

Post Budget Snapshot

April 2022



Jobs Australia

Post Budget Snapshot

Following the public announcements and conversations, many and varied meetings and post budget analysis, numerous documents published and the ongoing use of the budget in the pre-election campaign, Jobs Australia has prepared this brief snapshot to assist Members.

Some commentators have projected that the current Federal government 'has plenty to spend, and that Australia is to remain in debt for at least a decade, without plans to close the debt'.

There does not appear to be a lot on the welfare and employment services sector. This snapshot is prepared as a brief summary to highlight the concerns that most impact the Jobs Australia membership.

<https://budget.gov.au>

Post Budget Snapshot - \$ & %

More than \$11bn will be slashed from the nation's welfare bill over the next four years, with updated budget forecasts revealing that the unemployment rate will drop to 3.75 per cent by September – the lowest since 1974.

The faster rebound in the labour market following economic shutdowns during the pandemic is expected to push wages growth to a 10-year high and entrench historically low unemployment rates.

The treasurer explained that “crisis spending” is over, with 701,000 fewer people on welfare payments and 1.2 million more Australians in work since the height of the pandemic.

Post Budget Snapshot - Apprenticeships and Training

It is clear that in order to get a job and keep that job – people will need formally obtained qualifications and skills.

The government is to fund 35,000 new apprenticeships, incentivised by providing a \$5000 completion payment to the apprentice and \$15,000 to the employers.

There is to be 800,000 new funded training places.

Post Budget Snapshot - Infrastructure

More than \$21 billion is to be directed to create opportunities in regional Australia with the intent that communities and businesses can thrive and grow. This includes \$2 billion for a Regional Accelerator Program which will create jobs across regional Australia including in the modern manufacturing, critical minerals and agriculture sectors.

Government will invest an additional \$7.1 billion in what it has called “transformational infrastructure” to help Australia push into new frontiers of production and growth. This includes funding for four regions of national importance – supercharging development in the Northern Territory, North and Central Queensland, the Pilbara (WA) and the Hunter (NSW) to harness export growth opportunities. Funding will support the development of ports, dams, roads and low emission manufacturing hubs.

The Government is continuing to drive investment in Northern Australia by providing an additional \$2 billion to the Northern Australia Infrastructure Facility, bringing total funding to \$7 billion.

Post Budget Snapshot - Small Business

Small businesses are a focus too. Small business is regarded as the 'engine room' of the Australian economy and is to be provided with access to a new 20 per cent bonus deduction for eligible external training courses for upskilling employees. The Skills and Training Boost will apply to expenditure incurred from Budget night until 30 June 2024, providing \$550 million in tax relief. This means that for every \$100 spent in recognised externally sourced and eligible training, \$120 can be claimed.

A \$250 once off, income tax exempt payment is to be provided to 6 million Australians – and about a half of those people are people receiving pensions, including welfare recipients, services veterans and concession card holders. There was a boost to rent assistance of \$3 per fortnight to \$145.80 for singles and \$3.50 to \$171.5 for families with up to 2 children. Families with 3 or more children receive \$3.92. This is widely seen as being manifestly inadequate given rents have risen, on average more than 30% in the past 18 months.

Post Budget Snapshot - JobTrainer Fund

JobTrainer Fund –Aged Care Boost

- The Australian Government will provide an extra \$48.5 million to deliver an additional 15,000 free or low-fee training places in aged care courses, as part of the \$2 billion JobTrainer Fund.
- This will enable existing aged care workers to undertake training to upskill and reskill and ensure there is a strong pipeline of qualified workers in both aged care and the carer sector more broadly, while improving retention rates and making the sector more attractive to job seekers.
- JobTrainer is supporting career pathways in the Aged Care Sector with free or low fee training from entry level training in aged care where learners can get a feel for the roles available, right through to more senior technical care roles such as Enrolled Nurses or specific dementia care.

from Skills Reform presentation;

Post Budget Snapshot - Employment measures

- **ReBoot:** The Australian Government is providing \$42.1 million over four years to deliver ReBoot, a new pre-employment program to help an estimated 5,000 young people who are disadvantaged and disengaged to overcome obstacles to find work.
- **Time to Work Employment Service:** The Government will invest an additional \$3.2 million to extend the Time to Work Employment Service by another year. This service helps Aboriginal and Torres Strait Islander prisoners connect with employment services and prepare for employment on release from prison.
- **Extension of AgMove:** An additional \$1.7 million will be invested to extend AgMove relocation assistance for further 6 months to 31 January 2022 which will help more job seekers meet the cost of moving to the regions to take up agricultural work opportunities.
- **Local Jobs Program:** The Government will expand the eligibility for Local Recovery Fund activities to job seekers participating in online employment services.

from Skills Reform presentation;

Post Budget Snapshot - other matters

A number of Community and Social sector commentators have raised concerns about a number of issues facing Australian society that have either been overlooked or not funded adequately, and have included (not all inclusive);

- Mental health support and the ongoing consequences (short and long term) post pandemic and it
- Aged care funding falls well short of the Royal Commission recommendation (\$18M over 4 years short of RC recommended \$10m per annum)
- Affordable and accessible housing – social housing has received no additional funding
- Climate action and environmental change – lack of positive action
- Inclusion and gender equality and equity

Post Budget Snapshot - Resources

Information provided in this snapshot have been sourced form various reports and documents, including;

- <https://budget.gov.au> Budget 2022 – 23 Australia’s plan for a stronger future – Overview
- <https://www.pwc.com.au/publications/federal-budget-2022.html>
- Davidsons_Tax_and_Superannuation_Budget_2022_23_Report.01.pdf

Jobs Australia Members are Not for Profit organisations who provide diverse employment services and pathways, education, training and skills development programs.

Jobs Australia Associate Members are Not for Profit community and social service organisations that directly or indirectly assist people to fully participate in society economically and socially through the services they deliver.

Jobs Australia membership includes access to numerous bespoke services:

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Tel: 03 9349 3699

Free Call: 1800 331 915

ja@ja.com.au

Jobs Australia Limited ABN: 17 007 263 916
100 Dorcas Street, South Melbourne, Victoria 3205