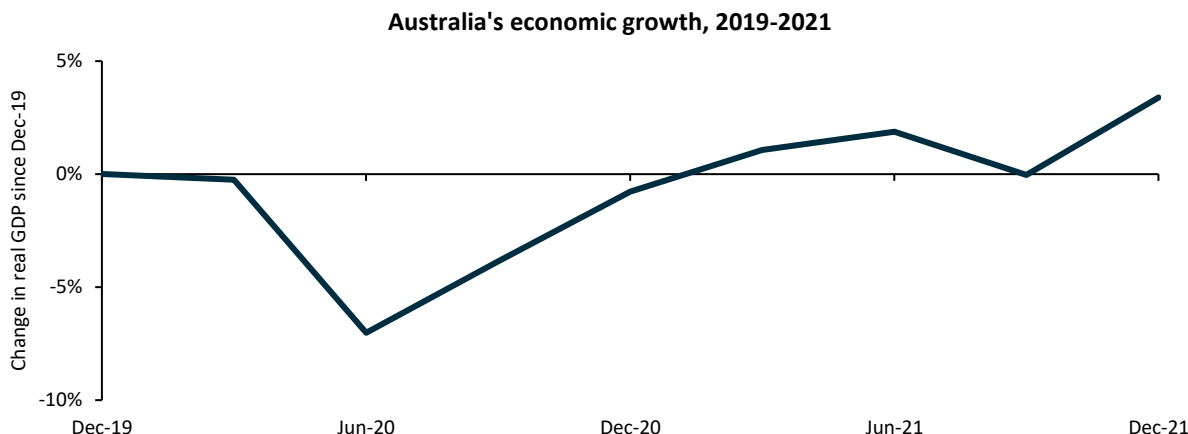
Name	Role and contact details	Executive Officer contact details
	Dr Michele Bruniges AM Secretary, Australian Department of Education, Skills and Employment [Redacted]	[Redacted]
	Mr Marcus Markovic Deputy Secretary, Corporate and Enabling Services [Redacted]	[Redacted]
	Mr Brenton Philp Deputy Secretary, Early Childhood and Child Care [Redacted]	[Redacted]
	Dr Ros Baxter PSM Deputy Secretary, Schools and Youth [Redacted]	[Redacted]
	Ms Nadine Williams Deputy Secretary, Skills and Training [Redacted]	[Redacted]
	Mr Tony Cook PSM Deputy Secretary, Higher Education, Research and International [Redacted]	[Redacted]
	Mr Nathan Smyth Deputy Secretary, Employment and National Workforce [Redacted]	[Redacted]

Economic and labour market outlook

This outlook provides insights into economic and labour market conditions and pressures, with a focus on the jobactive caseload and projected employment growth and skills needs.

The economy and labour market are showing signs of recovery from COVID, as evidenced through a range of indicators, including GDP, unemployment and participation.

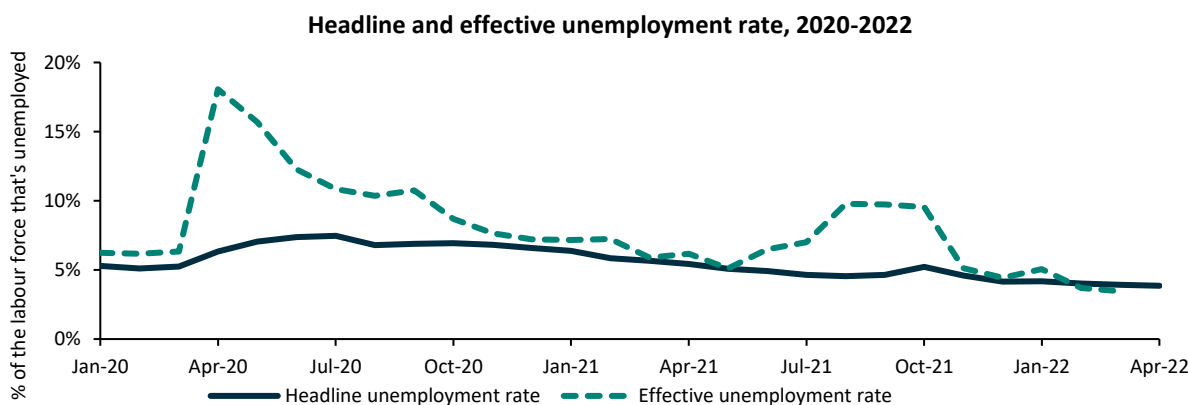
1. The economy is rebounding from COVID.



Source: ABS Australian National Accounts, Seasonally adjusted, December 2021

The Australian economy contracted by 6.8 per cent in the June 2020 quarter as a result of the initial COVID impact, before rebounding strongly. The economic recovery experienced temporary setbacks due to the Delta variant, which resulted in a slowdown in the September 2021 quarter. This was followed by a solid rebound in the December 2021 quarter (latest GDP data) as mobility restrictions eased. Timely indicators suggest that economic activity has remained resilient to the Omicron outbreak and east coast floods in the March 2022 quarter.

2. The unemployment rate has fallen and participation is high.

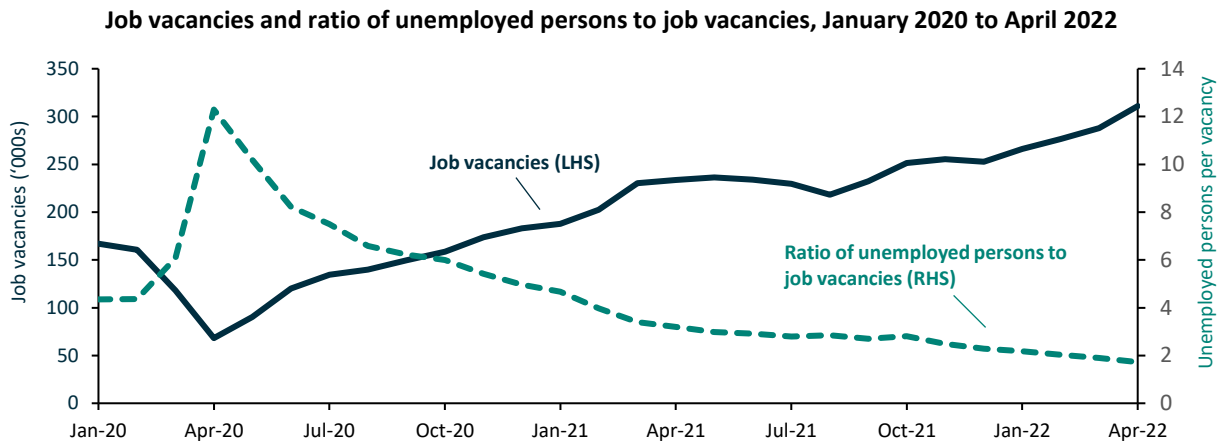


Source: ABS Labour Force, Australia, Seasonally adjusted, April 2022 and DESE calculations, March 2022

After reaching 7.5 per cent in July 2020, the headline unemployment rate fell to 3.9 per cent in March and April 2022 — the lowest rate since 1974. Similarly, participation in April 2022 was at a near record high of 66.3 per cent (well above the 62.6 per cent recorded in May 2020). The headline unemployment rate understated labour market slack during lockdowns because it didn't count people leaving the labour force, or those employed but working zero hours. The effective unemployment rate accounts for this. There is considerable disparity in unemployment rates between regions, with the gap between the highest and lowest SA4 unemployment rates (reflecting local labour markets or groups of labour markets) averaging ~10 percentage points over the last five years (ABS Labour Force, Australia, Detailed, March 2022, 6-month average of original estimates).

Tight labour market conditions are exacerbating workforce pressures and skills shortages, while inflationary pressures are rising.

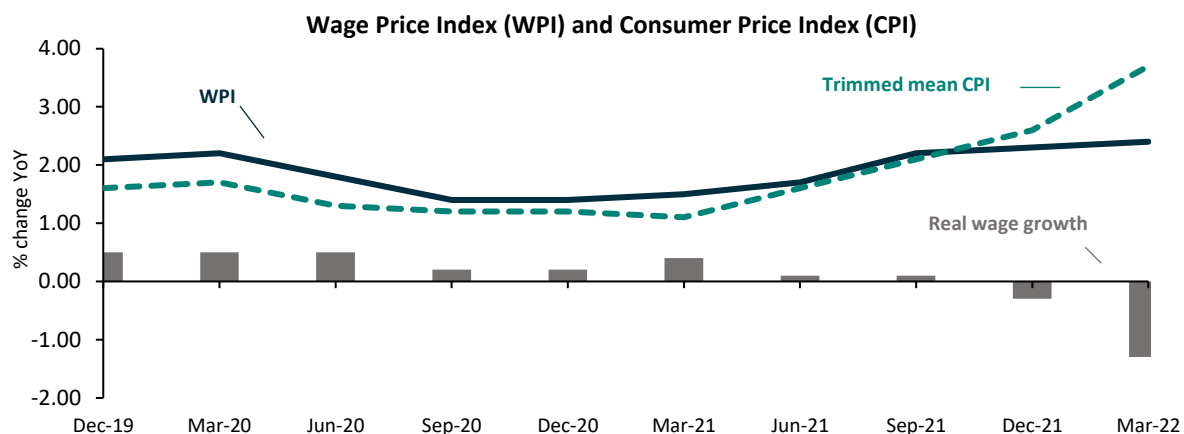
3. Job vacancies are elevated and employers report difficulty recruiting.



Source: National Skills Commission Internet Vacancy Index, Seasonally adjusted and ABS Labour Force, Australia, Seasonally adjusted, April 2022

Job vacancies have been elevated for most of the pandemic (aside from an initial drop). This is the result of monetary and fiscal stimulus and labour supply constraints (due to lower migration). As at April 2022, there were 1.7 unemployed persons per job vacancy (using the National Skills Commission Internet Vacancy Index). This is the lowest ratio since August 2008. In April 2022, 64 per cent of recruiting employers* who were surveyed reported recruitment difficulty (National Skills Commission Recruitment Experiences and Outlook Survey, April 2022). Recruitment difficulty was slightly higher for greater capital cities than rest of state areas (65 per cent and 62 per cent respectively). For most of the series, difficulty has been higher for rest of state areas (series began August 2020).

4. Inflationary pressures are rising but wages are not keeping pace.



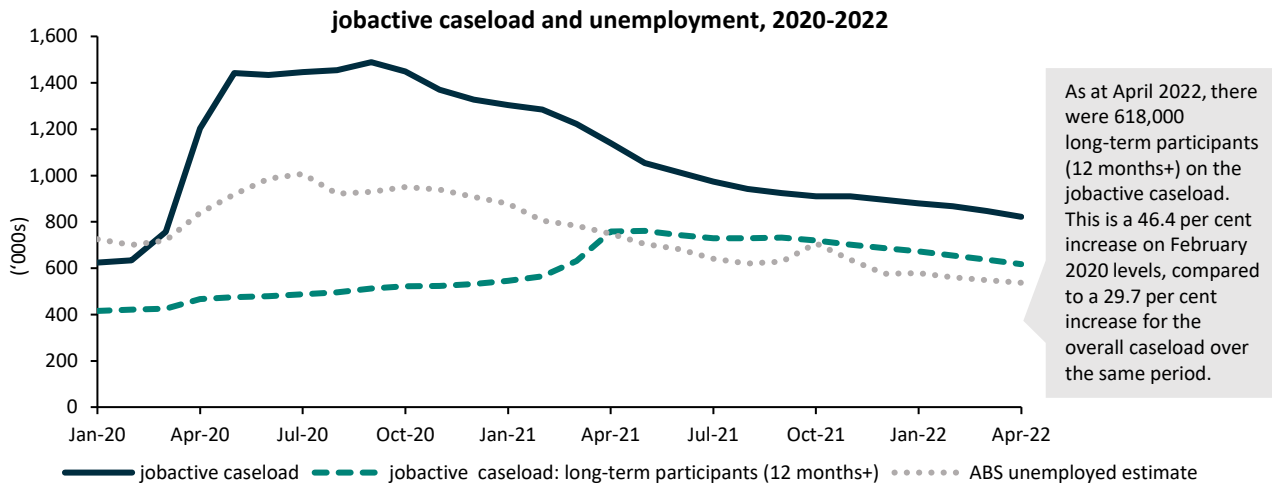
Source: ABS Consumer Price Index, Australia, Seasonally adjusted and ABS Wage Price Index, Australia, Seasonally adjusted, March 2022

Global factors (such as fuel prices and supply chain pressures) have significantly contributed to rising inflation, with headline inflation at 5.1 per cent over the year to the March 2022 quarter, and underlying inflation at 3.7 per cent. The Wage Price Index (WPI) rose 2.4 per cent over the same period. While there are indications from the RBA's Business Liaison Program that broader measures of wage growth may be picking up, the RBA forecasts inflation will outstrip the WPI until late 2023. Productivity is one of the main contributors to long-term real wage growth. Productivity can be boosted by education and skills, as well as matching people to jobs that best use their skills.

* 'Recruiting employers' are those who were currently recruiting at the time of the survey, or who recruited in the previous month.

Despite strong labour market conditions, some people are still struggling to find work, with the jobactive caseload remaining above pre-COVID levels.

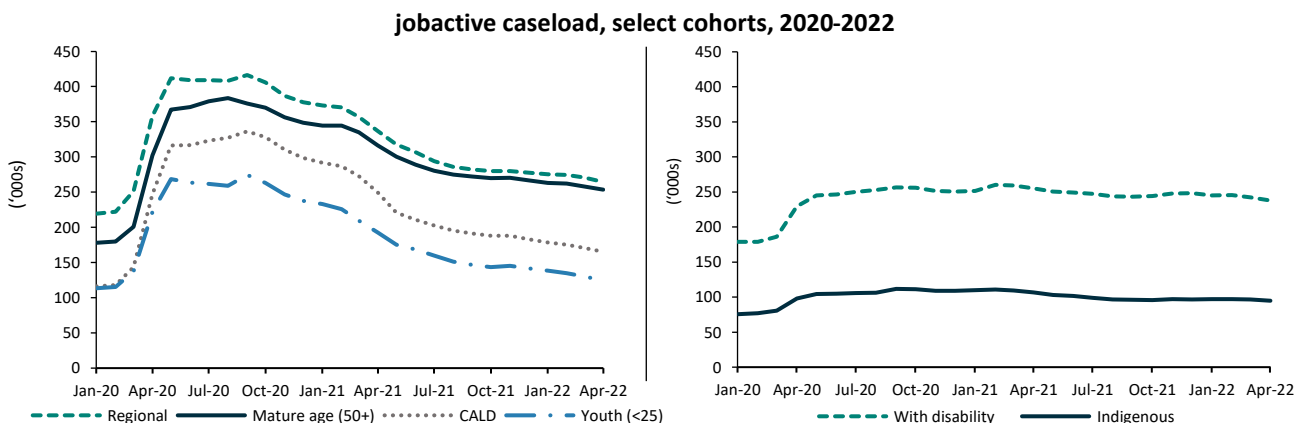
5. The jobactive caseload is elevated. Three in four participants have been on caseload for a year or more.



Source: jobactive data, April 2022 and ABS Labour Force, Australia, Seasonally adjusted, April 2022

While the jobactive caseload has declined since peaking at 1.49 million in September 2020, it remains above pre-COVID levels (821,000 as at April 2022). This is despite high vacancy rates. 75.2 per cent of participants are long-term participants, having been on caseload for 12 months or more, an increase from the 66.6 per cent in February 2020. Many job seekers face multiple barriers to work and there is a mismatch between the skills and qualifications of participants and available jobs. The jobactive caseload is higher than the ABS estimate of unemployment, in part due to some participants working, but not earning enough to exit income support (27.5 per cent of the caseload).

6. Some cohorts in jobactive have fared better in the recovery than others.

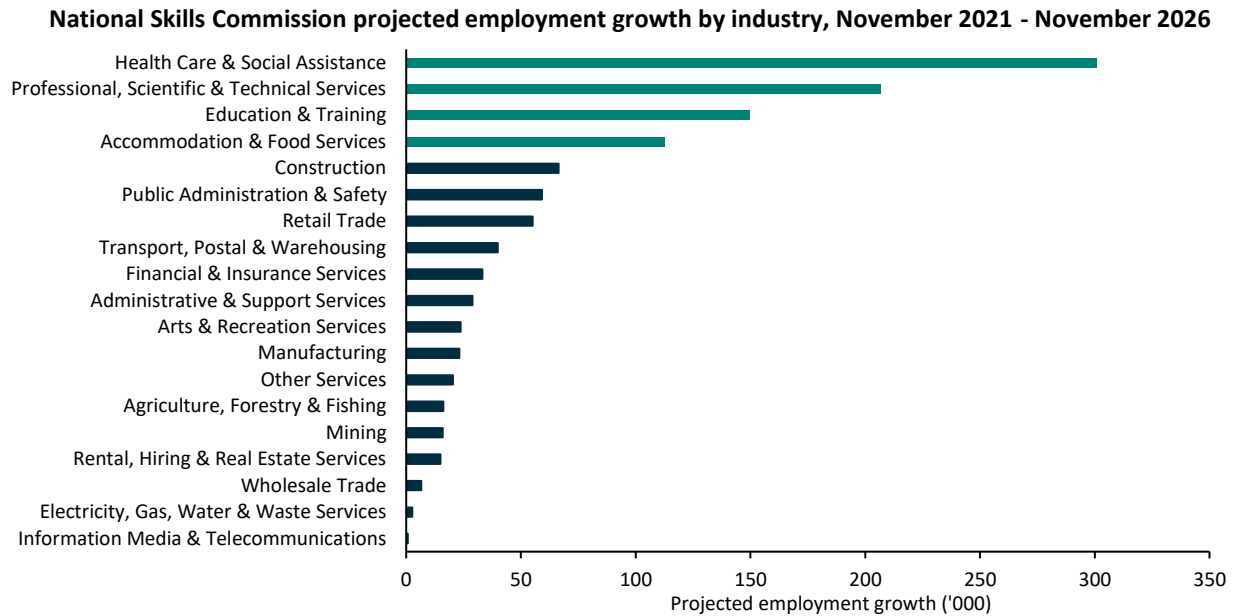


Source: jobactive data, April 2022. Note: participants can belong to multiple cohorts (e.g. be regional and young)

The jobactive caseload increased significantly in 2020, but the increase was sharper for some cohorts than others. As the labour market has recovered, the total jobactive caseload has declined over 2021 and 2022. The regional, mature age, culturally and linguistically diverse (CALD) and youth caseloads have fallen broadly in line with the overall caseload (although the youth and CALD caseloads have fallen more quickly, while the regional and mature age caseloads have been slower to decline). Despite this, the CALD and mature age caseloads are 40.0 per cent and 41.0 per cent higher than pre-COVID respectively, compared to 29.7 per cent for the overall caseload (as at April 2022). While increasing less sharply in 2020, the people with disability and Indigenous caseloads have not fallen nearly as much as other cohorts.

The RBA forecasts the unemployment rate will decline to around 3.5 per cent in early 2023 and remain around this level to June 2024. The education and skills systems will be important to meet future workforce needs.

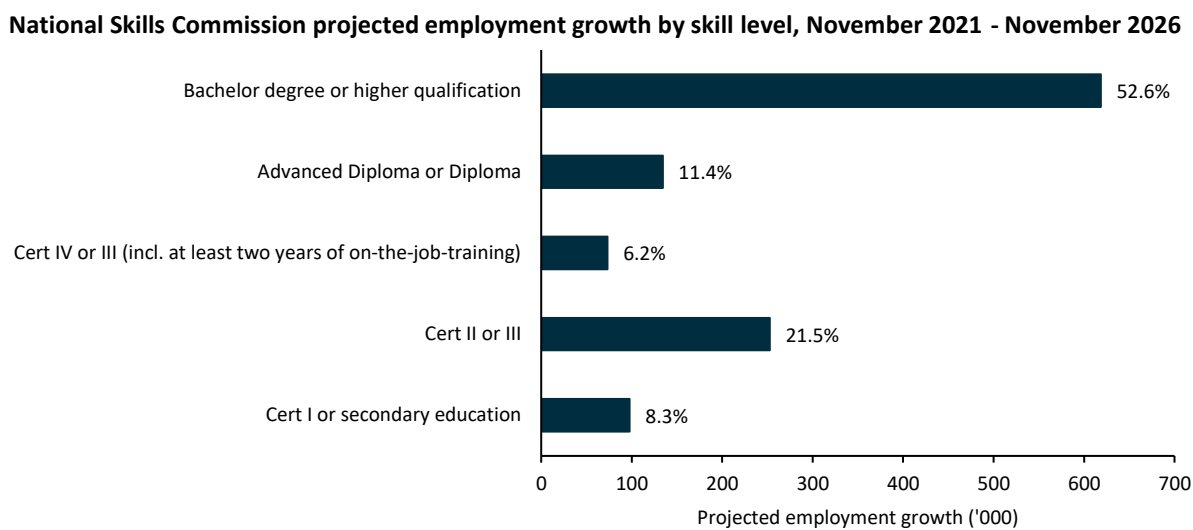
7. Over the next five years, four industries are projected to provide almost two-thirds of jobs growth.



Source: National Skills Commission, Five year employment projections to November 2026

Of the four industries projected to contribute the most to employment growth, all are services industries. This is consistent with continued ageing of the population and increased growth in demand for services.

8. Over the next five years, nine in 10 of the jobs created are projected to require post-school education.



Source: National Skills Commission, Five year employment projections to November 2026

Over the next five years (November 2021 to November 2026), jobs growth is projected to be highest in roles requiring a bachelor degree or higher, with the second highest growth in roles requiring a Certificate II or III, highlighting the importance of education and skills to meeting future workforce needs.



2

Your Agenda

Table of Contents – Your Agenda

2. Your agenda

Commitment roadmap

Commitments

Employment

Jobs and Skills Australia

Review employment services procurement decision process

Abolishing Youth Jobs PaTH Internships

Commitments with significant linkages to your portfolio

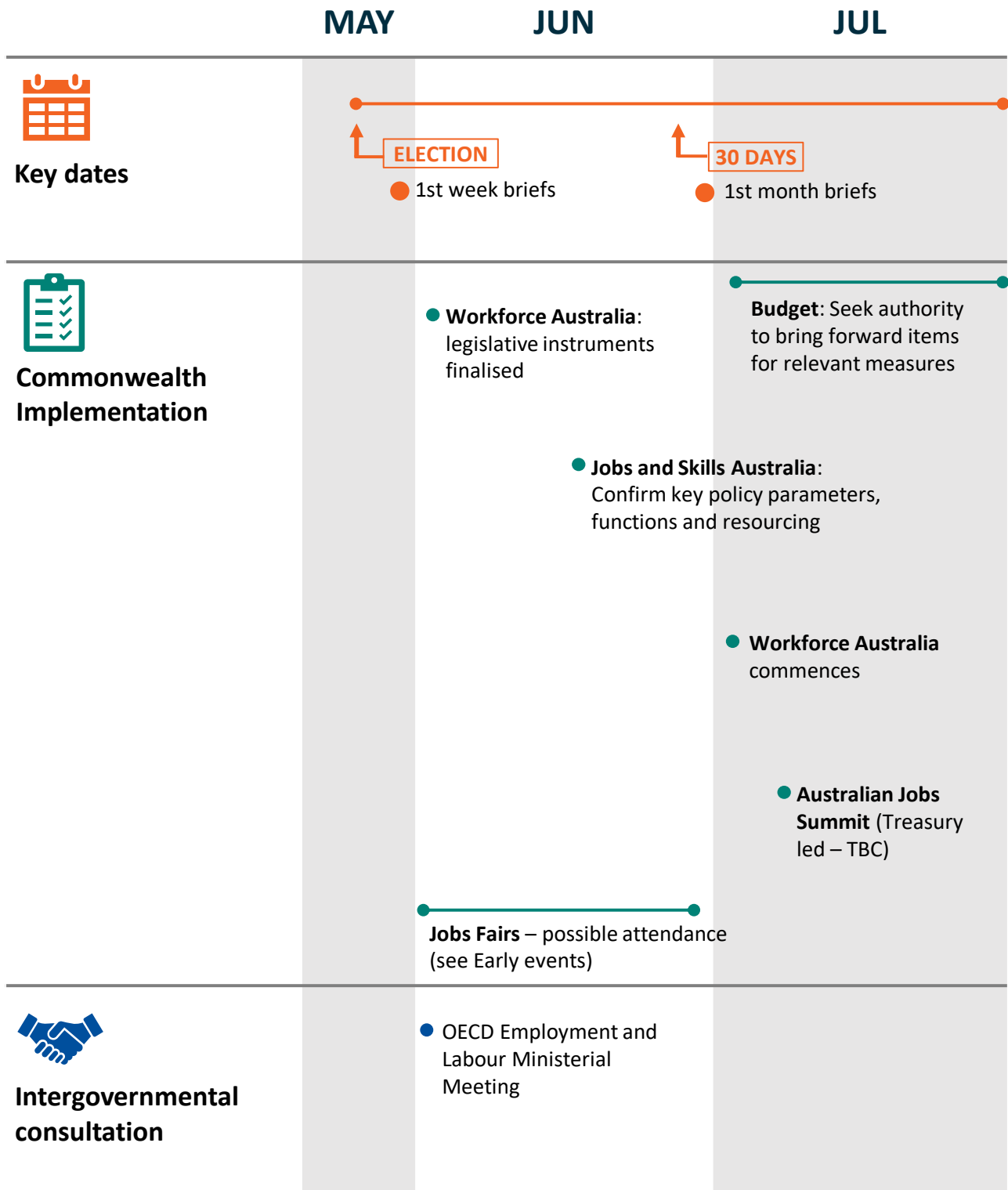
Department approach to implementation

Commitment roadmap – employment

This roadmap highlights the major milestones in the delivery of your commitments

These milestones are not exhaustive.

See commitment briefs for more detailed implementation information.



NOTE: Timing of milestones and events are approximate

Commitment roadmap – employment

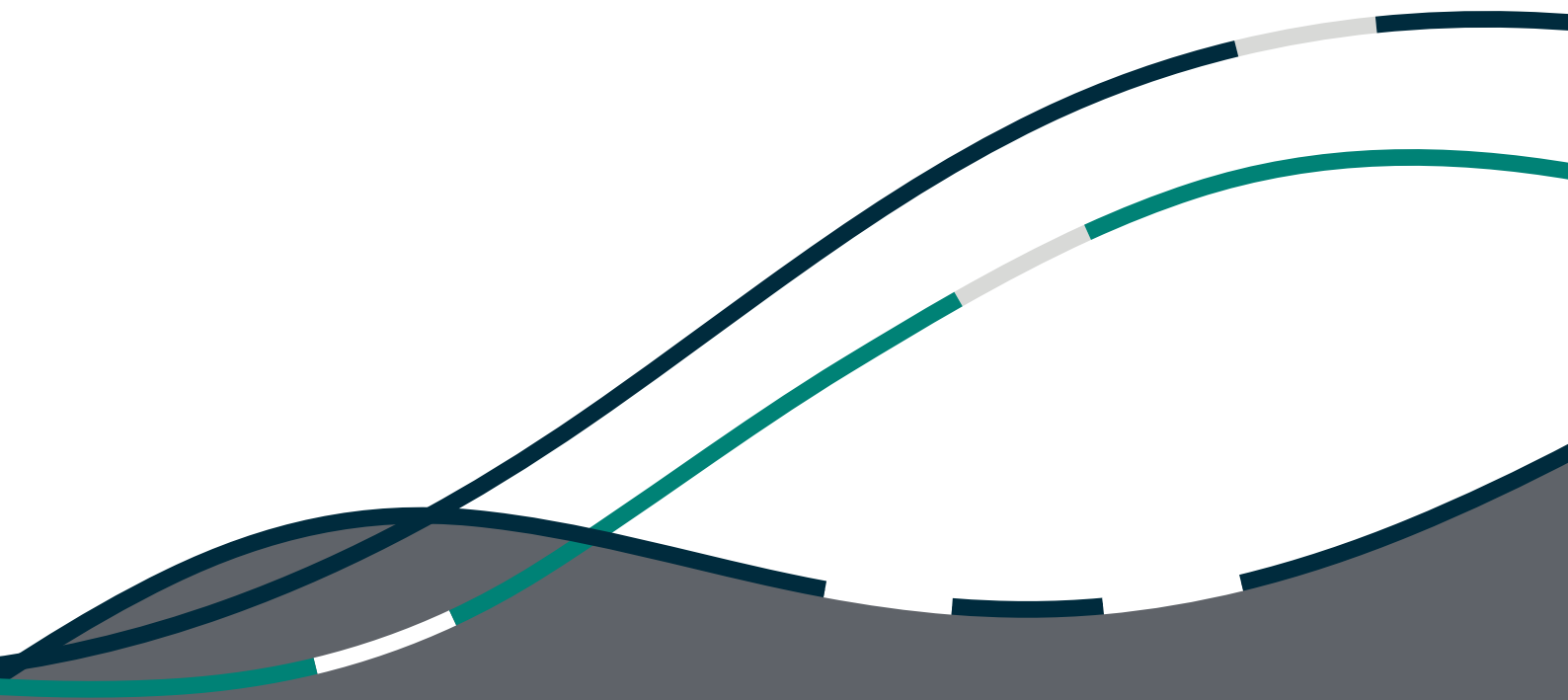
This roadmap highlights the major milestones in the delivery of your commitments. These milestones are not exhaustive. See commitment briefs for more detailed implementation information.



NOTE: Timing of milestones and events are approximate



Commitments



Employment

Commitment brief summary

Employment

Summary

This section includes **three** briefs which provide advice on the implementation of your commitments in the Employment sector.

Commitment	Announcement date	Funding	Action required	Implementation risk rating
Jobs and Skills Australia	12 Nov 2021	Funded from National Skills Commission	In the next month	■
Review Employment Services procurement decision process	4 April 2022	Costs not available	Immediate	■
Abolish Youth Jobs PaTH internships	19 May 2022	Save of \$22.5 million 2022-23 to 2025-26	In the next six months	■

Jobs and Skills Australia

Announcement	Funding	Priority
12 November 2021	Funded from National Skills Commission	[REDACTED]
The Hon. Anthony Albanese MP		[REDACTED]
https://anthonyalbanese.com.au/media-centre/lets-invest-in-skills-for-our-greatest-resource-opinion-herald-sun		

Description

This commitment will establish Jobs and Skills Australia – ‘a new independent agency responsible for researching workforce trends and providing advice about what skills are needed now and in the future’. ‘It will be modelled on Infrastructure Australia’.

Its ‘functions will include:

- workforce and skills analysis
- preparing capacity studies, including for emerging and growing industries
- undertaking specific plans for targeted groups such as the regions, over-55 workers, and youth
- reviewing the adequacy of the training and vocational system.’

Jobs and Skills Australia will also ‘have a statutory obligation to undertake workforce forecasting and assessing skills requirements for those services where government is the major funder, and where demand is forecast to expand – including the human services of the National Disability Insurance Scheme, aged care and health.’ ‘Jobs and Skills Australia will be a genuine partnership across all sectors – business leaders, both large and small; State and Territory governments; unions; education providers; and those who understand particular regions’.

Jobs and Skills Australia will be ‘one of the first things that we do to drive that change through the economy’.

- [REDACTED]
- [REDACTED]
- [REDACTED]

[Redacted]

- [Redacted]

- [Redacted]

- [Redacted]

- [Redacted]

[Redacted]

[Redacted]

[Redacted]

Legislation

Legislation will be required to establish Jobs and Skills Australia as a statutory body. Other pieces of legislation will need to be revoked (NSC Act) or amended depending on the scope of the new agency and any decisions on other existing statutory functions.

[Redacted]

[Redacted]

- [Redacted]

- [Redacted]

- [Redacted]

[Redacted]

- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]

Cost

'Funded from National Skills Commission' (Source: Labor's Plan for a Better Future. Better Budget, Better Economy)

Media and stakeholders

N/A

Summary of 2022 action

To be included in next economic update (Budget or MYEFO)	Requires new or amended legislation, regulation, or guideline	Requires inclusion in Education Ministers meeting	Requires inclusion in Skills Ministers meeting
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Department contacts:	
Ms Nadine Williams Deputy Secretary Skills and Training [Redacted] [Redacted]	Ms Mary McDonald First Assistant Secretary Skills Reform Taskforce [Redacted] [Redacted]

Review Employment Services procurement decision process

Announcement	Funding	Priority
4 April 2022 The Hon. Richard Marles MP	Costs not available	[REDACTED]
https://richardmarles.com.au/news/local-jobs-chopped-by-scott-morrison-and-stuart-robert-2022-04-05		

Description

This commitment is to review how procurement decisions are made for the delivery of employment services.

The outcomes of the procurement process to secure providers to deliver employment services under Workforce Australia were announced in late March 2022.

- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]

○

[Redacted]

■

[Redacted]

■

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

Legislation

N/A

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

Cost

Costs not available

Media and stakeholders

The outcomes of the Workforce Australia procurement have received media attention. Some providers and the National Employment Services Association have called for a review of the procurement outcomes and/or an extension of current jobactive contracts due to the significant disruption to the sector and potential job losses.

Summary of 2022 action

To be included in next economic update (Budget or MYEFO)	Requires new or amended legislation, regulation, or guideline	Requires inclusion in Education Ministers meeting	Requires inclusion in Skills Ministers meeting
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Department contacts:	
Mr Nathan Smyth Deputy Secretary Employment and Workforce Group [Redacted] [Redacted]	Ms Robyn Shannon First Assistant Secretary Procurement, Quality and Deeds Division [Redacted] [Redacted]

Abolishing Youth Jobs PaTH Internships

Announcement	Funding	Priority
19 May The Hon. Jim Chalmers MP, Shadow Treasurer	Save of \$22.5 million 2022-23 to 2025-26	[REDACTED]
https://www.alp.org.au/policies/labors-election-costings		

Description

Labor costings released on 19 May 2022 included the proposal to abolish Youth Jobs PaTH (PaTH) Internships with an indicative saving of \$22.5 million over four years (2022-23 to 2025-26). These figures would be subject to agreement by the Department of Finance.

Youth Jobs PaTH (Prepare-Trial-Hire) consists of three elements: Employability Skills Training (EST), Internships, and the Youth Bonus Wage Subsidy (YBWS).

[REDACTED]

[REDACTED]

[REDACTED]

Legislation

- There are no legislative impacts associated with abolishing PaTH Internships.

[REDACTED]

[REDACTED]

Cost

Financial impact over the forward estimates (\$ millions): \$22.5 (save)				
	2022-23	2023-24	2024-25	2025-26
Total Impact on Underlying Cash Balance (\$millions)	+3.1	+\$6.7	+\$6.3	+\$6.4

Source: Labor's Plan for a Better Future. Better Budget, Better Economy.

[Redacted]

[Redacted]

[Redacted]

Media and Stakeholders

N/A

Summary of 2022 action

To be included in next economic update (Budget or MYEFO)	Requires new or amended legislation, regulation, or guideline	Requires inclusion in Education Minister’s meeting	Requires inclusion in Skills Minister’s meeting
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

[Redacted]

Department contacts:	
Mr Nathan Smyth Deputy Secretary Employment and Workforce Group [Redacted] [Redacted]	Ms Benedikte Jensen First Assistant Secretary Labour Market Policy Division [Redacted] [Redacted]

Commitments with significant linkages to your portfolio

The Government has made several commitments which will be led by other Ministers, but are significant to your portfolio of employment. The department will work collaboratively across the APS to support implementation of these commitments and support your engagement with your counterparts.

Full Employment White Paper, informed by an Australian Jobs Summit

The Jobs Summit is expected to inform development of the White Paper, which will set out a plan *‘to reduce unemployment and underemployment’*. It will review current policy settings and how they can be improved, and consider the role of education and training, childcare, employment services and concentrated disadvantage, as well as how to best supply labour to fast growing sectors, such as the care economy.

Women’s economic security taskforce

The taskforce will provide advice on the best investments to *‘advance economic equality for women’* and *‘help close the gender pay gap’*.

Cheaper Child Care Plan

This commitment includes the Early Years Strategy to *‘create a new integrated, holistic, whole of government approach to the early years’* and asking the Productivity Commission to review the early learning sector. The plan intersects with your responsibility for women’s labour market participation.

New Youth Engagement Model

This commitment will *‘provide a voice and structure for younger Australians’* to directly engage with government and contribute to policy development. It intersects with your responsibility for young people’s labour market participation.

Better support for people living with disability

This commitment is to ensure *‘real progress is made in education and employment outcomes for people with disability’* by better measuring implementation of the National Disability Strategy. This intersects with your portfolio.

Labor’s fee-free TAFE plan

This commitment will provide Australians with access to fee-free TAFE, create more university places and *‘tackle the skill shortages’* that are holding back our COVID-19 comeback. This plan intersects with your responsibility for addressing workforce shortages.

Building a stronger university system

Additional university places over 2022 and 2023 *‘make it easier for Australians to find a spot at university and get a job’*, and additional courses will be offered in national priority areas and where there are skill shortages. A Startup Year providing income contingent loans to graduating students will *‘provide a platform for future job growth and economic opportunity’*. These commitments are relevant to your responsibility for employment.

New Jobs Program for remote Australians

This commitment will deliver a *'new remote Jobs Program, developed in partnership with First Nations People, to provide real jobs, proper wages and decent conditions'*. This intersects with your responsibility for mutual obligation requirements for job seekers.

Trade Diversification Plan

This commitment includes development of an export market and product diversification strategy. International education is one of Australia's largest exports, and building on this market will be a crucial part of the plan.

Powering Australia Plan


This commitment will *'create jobs, cut power bills and reduce emissions by boosting renewable energy'*. It intersects with your responsibility for supporting workers impacted by structural change and industry transition.

A Future Made in Australia Plan

This commitment will *'create jobs, boost vital skills and supercharge national productivity'*. It includes a focus on leveraging Government procurement to maximise the use of Australia-made goods, investing in the manufacturing sector and providing more Australian families and businesses with quality, high speed internet. Under the plan 1 in 10 workers on major government projects will be an apprentice, trainee or cadet. This intersects with your portfolio responsibility for employment services.

Australian Public Service (APS) operations

The department will work with lead agencies to *'rebuild an effective public sector'*, by reducing spending on consultants, contractors and labour hire companies, conducting an audit of employment, and abolishing the average staffing level cap. Other commitments include *'increasing First Nations employment in the APS to 5 per cent by 2030'*, and *'reducing APS emissions to net zero by 2030'*.



Department approach to implementation

The department operates in an environment of change and reform, delivering many commitments and initiatives every year to deliver government priorities. The implementation of deliverables often involves complexities that are inherent to delivering government initiatives, legislative reform and sector transformation, within set timeframes and budgets.

The department's approach to implementation is based on proven methodologies that are practical, scalable and ensures appropriate governance is in place to support delivery.

Accountability

Senior Responsible Officer

A senior executive is assigned responsibility for the delivery of each of the department's significant commitments and initiatives i.e programs and projects, and is known as the Senior Responsible Officer (SRO). The SRO has overall responsibility for ensuring that a program/project achieves the outcomes and benefits set out in the approved Business Case, within budget and on schedule. SROs have sufficient seniority, accountability and experience to undertake the role, commensurate with the type of project and its significance.

To support SROs in their delivery the department has well established program, project and risk frameworks that underpin our delivery approach. These frameworks are used to deliver projects within the department as well as initiatives of significant strategic value, such as election commitments. Our frameworks are based on proven methodologies and include scalable and flexible tools and processes to support effective delivery. The frameworks require all programs and projects to develop a suite of core documents, tailored to the risk profile of the project, detailing scope, timeline, budget and outcomes.

Assurance and Oversight

Investment and Implementation Committee (IIC)

The IIC provides advice and assurance to the department's Executive Board on the implementation of significant departmental change initiatives (programs and projects). The IIC has key roles in:

- managing the department's portfolio of programs and projects
- supporting SROs to uphold their obligations and accountabilities by ensuring programs and projects remain in line with the department's strategic objectives, government policy and financial approvals
- providing guidance and direction on programs and projects experiencing implementation issues.

The IIC is a decision-making body with responsibility for the allocation of the department's capital budget and the management of cross-portfolio issues. This includes the allocation of project

resources and the prioritisation of internally funded projects to ensure alignment to the department's strategic priorities and objectives.

The Portfolio Project Office

The Portfolio Project Office (PPO) provides guidance and support to project teams to strengthen capability and enhance the department's ability to deliver on strategic outcomes. The PPO carries out its objective by:

- improving confidence in program and project delivery through development and embedding of frameworks and supporting tools and resources
- building program and project management capability among departmental staff
- keeping the Senior Executive and program and project management community informed of portfolio wide trends, risks and issues.

Assurance activities

Project assurance is an independent process that assesses the health and viability of a program/project, to provide confidence to stakeholders that delivery is appropriate, effective, and efficient. Assurance reviews and health checks are carried out across the department's program and project portfolio.

For the department's most significant deliverables, project teams are supplemented with expert external assurance providers that provide independent assurance assessments.

Project Performance Reporting

The PPO is responsible for providing the department's senior executive with visibility over the department's portfolio of projects. The PPO provides monthly project portfolio reporting to the Executive Board and the IIC. This reporting highlights:

- any blockages that may be affecting programs or projects and that may require members of either the Executive Board or IIC to intervene
- reporting against project assurance activity
- analysis of portfolio trends, risks, and issues.

Additionally, the PPO provides analysis against the departments program and project portfolio to the department's Audit and Assurance Committee and Risk, Security and Governance Committee to ensure appropriateness of performance reporting and risk management strategies.

The PPO can provide reporting on the department's projects to Portfolio Ministers and their staff on request.



3

Early Priorities

Table of Contents – Early Priorities

3. Early priorities

Early briefs

First contacts

Early events

Early Briefs

First week briefs

Brief	
WHOLE OF PORTFOLIO	Contact: Marcus Markovic Deputy Secretary, Corporate and Enabling Services
Delegations and authorisations	Depending on the nature of any machinery of government changes, you may need to provide delegations and authorisations to departmental staff.
Budget Estimates 2022-23 – tabling Questions on Notice	To note the answers to questions on notice taken during the 2022-23 Budget Estimates ahead of them being provided to the Committee on the tabling date of 27 May 2022.
EMPLOYMENT	Contact: Nathan Smyth Deputy Secretary, Employment and Workforce
<i>Election commitment</i> Review employment services procurement decision process	To brief you on options for the scope and delivery of the review, including draft terms of reference.

First month briefs

Brief

WHOLE OF PORTFOLIO

Contact: **Marcus Markovic**, Deputy Secretary, Corporate and Enabling Services

Legislation bids for 2022 winter and/or spring sitting(s): Approval of legislation bids (timing dependent on how the legislation program is to be managed, including deadlines for bids and proposed parliamentary sitting pattern for the commencement of the new Parliament).

National office accommodation project: To provide an update on the project which will see the department, with the Australian Electoral Commission, lease up to 70,000 square metres of office space in Canberra's central business district from 2024-25. The project will require Public Works Committee and Finance Minister approval.

EMPLOYMENT

Contact: **Nadine Williams**, Deputy Secretary, Skills and Training

Election commitment

Jobs and Skills Australia: To brief you on options for the establishment of Jobs and Skills Australia.

Contact: **Nathan Smyth**, Deputy Secretary, Employment and Workforce

Workforce Australia – readiness to implement: Briefing to outline the transition and implementation arrangements for Workforce Australia.

Workforce Australia – policy authority issues: Briefing to seek policy authority to resolve issues relating to the National Work Experience Program and eligibility for Disability Support Pension recipients aged under 35.

Legislative instruments required for implementation of Workforce Australia: To inform you of various legislative instruments that the Secretary needs to make before 1 July 2022.

Jobs Fairs – future arrangements: Briefing to seek agreement on future arrangements and funding for Jobs Fairs.

Workforce pressures: Briefing to provide high level information on workforce pressures, overview of current policies and advise on challenges and opportunities for workforce initiatives.

Workforce Specialists – procurement outcomes: Briefing to provide details on the Workforce Specialists initiative and outcomes of the procurement process.

New employment program developed in partnership with First Nations people: To seek advice on the parameters and implications of the new program to replace the Community Development Program, including for mutual obligations and the department's IT system.

First Contacts

Contact		
PEAK BODIES		
<p><u>Business Council of Australia (BCA)</u> [Redacted]</p>	<p>[Redacted]</p>	<p>The BCA champions the role of responsible businesses in generating sustainable economic growth, and advocates for policy settings that are in the national interest.</p>
<p><u>Australian Chamber of Commerce and Industry (ACCI)</u> [Redacted]</p>	<p>[Redacted]</p>	<p>The ACCI is Australia’s largest business network. Membership includes state and territory chambers of commerce, national industry associations and a council of business leaders from individual enterprises across Australia.</p>
<p><u>Australian Industry Group (Ai Group)</u> [Redacted]</p>	<p>[Redacted]</p>	<p>Ai Group represents more than 60,000 small and large businesses in sectors including manufacturing, construction, transport & logistics, engineering, labour hire, mining services, the defence industry, civil airlines and ICT.</p>
<p><u>Australian Council of Trade Unions (ACTU)</u> [Redacted]</p>	<p>[Redacted]</p>	<p>The ACTU co-ordinates union campaigns, represents workers at government and non-government forums, and provides industrial, policy and other support to affiliates.</p>
<p><u>Australian Council of Social Service (ACOSS)</u> [Redacted]</p>	<p>[Redacted]</p>	<p>ACOSS is a national advocate supporting people affected by poverty, disadvantage and inequality, and the peak council for community services nationally.</p>
<p><u>National NEIS Association (NNA)</u> [Redacted]</p>	<p>[Redacted]</p>	<p>NNA represents organisations providing New Business Assistance with NEIS (Self-Employment Assistance from July 2022). The NNA assists members to maintain quality of the NEIS program through professional development activities and acts as a conduit between providers and government decision-makers.</p>

Contact		
<p><u>Council of Small Business Australia (COSBOA)</u> ██████████</p>	██████████ ██████████ ██████████ ██████████	<p>COSBOA is a membership-based peak body representing the interests of small businesses.</p>
EMPLOYMENT		
<p><u>Jobs Australia</u> ██████████</p>	██████████ ██████████ ██████████ ██████████ ██████████	<p>Jobs Australia represents the interests of non-profit employment service organisations that assist unemployed people to get and keep jobs.</p>
<p><u>National Employment Services Association (NESA)</u> ██████████</p>	██████████ ██████████ ██████████ ██████████ ██████████	<p>NESA represents not-for-profit and for-profit organisations to deliver jobactive, Disability Employment Services, the Community Development Program and the Transition to Work program.</p>

Early Events

Event Title	Location/Date	Role of the Minister	Rationale
Jobs Fairs	Toowoomba, QLD 7 June 2022 Bunbury, WA 8 June 2022 Bendigo, VIC TBC Orange, NSW 15 June 2022 Melbourne, VIC 17 June 2022 Werribee, VIC 21 June 2022 Ballina, NSW 24 June 2022 Sydney CBD, NSW 28 June 2022	Attend or open the Jobs Fairs.	Jobs Fairs provide the opportunity to meet job seekers, employers and employment services providers from across Australia.
OECD Employment and Labour Ministerial Meeting	Paris – OECD Conference Centre 7 June 2022 (Postponed from Dec 2021)	Represent Australia and serve as one of its vice-chairs.	The Ministerial meeting – <i>Moving beyond the COVID-19 crisis to a better labour market that works for all</i> – provides an information sharing forum for OECD member states. The Australian Ambassador to the OECD could attend (availability confirmed) as your proxy.
Workforce Australia Provider CEO Forum	Virtual event, 17 June 2022	Present a short speech on the Government’s priorities in employment services (up to 10 min).	The forum provides the opportunity to address providers on strategic intent/importance of Australian Government employment services before commencement in July 2022, and to set expectations for providers going forward.
Care Fair	Coffs Harbour, NSW 21 June 2022	Attend or open the Care Fair.	Fair provides the opportunity to meet job seekers, employers and employment services providers from across Australia in a care workforce specific context.



4

Overviews

Table of Contents – Overviews

4. Overviews

Employment services

Workforce

Women’s labour market participation

National Agreement on Closing the Gap

People with disability

Youth

Regional education and employment

Employment services

Overview

Current system and caseload

The Australian Government delivers services that help job seekers on income support overcome barriers and develop the skills they need to gain employment. These services are delivered through a network of not-for-profit and for-profit employment services providers.

jobactive, which commenced on 1 July 2015, is currently the mainstream employment service, delivered by 39 providers in more than 1,700 non-remote locations across Australia. The overall jobactive caseload had been trending down from 2015 to March 2020. However, the onset of the COVID-19 pandemic more than doubled the jobactive caseload, peaking at 1.49 million in September 2020. As of 30 April 2022, there were 821,487 job seekers on the jobactive caseload.

Changing the way employment services are delivered

Over recent years, the recruitment and workforce landscape has changed significantly underpinned by increased digital innovation. COVID-19 provided the impetus to bring forward and scale up online services recommended by the Employment Services Advisory Panel's *I Want To Work* report. The department now provides a digital platform to allow job-ready job seekers to self-manage their job search with support from a Digital Services Contact Centre. Workforce Australia will replace jobactive when current contracts end and commences from 1 July 2022. Workforce Australia will offer two types of service - Workforce Australia Online and Workforce Australia Employment Services. Job seekers referred to Workforce Australia Online will be able to self-manage their search for work to gain employment.

Job seekers who need more assistance or choose to receive services offered by a provider will receive individualised and intensive case management delivered by Workforce Australia Employment Services providers. Job ready job seekers who self-manage their search for employment online through Workforce Australia Online. This allows for investment to more appropriately target job seekers, including disadvantaged Australians, who need the most help to find sustainable employment in order to decrease their risk of long-term and very long-term unemployment.

Programs offered through Workforce Australia are expected to cost \$7.0 billion from 2022-23 to 2025-26. The department is supporting providers in the transition to Workforce Australia with the objective of maintaining service continuity while ensuring a smooth transfer to future contracting arrangements. At the same time, disruption for job seekers, employers and providers is minimised.

The department also manages a range of complementary programs to help support job seekers into work, such as the youth specialist service Transition to Work, and a pre-employment service called ParentsNext for parents with children aged under 6 years.

The department's programs are complemented by Disability Employment Services delivered by the Department of Social Services and remote employment programs delivered by the National Indigenous Australians Agency. Both services are being renamed, with new arrangements intended to take effect in 2023 and 2024 respectively.

COVID and employment services

The initial COVID outbreak more than doubled the number of Australians on the jobactive caseload from 633,000 in February 2020 to a record high of 1.49 million in September 2020. Though the caseload has gradually decreased, as of 30 April 2022 it remains 30 per cent higher than pre-COVID levels.

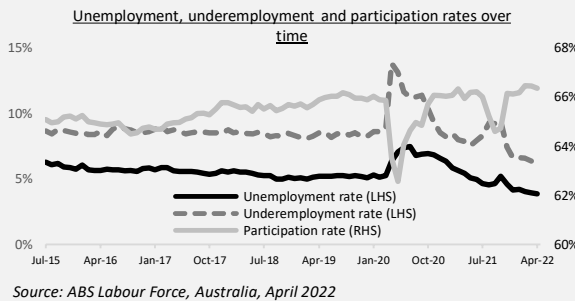
Three-quarters of the jobactive participants have been on the caseload for more than 12 months, a significantly higher proportion than pre-COVID times. Addressing longer-term disengagement for mature age, young workers and other disadvantaged cohorts is essential.

For mature aged workers, long-term disengagement significantly reduces the likelihood of re-entry into the workforce. For young Australians, spells of unemployment or disengagement early in life can have a significant and long-lasting impact on employability and participation in the workforce.

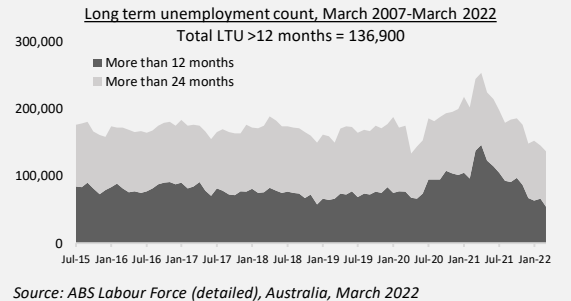
Snapshot of employment services

At end of April 2022, 821,000 job seekers were on the jobactive caseload

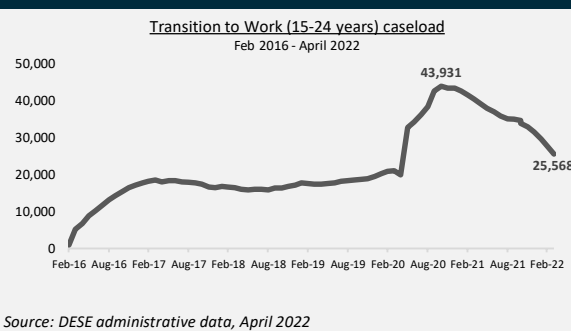
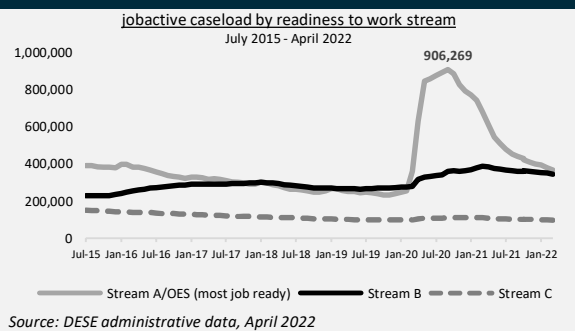
1. Unemployment rose and participation fell in early 2020 due to COVID-19 related shutdowns but rates had substantially improved by late 2021



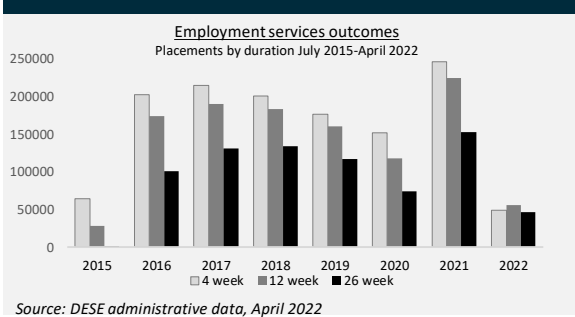
2. Long term unemployed has grown over time and increased substantially during the pandemic but is returning to pre-pandemic levels



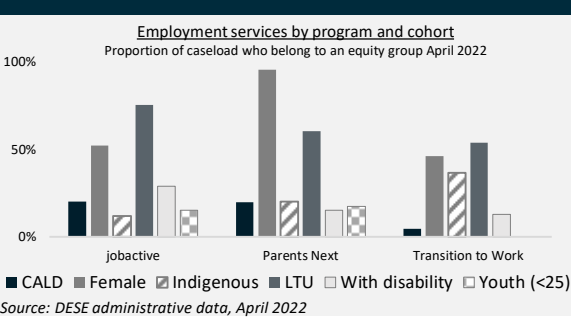
3. The jobactive caseload increased significantly due to COVID-19, peaking at 1.49 million in September 2020 before declining to around 821,000 at end of April 2022. Transition to Work caseload experienced a similar trajectory and recovery



4. Employment services outcomes in 2021 reflect increased caseload and improved labour market conditions



5. Employment services programs assist a wide range of job seekers including disadvantaged cohorts



6. While job vacancies more than halved with the onset of the pandemic, they are now significantly higher than pre-pandemic levels



The reform journey

Job Network

In May 1998 Australia privatised its employment services, replacing the Commonwealth Employment Service which was introduced in 1946. Since then, employment services have been provided by a mix of for-profit and not-for-profit private providers contracted by the Commonwealth Government.

jobactive

The jobactive service was introduced on 1 July 2015 and was intended to provide a less prescriptive employment services model and provider-designed bespoke Service Delivery Plans. The objectives of jobactive were to reduce the regulatory and administrative burden for providers, have a stronger work first focus by increasing job seeker activation and enhancing the flexibility and adaptability of providers service provision.

New Employment Services Trial

A trial of the new employment services model commenced in two regions from 1 July 2019.

Disability Employment Services (DES) New Arrangements

Delivered by the Department of Social Services (DSS), DES is currently being reformed, with new arrangements intended to take effect in July 2023.

Community Development Program (CDP) New Arrangements

Delivered by the National Indigenous Australians Agency (NIAA), new arrangements are intended to take effect in July 2024.

1998

2009

2015

2018

2019

2020

2022

2023

2024

Jobs Services Australia (JSA)

Following a review, finding Job Network was no longer suited to a changing economic environment, marked by an increase in highly disadvantaged job seekers and widespread skills shortages, the Jobs Services Australia model was introduced with the goal of providing better tailored, individual services in line with job seekers assessed level of disadvantage, as well as skills and training appropriate for the labour market.

I Want to Work report – Employment Services Advisory Panel

The report made 11 recommendations on the future of employment services, focusing on improving job seeker choice, better utilising digital services to support employers and job seekers and reinvesting funding to provide the more disadvantaged and place-based solutions. Creation of the New Employment Service pilot and transitional arrangements announced in the 2019-20 Budget and reforms to Workforce Australia announced in the 2021-22 Budget incorporate the key findings of the report.

Online Employment Services

The Online Employment Services Trial was expanded in 2020 in response to COVID to become the mainstream online employment service for the most job ready job seekers.

Workforce Australia (new employment services model)

Workforce Australia is set to be in place from 1 July 2022. Under this system, job seekers who are digitally capable and job ready will self-manage finding employment through Digital Services. Programs under Workforce Australia are expected to cost \$7.0 billion from 2022-23 to 2025-26.

Workforce

Overview

Skills, employment and workforce settings are critical to support a better future for Australians

Australia's economic and labour market recovery from the impacts of the COVID-19 pandemic has seen the unemployment rate reach 3.9 per cent in March and April 2022 – the lowest rate recorded since August 1974. In March 2022, the participation rate reached a record high of 66.4 per cent (before declining slightly to 66.3 per cent in April 2022).¹ At the same time, demand for labour has remained elevated and almost two-thirds of hiring employers are reporting difficulty filling vacancies.²

Tight labour market conditions have exacerbated workforce pressures and skills shortages, with some sectors more impacted than others, such as care and support and public infrastructure.³ The fall in temporary migration has affected labour supply in some of the industries and occupations that particularly rely on this workforce, such as in Accommodation and Food Services. The lifting of travel restrictions will alleviate some of this pressure. A sustained period of tight labour market conditions may drive desirable outcomes, such as wage growth. However, the impact may be subdued in sectors where the link between labour market conditions and wage growth is not direct (e.g. where migrants are working in sectors with limited bargaining power or where government has a role in setting wages, or where benefits are directed at capital deepening and not the labour share of income).

Looking forward, Australia will need to fill an estimated more than one million new jobs in the five years to November 2026. Strong, recent employment growth is already contributing to this projected increase.⁴ Employment services participants need to be provided with significant or tailored supports to overcome impediments to take on these roles – while some participants are job-ready, many experience barriers to employment. Consideration should also be given to the barriers experienced by women, mature workers, First Nations people, and people with a disability that may prevent greater workforce participation. The introduction of Workforce Australia will support this by focussing on job seekers, including disadvantaged Australians, who need the most help to find sustainable employment in order to decrease their risk of long-term and very long-term unemployment.

Demographic changes will also impact the availability of a suitable workforce. Australia's population is estimated to be 4.9 per cent smaller in 2030-31 than previously forecast, largely due to the impact of the pandemic on net overseas migration.⁵ Further, the participation rate is expected to decrease over the longer term as a result of the ageing population, though this is expected to be partially offset by projected increases in women's and older people's participation.

¹ Australian Bureau of Statistics (April 2022), *Labour Force Australia*.

² National Skills Commission (April 2022), Recruitment Experiences and Outlook Survey; Australian Bureau of Statistics (February 2022) *Job Vacancies, Australia*.

³ Department of Education, Skills and Employment (2022) *National Care and Support Workforce Strategy*; Infrastructure Australia (2021) *Infrastructure workforce skills supply*.

⁴ National Skills Commission, 2021 Employment Projections.

⁵ Commonwealth of Australia, 2021 Intergenerational Report.

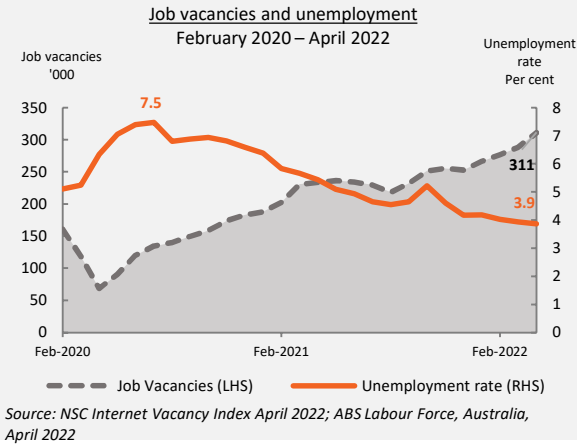
The department has responsibility for education, skills and training – important levers in addressing skill shortages and workforce pressures. The labour market is progressively demanding higher skills (including in science, technology, education and mathematics fields) with an estimated 9 out of 10 jobs requiring post school qualifications over the five years to November 2026. This reflects the central role of both vocational education and training and higher education in supporting participation and productivity. The department also has responsibility for administering a number of employer, industry and regional programs and initiatives to support Australia’s workforce.

A system-wide approach is required to address the challenges of workforce capability. There is scope to enhance the workforce evidence base, including monitoring and analysis of supply and demand at the industry and occupational level. There is also an opportunity for larger coordinated structural changes across the Commonwealth, such as changes to taxation, migration and industrial relations policies, to increase workforce participation, boost economic security, reduce shortages and support inclusive economic growth. There is also opportunity to consider the role of education and training, childcare, employment services and concentrated disadvantage, as well as how to best supply labour to fast growing sectors such as the care economy.

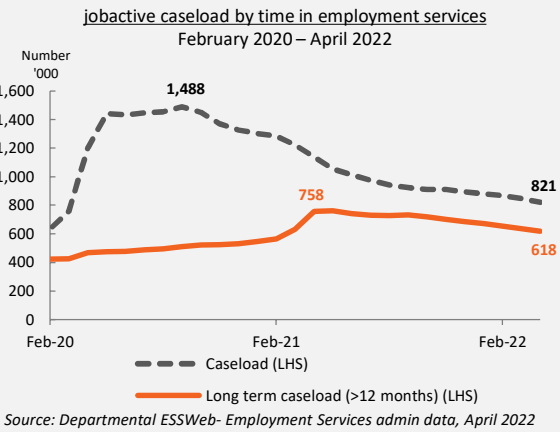
Snapshot of workforce

Education, skills and training systems, and job matching are important levers in addressing skills shortages and workforce pressures

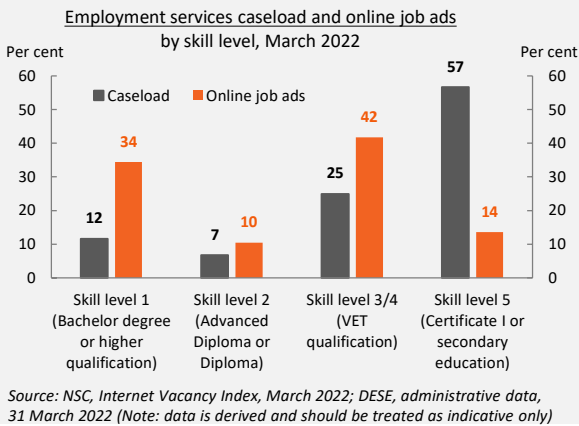
1. Job vacancies are elevated while the unemployment rate is low



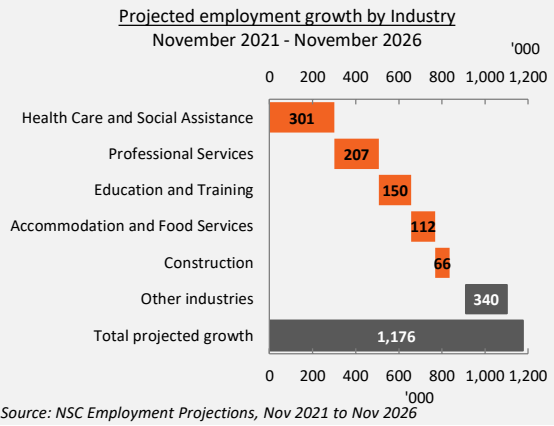
2. The jobactive caseload remains above pre-COVID levels



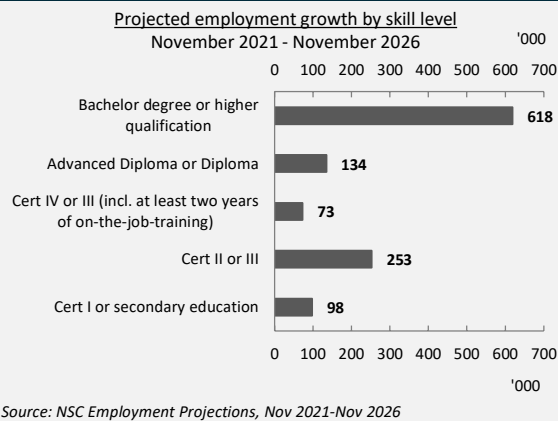
3. There is a shortage of available jobactive participants to fill job vacancies due to skills mismatches



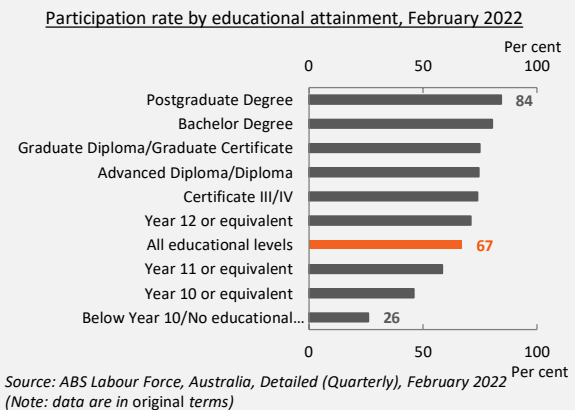
4. Over the next five years, four industries are projected to provide almost two-thirds of jobs growth



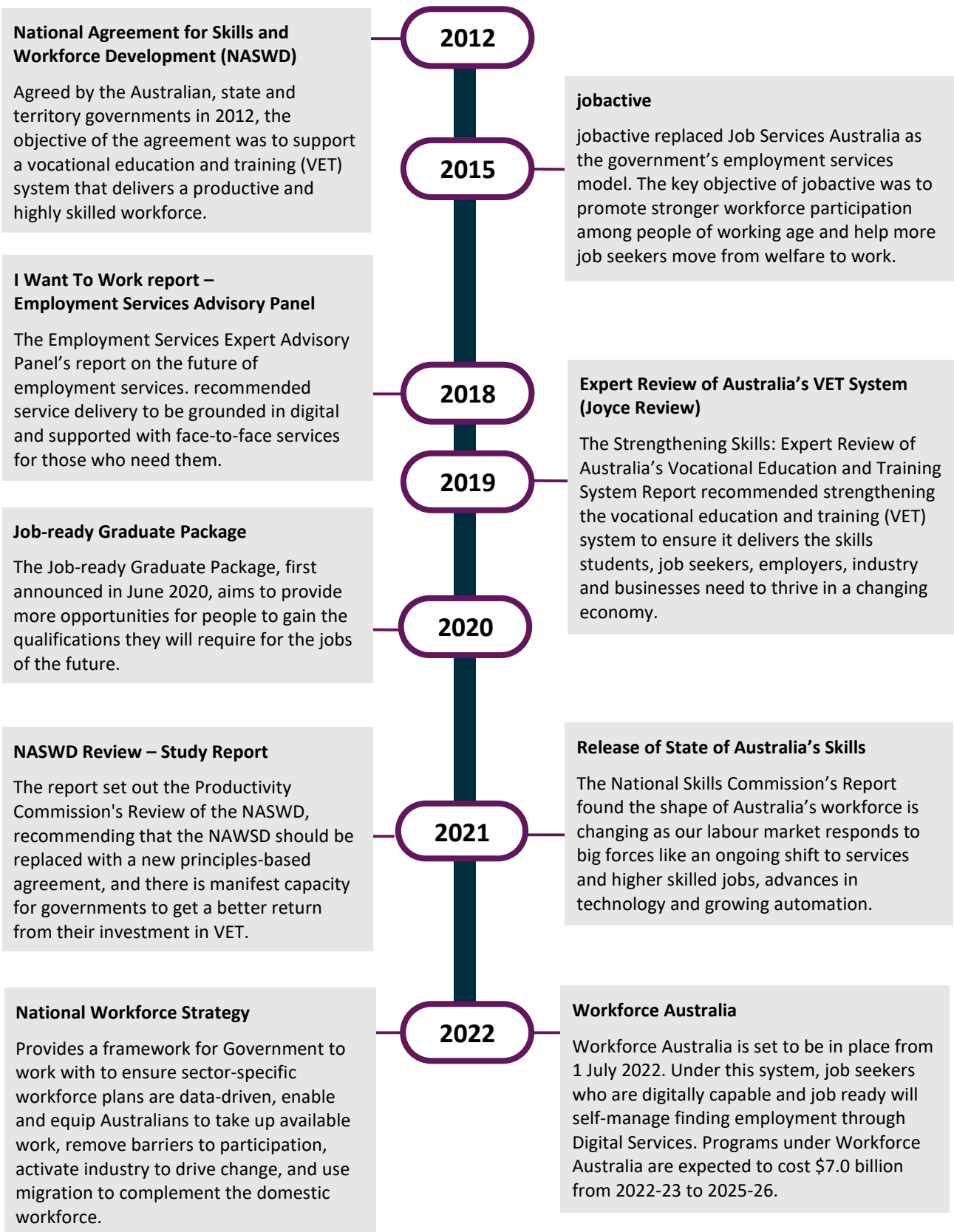
5. Over the next five years, 9 in 10 jobs created are projected to require post-school education



6. Education is a significant determinant of workforce participation



The reform journey



Women's labour market participation

Overview

Increasing women's labour market participation is an economic and social priority

Increasing women's workforce participation is essential to building a better future for Australia. By removing obstacles to gender equity, increasing women's workforce participation has the potential to boost women's economic participation, boost productivity and provide greater economic security for women.

Women's workforce participation has increased substantially since the 1970s and is currently at a near-record high of 62.1 per cent.¹ Progress has been driven by greater levels of education, changing social attitudes, declining fertility rates, policy changes (particularly greater subsidies for child care), and increasing availability of part-time and flexible working arrangements.² There remains capacity to improve, with Australia's participation rates behind other OECD countries.³ Women are also more likely to work part-time than men, and more likely to take extended time out of the workforce due to unpaid caring and domestic responsibilities, which impacts their lifetime earnings and contributes to the superannuation gender gap.

Decisions to enter or re-enter the workforce are often complex and multifactorial. Commonly cited barriers include workplace culture, gender stereotypes, availability of flexible work arrangements, affordability and accessibility of child care, gender differences in domestic work, and societal expectations regarding gender roles.⁴ In an ABS survey of women who would like to join or increase their participation in the labour force, incentives relating to child care access and cost were cited as the most important incentives, followed by the ability to work part-time hours.⁵ The interaction of the personal tax, family payments and child-care subsidy arrangements can also provide strong disincentives for women returning to work after having children.⁶ Culturally and linguistically diverse (CALD) women, migrant women, mature women, First Nations women, and women with disability may also experience particular or additional barriers that prevent greater workforce participation.

Women's educational attainment has increased over time, with increased numbers of women entering skilled professions and accessing better paid jobs. Despite this, Australian women continue to spend less time in paid employment, earn less than men (the gender pay gap is currently 13.8 per cent), and contribute disproportionately to domestic work.⁷ Coordinated efforts by government and business to implement critical reforms can address gender pay gap contributors, including: discrimination and bias in hiring and pay, female-dominated industries and jobs attracting lower wages, women's disproportionate share of unpaid caring and domestic work, a lack of workplace

¹ Australian Bureau of Statistics (April 2022) *Labour Force, Australia*.

² Bankwest Curtin Economic Centre and WGEA (2016) *Gender Equity Insights - Inside Australia's Pay Gap; 2021 Intergenerational Report*

³ As at 2020, while Australia was outperforming the OECD average, Australia was ranked 8th and lagged behind countries such as New Zealand, Norway, and Iceland and slightly outperformed Canada and the UK. Source: OECD, *Labour force participation rate, by sex and age group*.

⁴ For example, see Committee for Economic Development of Australia, *Barriers to Equality of Opportunity*.

⁵ ABS (2018-19) *Barriers and Incentives to Labour Force Participation, Australia*.

⁶ KPMG (2018) *Ending workforce discrimination against women*.

⁷ Australian Bureau of Statistics (November 2021) *Average Weekly Earnings, Australia*.

flexibility, and greater time out of the workforce impacting career progression.⁸ To improve gender equality in the workplace, it is important to improve the ability of women to engage in paid work and to share unpaid work more equitably with men, to have the skills and opportunity to perform higher-productivity jobs, and occupy positions of leadership.

Delivery of whole-of-government policy and services that account for compounding and overlapping disadvantage (from being both a woman and also from a CALD and/or migrant background, First Nations, mature age and/or with disability) is necessary. Boosting women's labour market participation requires broad, wrap-around action across the Commonwealth, including through consideration of tax-transfer (including the interaction between income tax and benefits), social security, superannuation, child care, health care and parental leave policies.

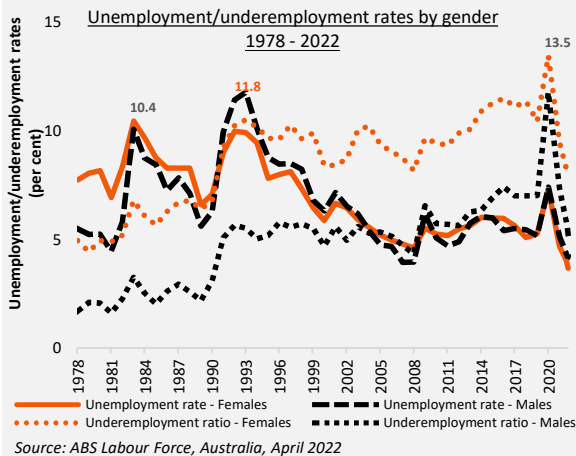
Across the life journey, alongside child care, education and skills policy, this department also delivers activities to encourage women's participation in non-traditional trades and STEM careers and supports employers to reduce barriers to attracting and retaining women. Measures can assist by encouraging and enabling women to increase and maintain their involvement in the labour market, which can improve participation over their lifetime. Government policies must also consider women's personal preferences, including their own and others' attitudes to work and family, because these are critical factors in the decisions women make about working.

⁸ Workplace Gender Equality Agency, *Australia's Gender Pay Gap Statistics (February 2022)*. The gender pay gap is the difference between women's and men's average weekly full-time equivalent earnings, expressed as a percentage of men's earnings. It is a measure of women's overall position in the paid workforce and does not compare like roles.

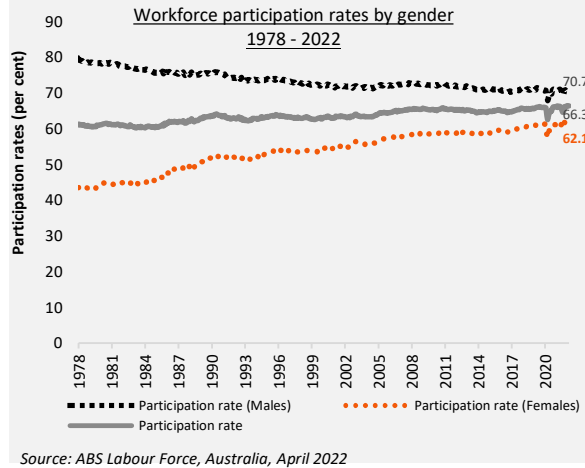
Snapshot of women's labour market participation

Women's participation rates and the gender pay gap have improved over the past decade, however more work can be done to further reduce the gap

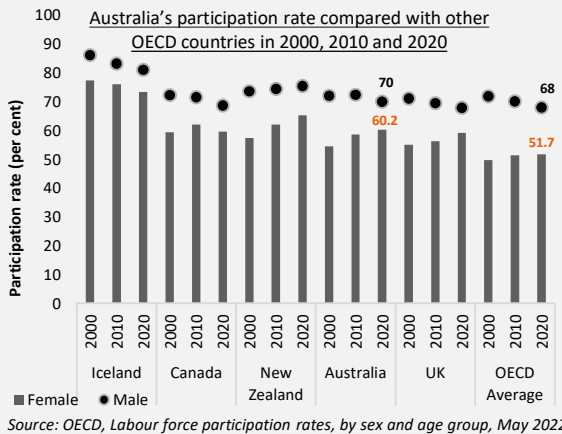
1. Women are consistently more likely to be underemployed



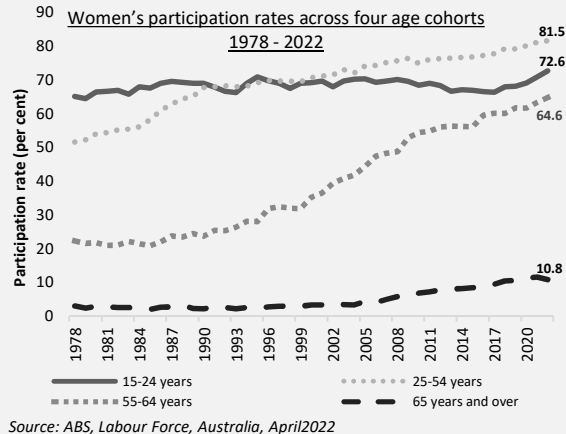
2. The gap in workforce participation has narrowed, but persists



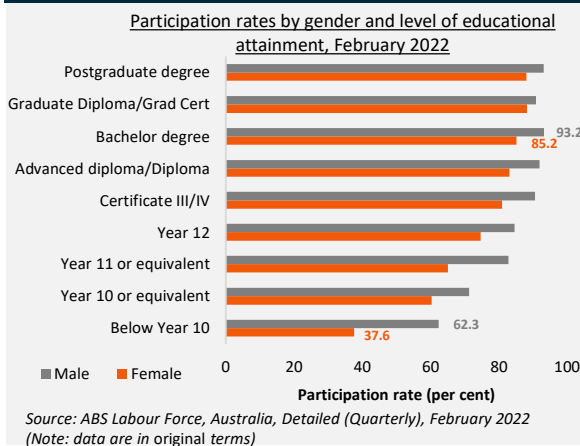
3. Australia's women's participation rate is above the OECD average



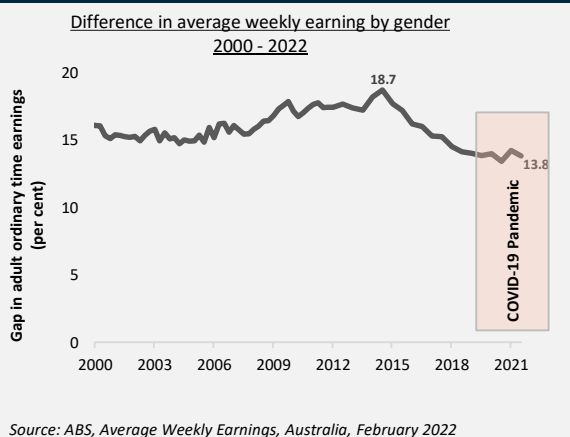
4. Women's participation rates have increased across all age cohorts



5. The difference in participation rates widens for women (20-64 years old) with lower educational attainment



6. Australia's gender pay gap has decreased over the last two decades but remains significant



The reform journey

Fair Work Act 2009

Commencing in 2009, the *Fair Work Act 2009* protects people from discrimination in the workplace on the basis of sex.

Workplace Gender Equality Agency (WGEA)

Established in 2012, WGEA is charged with promoting and improving gender equality in Australian workplaces.

Child Care Subsidy (CCS)

Child Care Benefit and Child Care Rebate replaced with the CCS, an income-tested and activity-tested subsidy. The Additional Child Subsidy for vulnerable children was also introduced at this time.

Child Care Subsidy rate lifted for second and subsequent children

From 7 March 2022, CCS rates for families using care for two or more children aged five and under increased by 30 percentage points for their second and younger children, up to a maximum of 95 per cent.

2009

2010

2012

2013

2018

2021

2022

National Paid Parental Leave (PPL) scheme introduced

Provided up to 18 weeks pay at the national minimum wage for eligible working parents. Additional changes to this policy have been implemented by successive governments to expand the reach and improve the flexibility of the policy.

National Disability Insurance Scheme (NDIS)

As well as supporting people with disability, the NDIS has also allowed many women caring for family members with disability to return to the workforce.

Child Care Subsidy annual cap removed

From 10 December 2021, the CCS annual cap (of \$10,655 per child for families earning over \$190,015 in 2021-22 terms) was removed for the entire 2021-22 financial year onwards.

Labor's 2022 Women's Budget Statement

Sets out a range of policy reforms, including establishing a Women's Economic Security Taskforce, introducing a National Strategy to Achieve Gender Equality, and gender responsive budgeting.

The National Agreement on Closing the Gap

Overview

Australia's First Nations population comprises more than 800,000 people (around 3.3 per cent of the total Australian population).¹ Aboriginal and Torres Strait Islander peoples experience poorer outcomes across most life measures compared to other Australians. They remain underrepresented in the workforce, as well as in many occupations and community roles, experience lesser levels of education attainment, and are overrepresented in the criminal justice and child protection systems.

The 2020 National Agreement on Closing the Gap (the Agreement) was developed in partnership with all Australian governments and the Coalition of the Peaks (the Peaks), which consists of more than 50 Aboriginal and Torres Strait Islander community-controlled organisations.

The Agreement is built around four new Priority Reforms which underpin essential acceleration towards the socio-economic targets and will fundamentally change the relationship between the Australian Government and First Nations communities. The Priority Reforms are:

1. Formal partnerships and shared decision-making: critical to accelerating policy and progress
2. Building the community-controlled sector: to deliver better informed services
3. Transforming government organisations: to be culturally safe, responsive and eliminate racism
4. Shared access to data and information at a regional level: to inform shared decision making.

Closing the Gap targets

The Agreement commits parties to achieve 17 socioeconomic targets by 2031, opening up life changing opportunities for current and future generations. Targets 3-8 sit within this portfolio:²

1. By 2025, increase enrolment in Year Before Full-time Schooling early childhood education to 95 per cent (on track)
2. By 2031, increase children assessed as developmentally on track in all five domains of the Australian Early Development Census to 55 per cent (not on track)
3. By 2031, increase year 12 or equivalent qualification attainment (age 20-24) to 96 per cent (not on track)
4. By 2031, increase tertiary completion (Certificate III and above) (age 25-34) to 70 per cent (not on track)
5. By 2031, increase employment, education or training (age 15-24) to 67 per cent (on track)
6. By 2031, increase employment (age 25-64) to 62 per cent (not on track).

Despite current efforts, projections show that only two of the six targets will be met (see Chart 5). Extra work will be needed to ensure all six targets are achieved, particularly considering that recently released Target 4 data shows – for the first time – a decline in outcomes. Recent feedback on the Commonwealth's 2021 Closing the Gap Implementation Plan from the Peaks, emphasised more effort is required to embed all the Priority Reforms within departments to ensure that all the socio-economic targets can be met.

¹ ABS Census, 2016

² Commonwealth Closing the Gap Implementation Plan, Canberra, www.niaa.gov.au

There are some projects showing promising signs of positive impact and contributing to a growing evidence base. Notable examples include: the Aurora Foundation's Redefining Indigenous Success in Education which supports students through individualised Academic and Wellbeing Support Plans; and the Early Years Education Program, which will deliver an early learning teaching model to strengthen literacy and numeracy learning through explicit instruction, in combination with play-based learning approaches.

Snapshot of First Nations peoples, outcomes and Closing the Gap progress in education and employment

1. Australia's First Nations population has a relatively younger age structure. This is reflective of higher fertility rates as well as higher mortality rates than the non-Indigenous population.

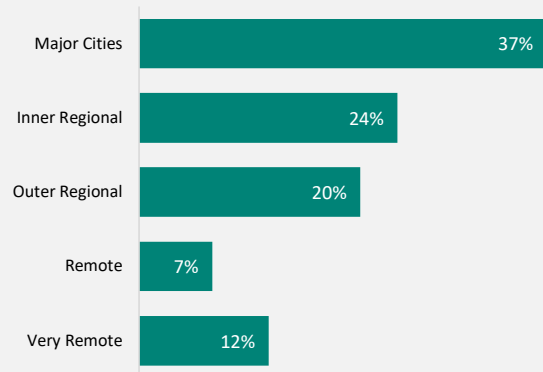
Percentage of non-Indigenous and Indigenous by age group, 2016



Source: ABS 2016, Estimates of Aboriginal and Torres Strait Islander Australians

2. The majority of First Nations peoples live in major cities or inner regional areas. While those who live in remote and rural areas of Australia are relatively fewer, they often experience greater challenges, requiring innovative and tailored policy responses.

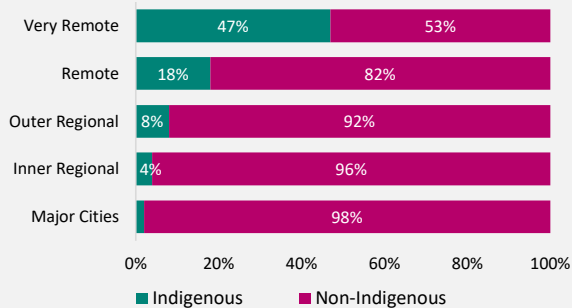
Distribution of Australia's Indigenous population by remoteness, 2016



Source: ABS 2016, Estimates of Aboriginal and Torres Strait Islander Australians

3. First Nations peoples represent a higher proportion of the remote and very remote population than they do in other populations. This suggests that a geographic focus may inform policy responses.

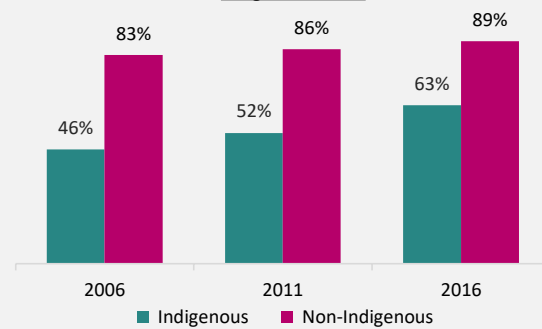
Distribution of Australia's Population by Remoteness and Indigenous Status, 2016 (%)



Source: ABS 2016, Estimates of Aboriginal and Torres Strait Islander Australians

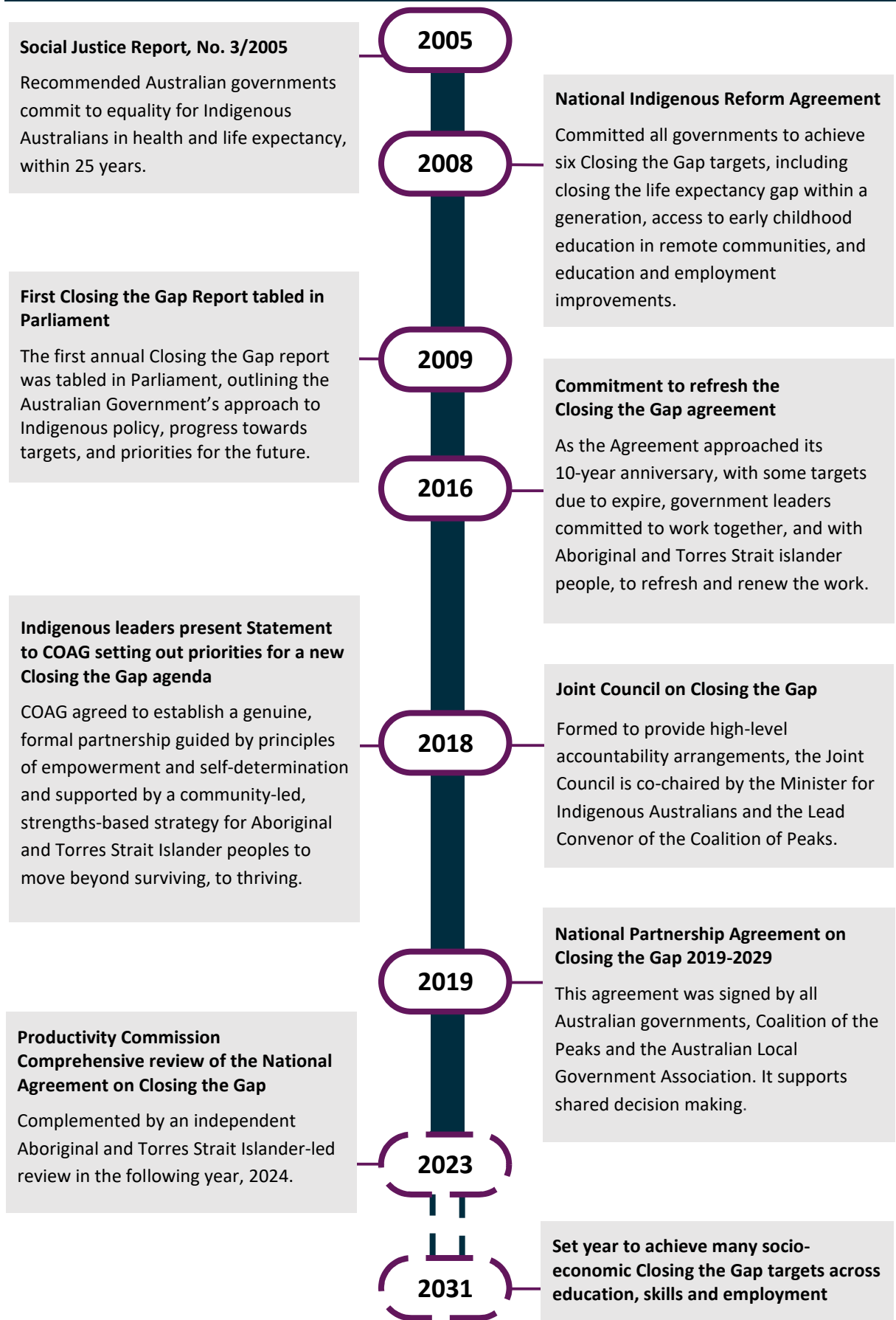
4. The proportion of First Nations students completing Year 12 or equivalent has increased significantly since 2006, but a large gap remains when compared to non-Indigenous students.

Year 12 or equivalent completion rates (%), by Indigenous status



Source: ACARA Year 12 Certification rates, 2016

The reform journey



People with disability

Overview

Australia's population includes approximately 4.4 million people with disability.¹ Full participation and inclusion of people with disability in all aspects of Australian society can deliver broad social and economic benefits, as well individual benefits to persons such as increased independence and greater connection with their community. However, there is still a way to go. People with disability tend to have lower rates of participation across education, skills and employment relative to people without disability, for example:

- Less than half (44 per cent) of people with disability had completed Year 12 or equivalent, compared to people without disability (68 per cent).²
- Only three per cent of apprentices and seven per cent of people who attended university were people with disability.^{3, 4}
- Over half (53 per cent) of people with disability of working age (15-64 years) were in the labour force, compared to the general population (84 per cent).⁵

The shift to online work and study has presented opportunities and challenges for people with a disability. For example, students with a disability have had mixed experiences with remote learning. While some have thrived, others face significant barriers such as access to computers and caring arrangements in the home learning environment.⁶

Inclusive design and delivery of mainstream education, skills and employment policies and systems are critical to improving outcomes for people with disability. Australia's Disability Strategy 2021–2031, as agreed by all Australian governments, has a focus on strengthening mainstream systems. It includes education and employment among its seven outcome areas.

Trends in enrolments for students with disability in mainstream, special and special assistance schools need to be better understood.

The department supports people with disability through mainstream programs, such as school loading for students with disability. The National Quality Framework and major funding streams in each sector are important levers for the Australian Government to drive improved outcomes for people with disability. The department also administers targeted programs, such as the Inclusion Support Program in early childhood education and care and the National Disability Coordination Officer program in tertiary education.

¹ ABS (2018), Survey of Disability, Ageing and Carers.

² Ibid.

³ National Centre for Vocational Education Research (NCVER), 2020

⁴ Department of Education, Skills and Employment Higher Education Statistics, 2020

⁵ ABS (2018), Survey of Disability, Ageing and Carers

⁶ See for example: Victoria Department of Education, July 2021, Lessons learned from Term 2, 2020 remote and flexible learning (education.vic.gov.au)

Building awareness and capability across the education sector is a key focus of measures being implemented in response to the 2020 Review of the Disability Standards for Education 2005 (the Review). A key priority is improving data transparency, including through the Nationally Consistent Collection of Data on School Students with Disability (NCCD), to ensure students with disability are accessing and participating in education on the same basis as their peers without disability.

The department has been working with the Department of Social Services (DSS) on the Disability Employment Support Reform (DESR), including reforms to the Disability Employment Services (DES) program, to ensure it aligns and complements Workforce Australia as much as possible. [REDACTED]

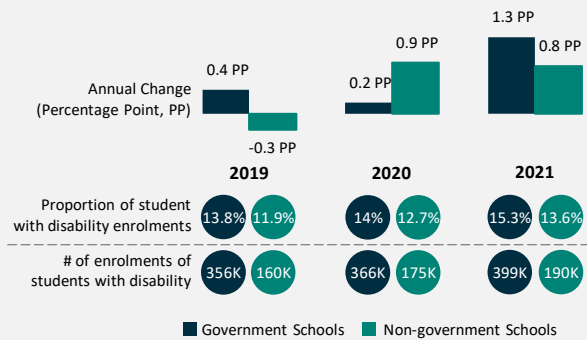
The Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability (Disability Royal Commission) is examining issues related to the work of the department, including in education and employment. The right to inclusive education has been a core focus of the Disability Royal Commission. It has considered the critical importance of education to the inclusion and independence of children and adults with disability over their life course and as a determinant of future outcomes and the full development of an individual's potential.

Snapshot of people with disability in education and employment

Australia's population includes approximately 4.4 million people with disability, or one in six Australians (ABS 2018).

2. 2020 saw an unexpected spike in the proportion of students with disability in the non-government sector. Into 2021, the proportion of such students has continued to grow across school sectors.

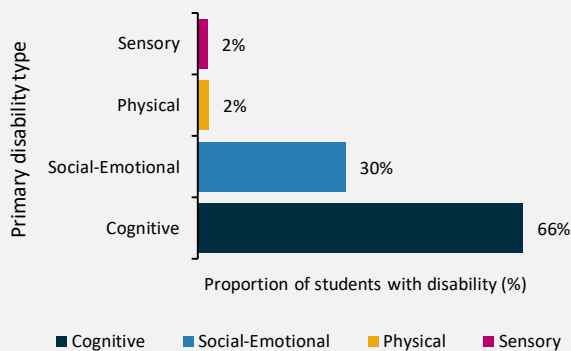
Annual change in proportion of student with disability enrolments (Percentage Point, PP)



Source: DESE school funding models as at 2022-23 Budget

3. Most students who attend special schools have a cognitive or socio-emotional disability.

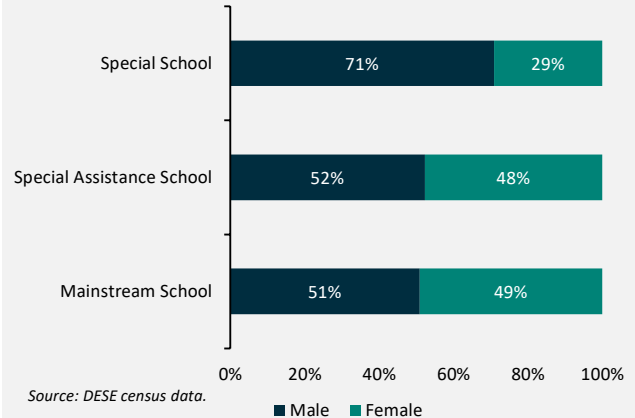
Proportion of special school and special assistance school students, by primary disability type, 2021 (%)



Source: NCCD 2021 data. NB: In the charts above, 'special schools' includes special schools and special assistance schools

4. Students in special schools are more likely to be male.

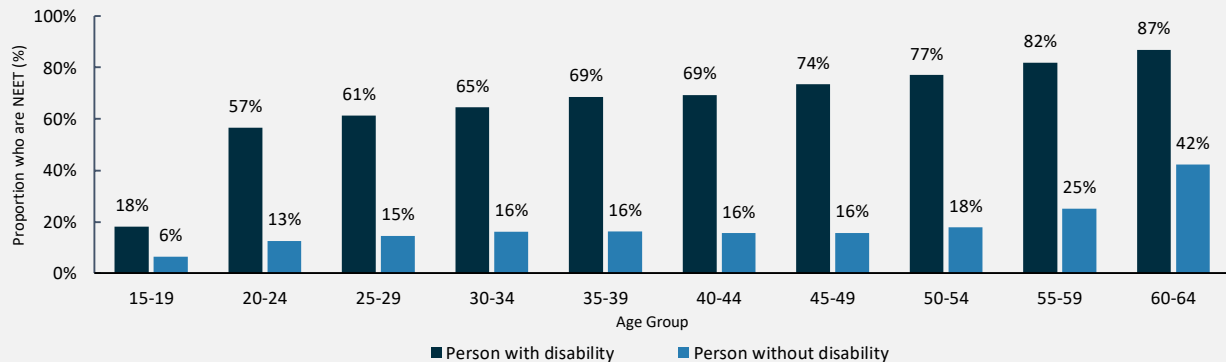
Enrolment, by gender, by school type (2021)



Source: DESE census data.

5. People with disability are disproportionately more likely to be NEET (not in education, employment or training) across their lifetime. The NEET measure can be used to measure people who are at risk of becoming socially excluded, and who may not have the skills to improve their economic situation.

Proportion of population who are NEET, by age group and disability status, 2016, (%)



Source: ABS 2016 Census of Population and Housing, TableBuilder extract

The reform journey

Disability Discrimination Act 1992

The Act aims to eliminate discrimination and establishes the concept of reasonable adjustments for people with disability.

1992

Disability Standards for Education 2005

The Standards are subordinate to the *Disability Discrimination Act* and clarify the obligations of education providers and the rights of people with disabilities in relation to education and training. The aim is to ensure participation in education on the same basis as students without disability.

2005

United Nations Convention on the Rights of Persons with Disabilities

The Convention reaffirms that all persons with all types of disabilities must enjoy all human rights and fundamental freedoms. Australia is a signatory.

2006

National Disability Strategy 2010–2020

A commitment by all Australian governments to a unified, national approach to inclusion for people with disability. It was the primary mechanism for implementing Australia's obligations under the United Nations Convention.

2010

School funding disability loading

Introduced as part of needs-based recurrent school funding model.

2014

Nationally Consistent Collection of Data on School Students with Disability

Implementation of a national approach to counting school students with disability which focuses on educational adjustment based on teacher judgement, rather than medical diagnosis. Implementation included significant investment in teacher capability around adjustments in line with the Disability Standards for Education.

2016

National Disability Insurance Scheme

The NDIS funds personalised supports related to people's disability support needs, unless those supports are part of another service system's universal service obligation (for example, meeting the health, education, housing, or safety needs of all Australians) or covered by reasonable adjustment (as required under the *Disability Discrimination Act 1992* and Disability Standards for Education).

2017

Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability

Established in response to community concern about widespread reports of violence, abuse, neglect, and exploitation of people with disability. A final report will be delivered to the Australian Government by 29 September 2023. The report is expected to recommend how to improve laws, policies, structures, and practices to ensure a more inclusive and just society that supports people with disability to be independent and live free from violence, abuse, neglect and exploitation.

2018

Changes to the Australian Education Act

Under the package, the student with disability funding loading is calculated using data from the NCCD.

2019

2021

Australia's Disability Strategy 2021–2031

Australia's Disability Strategy calls on all Australians to ensure people with disability can participate as equal members of society. Compared to the previous strategy, there is a greater focus on government accountability for implementation and outcomes, and an emphasis on the role of mainstream systems (such as education) in supporting people with disability.

Youth

Overview

Australia has more than 3.1 million young people (aged 15-24 years), which represent 12 per cent of the population.¹ Successful transitions from youth to adulthood, and from education into employment, are important in providing lifelong opportunities. The department has a key role in stewardship of the Australian Government's youth policy. This reflects the importance of education, skills, and employment in the lives of young people, and provides an opportunity to connect education and skills policy to meaningful employment for young Australians.²

Within the youth cohort, there is significant diversity that shapes social, educational, and economic outcomes. While most young people make a successful transition from education and training into employment, some youth require additional support to realise the financial and social benefits of work, with youth unemployment more than double overall unemployment. Some of the major perceived barriers to youth getting a job have been persistent, such as the availability of jobs and work experience, but more recently there has been a significant rise in lack of confidence and self-esteem.³ These challenges have been compounded by the social and economic disruptions of the COVID-19 pandemic.

While varying across jurisdictions, widespread lockdown measures, school closures, and the move to online learning across education settings due to the pandemic have resulted in widespread impacts these include valuable face-to-face learning, job losses and lack of social opportunities. Similarly, experiences throughout the pandemic have exacerbated social isolation, disengagement and mental health concerns. For example, young adults aged 18-24 years reported higher levels of psychological distress in mid to late 2020 than before the pandemic.⁴

The Australian Government has a role in ensuring every young person, particularly youth with the greatest need, are supported to successfully navigate transitions across education and employment. Through the National Strategy to address Youth Mental Health and Suicide Prevention, ongoing efforts have sought to prevent suicide and promote the mental wellbeing of young and Indigenous Australians. The Youth Policy Framework provides an overview of support to young Australians, with an approach for how the Australian Government can better engage with young people, enabling them to become spokespeople for their peers and communities at a local and national level.

¹ ABS (June 2021), *National, state and territory population*.

² "Youth affairs and programmes including youth transitions" was transferred from the Department of Health as per Administrative Arrangements Order of 18 March 2021.

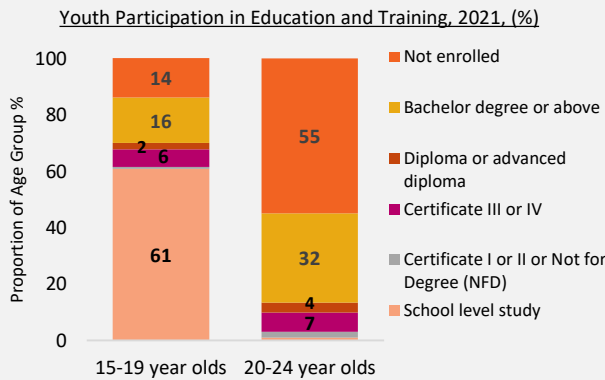
³ Life at 25 now and then visualisation using LSAY, NCVER (2019); Longitudinal survey.

⁴ Biddle N, Edwards B, Gray M & Sollis K (2020). 'Mental health and relationships during the COVID-19 pandemic.' COVID-19 briefing paper. Canberra: ANU Centre for Social Research and Methods; Biddle N and Gray M (2020), 'Tracking outcomes during the COVID-19 pandemic (October 2020)', Canberra: ANU Centre for Social Research and Methods.

Snapshot of participation and outcomes for the youth cohort

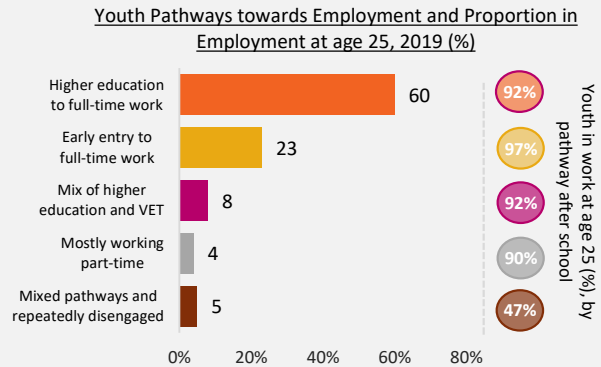
In 2021, there were around 3.1 million young people (aged 15-24 years), which represents around 12 per cent of the population.

1. Youth aged 15 to 24 years, participate in education and training, including beyond school-level studies. A large proportion of 15-19 year-olds transition out of education, 55% of 20-24-year-olds not being enrolled.



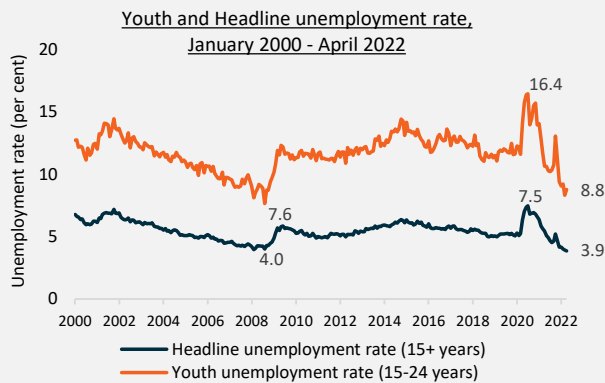
Source: Productivity Commission, Report on Government Services, 2022

2. Youth experience diverse and individualised school to work pathways. While the majority follow a generally simple higher education to work pathway or enter employment early, some experience complex post-school pathways.



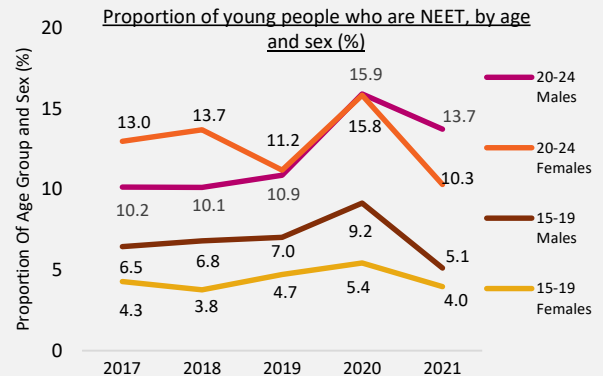
Source: Visualising school-to-work pathways using LSAY, NCVET (2019); Longitudinal survey of 3189 respondents, 2006-2016.

3. Youth unemployment, which is higher than overall 'headline' unemployment, is experiencing its lowest point since 2008 as of February 2022 (9.29%).



Source: Labour Force, ABS, 2022

4. Young people who are not in employment, education or training (NEET) are more likely to experience social exclusion, have income levels below the poverty-line and lack the skills to improve their economic situation.



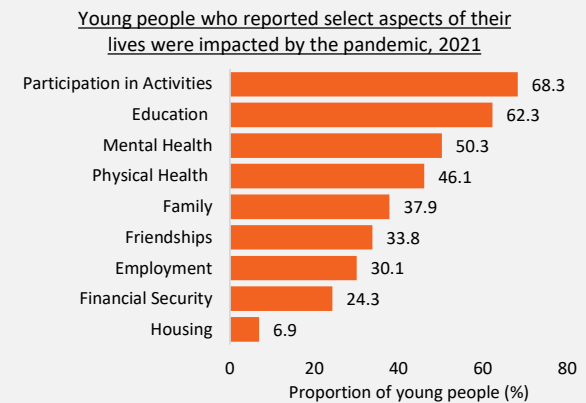
Source: OECD, 2021

5. The proportion of young people who meet the criteria of experiencing 'psychological distress' has been increasing.



Source: Mission Australia, 2021

6. Many young people (aged 15-19 years) have reported that their social participation, education and mental health have been impacted by the pandemic.



Source: Mission Australia, 2021

The reform journey

Youth Summit

100 young Australians participated in the Youth Summit to lead discussions on their priorities and Australia's future.

2008

Office of Youth established

Compact with Young Australians introduced

Under the Compact, young people aged 15–24 have an entitlement to an education or training place, subject to admission requirements and course availability.

2009

National Youth Participation Requirement introduced

Part of the Compact, the Requirement was introduced to ensure that young people participate in schooling until they complete year 10, and participate in education, training or employment (or a combination of these) until they reach age 17.

The National Strategy for Young Australians launched

The department launched the Strategy to be used as a guide for future Government action to encourage and help young people (aged 12–24) take charge of their lives across eight priority areas.

2010

2013

Office of Youth combined into the department

Youth Jobs PaTH commenced

Government employment program designed to assist young Australians into internships to help them gain real world, practical experience in a business.

2017

Youth mental health and suicide prevention plan

Representing the single largest investment in youth suicide prevention in Australia, the Plan outlines a national strategy to prevent suicide and promote the mental wellbeing of young and Indigenous Australians.

Youth Taskforce established

Established to report to the Minister for Youth on options for whole of government coordination of policies and programs impacting youth.

2019

National Youth Policy Framework released

Review of senior secondary pathways

The Review considered how students can be better supported to understand and be enabled to choose the most appropriate pathway to support their transition into work, further education and/or training.

2020

2021

The framework acknowledges the challenges faced by young people, particularly from the impacts of COVID-19, and outlines the whole-of-Government policies and programs in place to improve the lives of young people living in Australia.

Regional education and employment

Overview

Regional Australia (encompassing regional, rural and remote areas) is a diverse and thriving community. Regional Australia makes up a third of Australia's total population at over 8 million people¹ and makes a significant contribution to Australia's economic prosperity particularly through mining, resources, agriculture and food production.² When compared with major cities, regional Australian communities can face additional challenges, including educational attainment and availability of teachers, and an ageing demographic profile with unpredictable labour demand.

For the first time since 1981, in 2020–21, Australia's regional population grew more than that of capital cities, growing by 70,900. In contrast, capital cities saw a population decline of 26,000 for capital cities.³ The rise of remote and online work provides an opportunity for regional Australia to attract and retain workers to support industries in local communities.

A decade of inquiry and investment has sharpened the focus on regional Australia, with initiatives implemented aimed at building and connecting regional Australia and promoting investment and economic prosperity. The department portfolio has a range of initiatives to improve participation and prosperity in regional Australia. It does so by boosting the accessibility of childcare, education and training, and increasing regional employment to deliver benefits to Australians living in regional communities. The department's role in supporting regional education attainment and success involves investment and coordination within a broader context of government investment in regions. This includes initiatives related to health, infrastructure and industry, social services, tourism, agriculture, water and resources, and Communications.⁴

Regional education

Students in regional Australia account for a significant proportion of the student population although participation, attainment and completion in education tends to decrease the further students are from major cities. This is apparent across education sectors, for example in lower Year 12 attainment, but is particularly pronounced at the university level.⁵

Regional areas face barriers to education, including:

- difficulty recruiting, retaining, and sustaining quality early childhood care workers.
- the increased costs associated with the smaller scale of regional university operations teacher workforce shortages.
- a lack of regional research infrastructure.

¹ Data source: Australian Bureau of Statistics, Regional population, 2020-21 financial year

² Regional Ministerial Budget Statement 2022-23

³ Australian Bureau of Statistics, Regional population, 2020-21 financial year

⁴ Regional Ministerial Budget Statement: Supporting Regional Recovery and Growth 2021-22

⁵ National Regional, Rural and Remote Tertiary Education Strategy (Naphthine Review), Data Source: ABS (2016) Census of Population and Housing

Approximately 25 per cent (3,414) of all approved child care services are located outside major cities in Australia. In the June quarter 2021, 301,360 children used these services, representing around 23 per cent of all children attending child care.⁶

More than one quarter (1,108,020) of Australian full-time equivalent school students are enrolled in schools in regional or remote areas. In remote and very remote areas, 82 per cent of students are enrolled in government schools.⁷

In 2020, an estimated 1,115,675 students were enrolled in nationally recognised VET⁸ in regional and remote areas. The VET Sector allows students from regional and remote areas to access training from providers across a range of locations, not only in their local area. There are 1,150 RTO's with locations in regional and remote areas of Australia.⁹

There are nine universities headquartered in regional Australia, in 2020 enrolling over 230,000 students across all levels (enabling through to postgraduate) and mode of study.¹⁰

Regional employment

Although recent years have brought further challenges like significant drought, bushfires, floods and the COVID-19 pandemic, regional Australia has proven resilient. Employment outside capital cities has increased by 82,700 since March 2020 to reach just over four million in March 2022. The regional unemployment rate is currently 4.1 per cent, a decline of 1.2 percentage points from pre-COVID (over the same period the unemployment rate for capital cities decreased by 1.5 percentage points to reach 4.2 per cent). The regional participation rate has remained relatively stable with a 0.1 per cent increase since March 2020 to reach 62.7 per cent in March 2022.¹¹

The labour market in regions differs from capital cities, with employers typically looking to recruit workers in roles that require lower skills, however, find greater difficulty in recruiting people.

⁶ DESE child care data, June quarter 2021. Excludes In Home Care

⁷ ABS Schools Australia 2021

⁸ NCVET 2021, Total VET students and courses 2020, NCVET, Adelaide.

⁹ Training.gov.au register | extracted 2022-01-01

¹⁰ DESE Higher Education Statistics, All students by Higher Education Institution, Full Year 2020

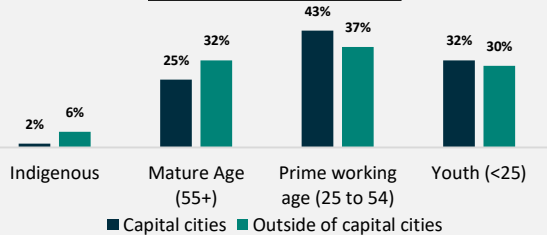
¹¹ Australian Bureau of Statistics, Labour Force Survey (Detailed), March 2022

Snapshot of regional education and employment

Data below references the Australian Statistical Geography Standard (ASGS), a classification of Australia into five remoteness areas on the basis of relative access to services. The five remoteness categories are: major cities; inner regional; outer regional; remote and very remote.

1. There is a higher proportion of older Australians and Indigenous Australians in regional and remote areas

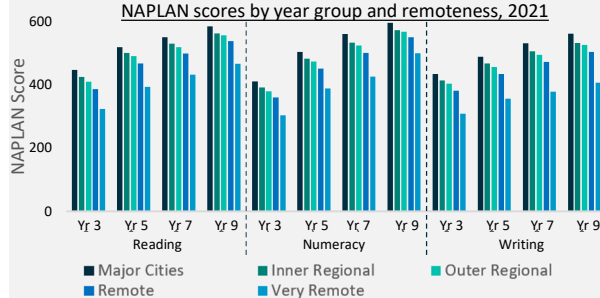
Share of resident population by selected characteristics and remoteness



Source: ABS, Census 2016

3. As remoteness increases, student performance decreases in numeracy and reading

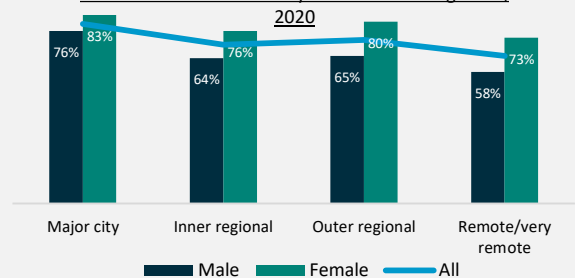
NAPLAN scores by year group and remoteness, 2021



Source: NAPLAN National Report for 2021 (ACARA)

4. Year 12 certification rates decrease as remoteness increases

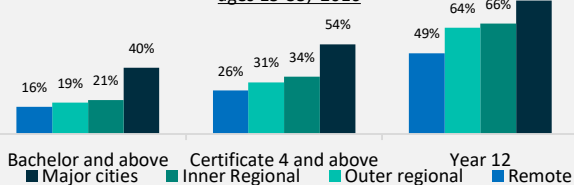
Year 12 certification rate by remoteness and gender, 2020



Source: ACARA, Yr 12 certification rates (2020)

5. Regional and remote individuals are less likely than their city counterparts to have a bachelor's degree or higher by the age of 35, and 40 percent less likely to have a Certificate IV or higher.

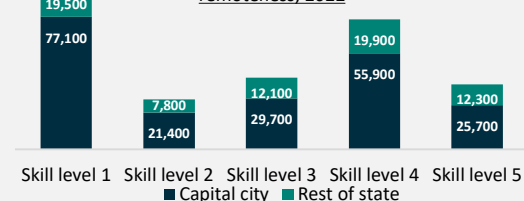
Highest level of educational attainment by remoteness ages 15-35, 2016



Source: ABS, Census of Population and Housing, 2016

6. Both capital cities and regional Australia show higher levels of demand for Skill Level 1 (commensurate to a Bachelor degree) and Skill Level 4 (commensurate to a Certificate II or III).

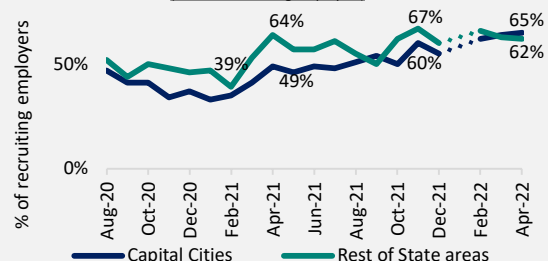
Numbers of job advertisements by skill level and remoteness, 2022



Source: National Skills Commission, Internet Vacancy Index, March 2022, seasonally adjusted data

8. Recruiting employers outside capital cities are consistently reporting difficulty recruiting workers to fill vacancies at a higher rate than their capital city counterparts.

Rate of recruitment difficulty by remoteness, 2020-22 (based on recruiting employers)



Source: National Skills Commission, Recruitment Experiences and Outlook Survey, April 2022. Note: January 2022 data unavailable due to small sample size.

The reform journey

