

Working Holiday Maker Program Inquiry

22 October 2020

NESA welcomes the opportunity to provide supplementary information to the Joint Standing Committee on Migration - Working Holiday Maker Program Inquiry.

Following NESA's hearing appearance a number of federal budget measures and investments have been announced to encourage and support employment within regional and rural settings, relevant announcements include:

- **Local Jobs Program** - \$62.8 million over two years from 2020-21 - to coordinate employment and training solutions at a local level in 25 regions across Australia. On-the-ground Employment Facilitators will work with a range of stakeholders, including employers, employment services providers and training providers, and local job seekers to connect job seekers with training, job opportunities and other support
- \$17.4 million over two years from 2020-21 to **temporarily modify the existing Relocation Assistance to Take Up a Job Program** to make it available to all job seekers participating in employment services, and to those who temporarily relocate to take up agriculture work
- \$19.4 million over four years from 2020-21 to **provide targeted support to employers, disadvantaged job seekers and seasonal workers who are most impacted by the COVID-19 pandemic**, including - \$9.0 million over three years from 2020-21 to ensure the welfare of Pacific workers participating in the Seasonal Worker's Programme by increasing assurance measures and boosting community connections
- **COVID-19 Response Package — supporting job seekers** includes \$2.7 million in 2020-21 to extend Regional Employment Trials by a further 12 months to 30 June 2021 to ensure approved projects continue in the selected regional areas

NESA welcomes these announcements and will continue to work with the respective departments' in relation to promotion and implementation of these opportunities to job seekers and employers.

Overview of existing programs and mechanisms of support within the Employment Services framework available to job seekers and employers in Regional and Rural locations:

Harvest Trail Services & Harvest Trail Information Services

Harvest Trail Services and the Harvest Trail Information Service connect workers with employers in 16 identified harvest areas across Australia experiencing labour supply difficulties.

HTIS provides comprehensive, up-to-date information about harvest work vacancies on the Harvest Trail website and operates the national contact centre (a phone hotline).

HTIS contributes to the National Harvest Guide, which provides information about harvest work opportunities, working conditions, transport and accommodation around Australia.

Note:

All job seekers, including those participating in other Employment Service programs including jobactive, Transition to work (TtW), New Employment Services Trial (NEST), Disability Employment Services (DES) and Community Development Program (CDP), Volunteer jobactive job seekers in receipt of the Age Pension, and veterans in receipt of eligible Department of Veterans' Affairs (DVA) pensions should be considered for Harvest Work.

	<i>Most working visa holders are eligible for Harvest Work in Australia however, some are restricted in the type or location of work they can do.</i>
Seasonal Worker Program Trial	The Seasonal Worker Programme assists employers in the agriculture and accommodation sectors in selected locations to fill employment gaps unable to be met by the Australian workforce. It also contributes to the economic development of seasonal workers from nine participating Pacific Island countries and Timor-Leste.
Relocation Assistance to Take Up a Job (RATTUAJ)	<p>RATTUAJ is a discretionary tool for available to assist Participants who need to relocate to take up a job. RATTUAJ provides financial assistance (up to \$9000 GST exclusive) to long-term unemployed job seekers and other designated Participants to relocate to take up ongoing, full time work, and can help Employers attract staff outside their local area.</p> <p>RATTUAJ is available to participants in jobactive, ParentsNext (Intensive Stream Only), Structural Adjustment Programmes including Stronger Transitions Package, Disability Employment Services (DES). To be eligible participants must have been receiving eligible income support for at least 12 months, or if in a Regional Employment Trial regions immediately for ParentsNext Intensive Stream, Stream B and C participants or at 3 months for Stream A job seekers.</p>
Wage Subsidies	<p>A range of Wage Subsidies are available to be used as a discretionary financial incentive to encourage Employers to hire eligible Participants in ongoing jobs by contributing to the initial costs of hiring a new employee.</p> <p>To be eligible for a Wage Subsidy an Employer must declare the role as a sustainable, ongoing position, offering an average of 20 hours per week over the 26 week duration of the Wage Subsidy Agreement, and expected to last more than 26 weeks. Other eligibility conditions must be met in addition to these core elements, e.g. must not displace an existing employee, must comply with Employment standards for the position as established under all relevant Commonwealth, state or territory law.</p> <p>Wage Subsidies are targeted to different cohorts. Eligibility and amounts available vary depending on the type of Wage Subsidy accessed. Wage Subsidies include:</p> <ul style="list-style-type: none"> • Disability Employment Services Wage Subsidy – up to \$1500 (excluding GST) • Employer Incentive Funding (CDP) - up to \$10,000 (exclusive of GST) for full time employees or up to \$5,000 (exclusive of GST) for part time employees • Restart Wage Subsidy (50 years of age and over) — up to \$10,000 (including GST) • Youth Bonus Wage Subsidy (15–24 year olds) - up to \$10,000 (including GST) for a Stream B or Stream C Participant and for Transition to Work (TtW) Participants on Income Support Payments, or up to \$6,500 (including GST) for a Stream A Participant. • Youth Wage Subsidy (25–29 year olds) — up to \$6,500 (including GST) • Parents Wage Subsidy — up to \$6,500 (including GST) • Long Term Unemployed & Indigenous Wage Subsidy — up to \$6,500 or \$10,000 (including GST) <p><i>*Eligible Indigenous Australians can access up to \$10,000 through any of the above Wage Subsidies.</i></p>
Employment Fund (jobactive)	The Employment Fund is a flexible pool of funds available to all jobactive providers to offer support tailored to the needs of participants, employers and the local labour market for the purchase of goods and services that genuinely support and assist participants to gain the tools, and build the skills and experience they need to get and keep a job.

	<table border="1"> <tr> <td>Stream A</td> <td>\$300 (After 13 weeks of Period of Service, except for Volunteers (who attract the credit on Commencement in the Stream))</td> </tr> <tr> <td>Stream B</td> <td>\$850</td> </tr> <tr> <td>Stream C</td> <td>\$1200</td> </tr> </table>	Stream A	\$300 (After 13 weeks of Period of Service, except for Volunteers (who attract the credit on Commencement in the Stream))	Stream B	\$850	Stream C	\$1200
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Employment Assistance Fund (EAF) (DES)	The EAF provides financial assistance to a person with disability or their Employer for workplace modifications, equipment and services that will enable them to undertake their employment duties.						

Challenges and opportunities to attract job seekers to regional and rural employment settings

In the recent Ernst and Young report¹ 80% of those surveyed anticipate an average 40% gap in the casual workforce for the next 6-18 months, driven by several factors: international border closures, competition to attract workers, domestic movement constraints and government welfare stimulus packages.

Within the context of Australian Employment Services factors that should be considered in order to immediately increase the pool of job seekers for seasonal employment opportunities include:

- Expanding the footprint and pulling existing levers within the current programs to enable more individuals to access these opportunities.
- Relaxing existing program settings to encourage more individuals and providers to consider supports available, for example, time-based exclusion periods i.e. a job seeker must be in receipt of income support for 12 months in order access to RATTUJ.
- Active promotion and improved communication to job seekers in metro/urban settings highlighting regional opportunities, the various types of jobs and financial support available.
- The accelerated roll out of the Online Employment Service has resulted in a state of flux. Approximately 400,000 job seekers – most who are new to employment services – are learning to navigate a newly introduced online system which is still in a trial phase whilst broadly learning about the employment services system and their requirements at a time when a number of these job seekers are facing crisis situations. Anecdotally, job seekers understanding of their requirements and supports available to them are limited.
- Better connections between regional employers and metro providers. Linkages between metro and regional settings are often quite limited unless a provider operates in both of these types of employment regions. Bringing together both groups via virtual meetings, targeted correspondence, a dedicated online portal/using the Australian Job Search website could assist to establish relationships and provider understanding of opportunities available.
- Incentivising job seekers and providers to consider regional employment opportunities. The nature of seasonal work is its typically casual and short term with no ongoing guarantee of employment post the season, this can be an unsettling prospect if an individual is looking to move dependents or a whole family. This uncertainty also isn't attractive to jobactive providers who are contractually obliged to seek ongoing sustainable employment for job seekers. Temporary measures to accommodate casual/seasonal work may increase interest.
- Local Jobs Program (as per budget announcement) – there are currently 11 employment facilitators in place, there may be opportunity to temporarily broaden their scope to provide immediate on the ground support in other regions whilst the tender process for the remaining regions is being completed.
- Allowing immediate access to Relocation Assistance to Take Up a Job for all job seekers may encourage more referrals. As the budget measure currently stands these changes come into effect in two steps, as of 1 November 2020 individuals not on income support will have access and from 1 December 2020 all job seekers will have access.

¹ Ernst & Young, Australia - Seasonal horticulture labour demand and workforce study Public report – September 2020

- Mutual Obligation (MO) requirements have been reintroduced from 28 September 2020 for all states (excluding Victoria) however some flexibilities and discretion in application of MO requirements remain. The process to return to MO arrangements in full has taken and will continue to take some further time. The return of MO is challenging due to the sensitive and unpredictable nature of COVID-19. Other considerations that need to be taken into account include job seekers who are new to the system and need to gain an understanding of their requirements and a large proportion of job seekers have not had MO requirements since late 2019 due to the Bushfires therefore job seekers are becoming re-acquainted with their requirements.