

# **PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE**

## **Budget estimates 2020–21 (Pulford)**

Melbourne—Thursday, 3 December 2020

### **MEMBERS**

Ms Lizzie Blandthorn—Chair

Mr Richard Riordan—Deputy Chair

Mr Sam Hibbins

Mr David Limbrick

Mr Gary Maas

Mr Danny O’Brien

Ms Pauline Richards

Mr Tim Richardson

Ms Nina Taylor

Ms Bridget Vallenge



**WITNESSES**

Ms Jaala Pulford, MLC, Minister for Employment,

Mr Simon Phemister, Secretary,

Mr David Clements, Deputy Secretary, Employment and Inclusion, and

Ms Lisa Buckingham, Chief Executive Officer, Jobs Victoria, Department of Jobs, Precincts and Regions.

**The CHAIR:** I declare open this hearing of the Public Accounts and Estimates Committee.

On behalf of the Parliament, the committee is conducting this Inquiry into the 2020–21 Budget Estimates. Its aim is to scrutinise public administration and finance to improve outcomes for the Victorian community.

Note that witnesses and members may remove their masks when speaking to the committee but must replace them afterwards.

Telephones should now be turned to silent.

All evidence taken by this committee is protected by parliamentary privilege. Comments repeated outside this hearing may not be protected by this privilege.

Witnesses will be provided with a proof version of the transcript to check. Verified transcripts, presentations and handouts will be placed on the committee's website as soon as possible.

We welcome Minister Pulford for your portfolios today. I invite you to make a short presentation in relation to the employment portfolio of 5 minutes, and this will be followed by questions from the committee. Thank you.

**Ms PULFORD:** Thank you very much—lovely to be here and with the members of the committee again. So the employment portfolio is absolutely central to the government's jobs plan, which, as you may have heard from my colleagues in earlier hearings, is about getting people back to work, building opportunities and supporting industry and growth—and a particular focus on people in every corner of the state, ensuring that no community and no Victorian is left behind. When the Premier brought together the portfolios I am now responsible for, it consciously brought together two of these areas: getting Victorians back to work but also supporting industry and growth. So now I would like to take you through the key budget initiatives that will get Victorians back to work—but I look forward to returning to industry and growth elements in our later sessions.

**Visual presentation.**

**Ms PULFORD:** We know that developing pathways into work is more important now than ever. That is why our budget invests nearly \$620 million to provide jobseekers with the information, advice and support they need through a significantly expanded Jobs Victoria. Two hundred and fifty million dollars will support the creation of around 10 000 jobs. Jobs Victoria will work with priority industries and prioritise jobs that offer sustainable employment pathways, transitioning jobseekers to the new economy. At least \$150 million of this funding will create jobs for women, with \$50 million earmarked for those women over 45. Additional funding of \$5 million is also being made available to support youth traineeships.

We are also making sure that our employment services are practical for jobseekers, which is why a \$266.5 million investment will see Jobs Victoria delivering face-to-face advice and support to those who need extra help. This represents a trebling of the existing investment in these services. Funding will also support an online platform and helpline, which will provide a virtual employment connection and navigation hub to provide advice and connect jobseekers to local services that can support them to be work ready and gain employment. This includes continuation and expansion of our very valuable Jobs Victoria employment network that connects long-term jobseekers to work in communities across the state.

Jobs Victoria will also receive funding for more than 100 dedicated Jobs Victoria advocates, who will listen to jobseekers in local libraries and shopping centres and link them with information and advice on training and where they can receive the support they need. We are also investing in Job Victoria mentors with specialist

skills and employment support, who will work with jobseekers to get them work ready, and new careers counsellors to help steer people to their best next pathway.

We are also going further, with investments to strengthen employment services across the board, including to JobsBank—a \$15 million investment to strengthen our work with employers to promote the benefits of inclusive employment and a greater understanding of Victoria’s social procurement framework. There is also a \$64 million digital skills and jobs program, which is about reskilling unemployed workers to transition into digital careers, providing high-quality training, paid internships and student placements. This program formally sits under the digital economy portfolio—part of my other portfolio—but it is I think a helpful example for the committee of how these portfolios work together to take people who are out of work and support them to transition into an area where we have quite a significant skills shortage.

We are also making sure we are targeting initiatives where they are needed most, like \$8.8 million to deliver local jobs champions to work in areas of high unemployment, with flexible funding to unlock local job pathways and opportunities, and almost \$11 million for a flexible pathways fund to address very specific needs, including additional personal support. This might include things like dental or optical services, phone access for jobseeking, wardrobe services and assistance with confidence to prepare for job interviews.

Working for Victoria is part of the government’s \$1.7 billion economic survival package. That has been assisting jobseekers throughout the pandemic. So the earlier parts of my presentation look forward; this is what we have been doing in recent months. It helps people who have lost their job to find paid work that supports the Victorian community as well. The government has partnered with businesses, local governments, community service organisations and the public sector to identify employment opportunities that can be taken up by Victoria. We have just recently passed the milestone of more than 11 000 new jobs being created in quick pandemic response, short-term roles and longer term, six-month roles supporting local communities. Ten thousand Victorians have been placed into jobs that have been created, and there are literally hundreds of jobs being filled each week. The program is also creating jobs for young people through the youth employment program, supporting young Victorians into fixed-term roles across the public sector, and the Victorian apprenticeships recovery package, which is supporting 300 apprenticeships and traineeships within the public service as well. Working for Victoria has—

**The CHAIR:** Thank you, Minister. Sorry, I might stop you there. Hopefully we will cover the rest of the content in the questions, but the time for the presentation has expired. I will pass the call to the Deputy Chair, Mr Richard Riordan, MP.

**Mr RIORDAN:** Thanks, Chair. Welcome, Minister. Employment—the government has set a target to create 400 000 new jobs by 2025, and half of them by 2022, in the ‘Jobs Plan’. At 30 June 2020 the Australian Bureau of Statistics recorded that total employment in Victoria was 3 283 600. What is the base level of employment and the starting point against which you will measure your employment growth from the budget?

**Ms PULFORD:** I think that the committee can reasonably take the commencement of these budget initiatives as the baseline date. The ‘Jobs Plan’ is very much the expression of the government’s plans and intentions in terms of job creation. We know where we are at this particular point in Victoria’s history. It has been a very difficult time for many people in the community whose work has been impacted by the restrictions that have been in place and by the economic downturn that has occurred.

**Mr RIORDAN:** But what is the base level you are using for how you will measure success in jobs? Are you going to be using the ABS—

**Ms PULFORD:** Yes, we use ABS data.

**Mr RIORDAN:** So it is reasonable for us to assume that you will pick 1 July ABS unemployment figures and work from there?

**Ms PULFORD:** The indicators in the budget papers are set by the Department of Treasury and Finance, so I will perhaps refer you to that department for a specific date. Perhaps if you continue with your next question, we might be able to give you a particular hard date. But it is very much our intention—

**Mr RIORDAN:** If you can give us the on notice date, I understand that—

**Ms PULFORD:** From now.

**Mr RIORDAN:** From now. But just to confirm, it is the ABS unemployment data that we are using and not some other measure of unemployment?

**Ms PULFORD:** That is the measure we use.

**Mr RIORDAN:** Great. How many additional Victorians are you expecting to lose their jobs this year as a consequence of all that has unfolded? Are you still predicting people will lose their jobs?

**Ms PULFORD:** As the economy has been reopening, we have seen quite significant numbers of people returning to work and increasing their employment. So 81 000 additional Victorians are in work in the October data compared to the September data. I think we can absolutely expect the continuing return to growth of the economy. There was some positive national data released just yesterday to that end. Our focus is on creating every opportunity that we can for every Victorian to take advantage of both the easing of restrictions and operating in a COVID-safe economy, but we are providing significant additional stimulation and employment to people through the many and varied measures that are in the budget.

**Mr RIORDAN:** Obviously you are differentiating between those who have been out but supported in underemployment—so we are talking about people on JobKeeper and so on—and the cohort who JobKeeper did not work for or who are not there, so are you telling the committee that you do not expect real unemployment to continue to increase over the coming immediate months?

**Ms PULFORD:** The government's expectations around those matters are in the budget papers. The federal Treasury similarly has made some assumptions. We do not know what decisions the federal government is going to make about JobKeeper. It is currently scheduled to end at the end of March, but the federal government have consistently said that they are not yet in a position to make any announcements about what more they might do in the way of that type of income support. But our focus is very much on supporting people into work.

**Mr RIORDAN:** So you still stand by the view of the budget—budget paper 2, page 31—that we are looking at an 8.25 per cent unemployment rate by the end of December?

**Ms PULFORD:** The budget provides the very best accounting of this that the Department of Treasury and Finance can provide, and that is why it is in the budget papers. Yes, like all members of the government, we stand by the budget papers. There are assumptions made and assessments made based on economic data and analysis right up until the numbers are finalised and the budget papers are finalised.

**The CHAIR:** Thank you, Minister. I will pass the call to Mr Gary Maas, MP.

**Mr MAAS:** Thank you, Chair, and thank you, Minister. And thanks to the department as well, for your appearance today. If I could take you, Minister, to the government-administered Working for Victoria Fund and specifically to budget paper 3, page 83, I was hoping you would be able to explain for the committee how this fund is helping jobseekers.

**Ms PULFORD:** Yes. Thank you, Gary, for your question. Are you guys running a clock this year?

**The CHAIR:** It is here.

**Ms PULFORD:** Thank you. The Working for Victoria Fund is a truly marvellous thing. It has been so important for so many people in providing an opportunity for work for them. Some of the people that I have met—and as you would all appreciate, I have substantially been working from home this year, as you all have, and have not met as many as I would have liked to—who have been employed through this program tell an incredibly powerful story about what it means for them.

I was with Kaff-eine, a renowned Melbourne street artist, just last week with the Lord Mayor, and we were announcing some Working for Victoria funding and programs but also marking a real kick-up period in a program that is about getting a whole lot of people in our creative industries that have been very significantly impacted by the pandemic back into work. Kaff-eine told us about what it had meant for her. I also met the woman who had done the sound and light set-up and does that for a living. They had both been out of work

since about March and were really in a very difficult spot not just financially but also finding it very emotionally challenging to have such an uncertain future. Through the Working for Victoria program they have, along with now more than 10 000 other people, been able to participate in a role that not just provides income for them but also provides a really significant additional community benefit.

Some of the things that Working for Victoria program workers have done include cleaning, and many members will remember there was quite a high-profile start to the program, with cleaners attending to street furniture in Melbourne CBD in the very early weeks of the pandemic experience here in Melbourne, and people are working with community service organisations doing tasks that had been impacted by their volunteer workforces staying at home and not being available as they would normally—our multicultural communities, Indigenous communities.

I was in Daylesford and met a couple of people: one who typically travelled a lot around the world for his work—he was from Ballarat, if I recall correctly—and a woman from Castlemaine. They were both going to Daylesford each day and working at beautiful Lake Daylesford and other locations in the Hepburn shire on outdoor maintenance and amenity works. They both said that it was quite unlike anything they had ever imagined doing before but that it had for them provided a bridge to a time when their entire industries were going to be able to reopen and recommence. And there are lots of other examples. There are a few other examples I could share with you of some people that I have met in Castlemaine, such as a woman working with the LGBTI community on outreach and community support.

It has been a really challenging time for so many people who are isolated because they are at home, anxious because they are out of work or fear being out of work—that dislocation that has happened in all of our lives of not being able to do the things that we have historically taken for granted. And so people are working in the community to be able to support the significant additional need. Homelessness services have also received grants under Working for Victoria. So it is really varied, and it has been an amazing program. I understand there was a question for Minister Pakula earlier about how many hours people are working. I cannot remember who asked that, but they are almost exclusively full-time positions. So I take the opportunity to answer that one too.

**Mr MAAS:** Terrific. Thank you.

**The CHAIR:** Thank you very much, Minister. And I will pass the call to Mr David Limbrick, MLC.

**Mr LIMBRICK:** Thank you, Chair. And thank you, Minister and team, for appearing here today. I would like to ask a couple of questions about the job subsidy that you mentioned in slide 1 of your presentation—the \$250 million subsidy. What sort of consideration is being given to sequencing issues? I know that you mentioned before that the federal JobKeeper subsidy is ending currently—although that may change—at the end of March, and I am sort of wondering: has the government given consideration to, you know, ‘Are we going to be pumping things in and then it’ll all end at the same time or are we going to wait until the federal subsidy ends and put it on?’. The sequencing is important here, right? What sort of consideration has been given to that?

**Ms PULFORD:** That is a great and really important question, and it is one that actually I was meeting about and discussing with my departmental officials earlier in the week. We are very conscious of, as I indicated in my answer to Mr Riordan’s question, things like significant federal government settings—we know what we know now, but we do not know what future decisions the federal government will make. Also I think Victorians can have a level of hope and optimism and, I would say, confidence that we have mastered the management of the second wave such that the economy can now operate much more openly, but it is certainly our intention to not lock in, in a way, the allocation of that \$250 million that would limit our ability to make adjustments and shifts as necessary. So, for instance, we have seen—and members may have questions for me about—the gender impacts of the economic downturn and the reopening of the economy. It may be that some entire sectors that have a particular gender bias one way or the other take off more quickly than others. We do not expect it to be even geographically. We do not expect it to be even by industry sector. And so we will work to retain that flexibility. I mean, we will run out of gate hard on this, but we will retain for ourselves the ability to put the effort where the effort is most needed.

**Mr LIMBRICK:** And another thing that was mentioned in your presentation was that the \$150 million out of that is funding to create jobs for women. How do you use that money to create jobs for women? I am

assuming you cannot just have a job ad that says ‘women only’ or something like that. Or can you? I did not think you were allowed to do that.

**Ms PULFORD:** Yes, I think, without getting into a whole long discussion about the discrimination laws of the land, generally that is right, with some exceptions. Look, in the first instance what I would say to you is that that represents 60 per cent. So through the management of contracts with organisations—profit and non-profit organisations, so with industry partners—we will manage those contracts in a way that provides for the delivery of those targets.

**Mr LIMBRICK:** So that would be handled through what—through social procurement policies or something like that? I am still not quite clear on how this would work.

**Ms PULFORD:** No. So, for instance, if we have a very large employer—just by way of example—that is in a position to, with some support from the program, take on 50 people, we would through the management of the contract require that 30 of those be women.

**Mr LIMBRICK:** Okay. All right.

**Ms PULFORD:** Yes. So, yes, it will not be a completely blunt instrument, but we will manage that target over the rollout of the program. And it will be really clear to people who wish to participate and wish to access those funds that that is an important priority for us.

**Mr LIMBRICK:** Right. And how will you decide on which industries to target with this type of subsidy? Will you be targeting certain industries? Because I know that we have seen in the budget papers that certain industries were hit really hard and other industries actually did better during the pandemic. How will you decide which ones we should go for first?

**Ms PULFORD:** It is an important point of difference I think between the Working for Victoria program and where we are headed next. The Working for Victoria roles are typically for six months—some longer, some shorter, but overwhelmingly for six months—to fulfil a purpose, most commonly with a public sector organisation like a council or a non-profit organisation, as I described it before, as a bridge. Our focus now that the economy is reopening and beginning to recover is on placing people into sustainable employment that they can enjoy for many, many years into the future. It is quite a different model and design, and so we will certainly work closely with industry partners and industries that have skills shortages. There are—

**The CHAIR:** Sorry to cut you off there, Minister, but the member’s time has expired, and I will pass the call to Mr Danny O’Brien, MP.

**Mr D O’BRIEN:** Thank you, Chair, and good afternoon, Minister. Could I turn to budget paper 2, page 21, which has the employment forecasts for the budget and the out years. Your target of creating 200 000 jobs by 2022 actually requires around 6 per cent growth in employment. We have got currently 3.3 million employed people. But the figures that are in this year and the next two years are minus 3.25 per cent, 3.5 per cent and 2.25 per cent growth. That does not add up to 6 per cent growth over that time. So I am wondering: how is it that you are going to achieve 200 000 new jobs by 2022 when the percentages do not add up that far?

**Ms PULFORD:** The targets that are described in the ‘Jobs Plan’ relate to the entire budget and the government’s jobs plan in its entirety, so that goes a bit beyond the formal remit of my portfolio. But the assumptions and the modelling in the budget paper is, as is always the case, prepared through the budget process by the Department of Treasury and Finance based on the most contemporary economic data that is available.

**Mr D O’BRIEN:** Yes. I guess what I am pointing out is there is, therefore, a disconnect between your department’s goal of 200 000 jobs by 2022 and what the budget papers are actually forecasting in actual employment growth.

**Ms PULFORD:** The 200 000 jobs target by 2022 is the government’s target, and my department as part of the government has responsibility for a number of programs and initiatives that will support the creation of those jobs—but so too do my colleagues in the Department of Transport and the department of education and

so on. The target is a statewide target, it is what we believe, and the advice from Treasury tells us it is the cumulative effect of all of the initiatives across the budget.

**Mr D O'BRIEN:** Okay. Speaking of which, the allocation in BP 3 is \$619 million. Does ministerial accountability for that fund sit solely with your portfolio?

**Ms PULFORD:** Sorry, which fund?

**Mr D O'BRIEN:** The \$619 million—Jobs for Victoria.

**Ms PULFORD:** Yes.

**Mr D O'BRIEN:** It is solely with you. Okay. The package includes the \$250 million for the job subsidies, which is to support businesses to hire 10 000 Victorians with six-month wage subsidies. How was that figure of \$25 000 per job arrived at?

**Ms PULFORD:** There are a number of elements that combine to bring the total allocation under this part of the program to \$250 million, so there may be contribution to other employment costs, as has been the case through the Working for Victoria program.

**Mr D O'BRIEN:** Contribution—by government, do you mean?

**Ms PULFORD:** You are asking about wages or employment costs? Because obviously they are not the same thing.

**Mr D O'BRIEN:** Well, the subsidy is \$25 000 per employee per job for six months. I am just wanting to know how that figure was arrived at—why you did not make it 50 or why you did not make it 10.

**Ms PULFORD:** Sorry, I am not sure I completely understand your question.

**Mr D O'BRIEN:** Well, it is \$250 million for 10 000 jobs.

**Ms PULFORD:** Yes, that is right.

**Mr D O'BRIEN:** So that is \$25 000 per job.

**Ms PULFORD:** If you assume every person in every industry in every location in Victoria gets paid the same, which they do not.

**Mr D O'BRIEN:** Well, is the subsidy not the same? Is it \$25 000 per person payable to the employer?

**Ms PULFORD:** That will depend on the arrangements that are entered into with the partners in the program. A very important part of our focus here is on supporting those in the community who often experience significant barriers to employment, and so for some of those people the cost of supporting them into work is higher than the cost of supporting other people into work. As you would appreciate, we have had a very significant shock to the economy, as has every other jurisdiction in the world, as a result of the pandemic. So to take for instance Melbourne's north-western suburbs, which have been particularly impacted by job losses in the aviation industry as just one example—there are many—there are many people there who will very quickly go back into work if that industry quickly returns and recovers.

**Mr D O'BRIEN:** Minister, I am out of time. I wondered perhaps whether on notice you might provide us with more details—

**The CHAIR:** Mr O'Brien, you are out of time, so you do not have an opportunity to extend—

**Mr D O'BRIEN:** Well, hang on—

**The CHAIR:** Mr O'Brien, I was generous with the clock then in any case.

**Mr D O'BRIEN:** Chair, the minister is trying to answer. I am just trying to assist. I was just going to ask if the minister could provide—



**The CHAIR:** Mr O'Brien, I think your question was answered, and we went probably 30 seconds over your timer in order to allow the answer to be provided.

**Mr D O'BRIEN:** This is a joke, Chair.

**The CHAIR:** Mr O'Brien, the call is now with Ms Richards, MP.

**Ms RICHARDS:** Thank you, Minister and officials, for appearing this afternoon. I would like to refer you to budget paper 3, page 83, and again explore a little bit more about the Working for Victoria Fund. I am particularly interested in understanding how it is supporting local government during the pandemic.

**Ms PULFORD:** Yes. Thanks, Pauline. The Working for Victoria Fund has supported not all but almost all local councils across Victoria. I was not the portfolio minister at the time, but as I understand they were very much first out of the blocks and they were organisations that were very quickly able to place people and identify good public works that were necessary and that could be dialled up with an additional resource.

Mr O'Brien was asking about wage subsidies, and there is a really relevant distinction here I think in seeking to respond to his question but also to yours. The positions through Working for Victoria are by design a crisis response and are by design fixed tenure. They are not exclusively but overwhelmingly 100 per cent subsidised, so that is quite different to what is proposed going forward, where we are wanting to place people in work and in industries that are growing and at the rate that will establish them firmly and squarely for a good and positive work future. Whereas the Working for Victoria program has provided some amazing entry points for people into entirely new types of work and entirely new types of organisations, it is by design an opportunity for people to be in work rather than to not be in work, to be undertaking some much-needed typically public works and then to be able to go on and do something else afterwards.

So local councils have been part of that, and one of the things that we have had to manage, which is fairly and squarely in the category of a good problem to have in the circumstances, is that some people who have been contracted for a Working for Victoria position, say with a local council for six months, are then leaving because they have got a permanent role. Reflecting on the trip to Lake Daylesford where I met some of the people working outdoors—I did not get to meet her but I met her team and her supervisor—there was a woman that I heard about who was a Working for Victoria placement in the office helping with some administrative roles and coordination roles. A permanent position came up at Hepburn Shire Council—a competitive process. She applied. She got the job. So we work closely with host employers to rebalance the funding so that the funding continues and the work opportunities can be either extended to other participants or provided to new participants. But that is the idea—that we would have everybody ultimately in something secure and ongoing if we could.

**Ms RICHARDS:** What a great problem to have.

**Ms PULFORD:** Yes.

**Ms RICHARDS:** Taking you from local government to community organisations, I am interested in getting some insights into how Working for Victoria supported community orgs during the pandemic.

**Ms PULFORD:** Yes, so VCOSS has been a really important partner from the get-go, and my predecessor in this role, Minister Pakula, wrote to, I think, 30 or so community organisations seeking their participation in the program, as he did to local councils inviting applications and ideas. And, yes, there has been just some wonderful community work that has been able to flow as a result. I have had discussions with Minister Wynne about some of the great additional work that has been able to be provided—support for food security organisations that have experienced phenomenal demand for their services, for homelessness organisations and others.

**Ms RICHARDS:** I do not think I have got enough time, but one of my colleagues might explore more some of the other areas of support from Working for Victoria.

**The CHAIR:** Thank you, Ms Richards. I will pass the call to Mr Sam Hibbins, MP.

**Mr HIBBINS:** Thanks, Chair, and thank you, Minister and your team, for appearing this afternoon. First, I just want to ask about the Jobs Victoria initiative, and in particular about young people and how specifically it

will actually go towards assisting young people. Is there any allocated dollar figure or do you have a particular class of young people or definition of young person that you will be supporting?

**Ms PULFORD:** Yes, we definitely do. So there is not a particular dollar figure as there is for women, as we discussed earlier, but young people will be an enormous focus. They have been, as you all know, disproportionately affected because of the industries that have been disproportionately affected by the restrictions and the lockdown, and so we will work hard to support young people into work. There are a number of additional programs, some of which I mentioned in my opening comments—some early-career placement in public sector work and some apprenticeships and traineeships. But we will also work with—I mean, we do, but we will continue to—and there will be a real focus on working with organisations and employers that are keen to provide opportunities for young people. The data from previous economic downturns, so the global financial crisis and the recession in the early 1990s, tell us that young people can often be the group that take longer than other cohorts, other groups in the community, to find their way back into work. We feel that acutely, so we will certainly be working to that end.

**Mr HIBBINS:** Thanks. I want to ask about the term ‘job creation’. I note in the performance measures, for example, the number of jobs created through Working for Victoria number 10 000. When you say ‘job created’, is there a strict definition that that is a job that did not exist before?

**Ms PULFORD:** Yes, that is a great question. It has been a really important feature of Working for Victoria. So the principle of additionality is really essential to this, and of course as the economy is growing again and activity is expanding there is job creation where there has been an intervention by the government and job creation that has just happened because activity is returning to previous levels. So with our Working for Victoria program this has been an issue we have had to manage with a small number of the local government areas in needing to establish additionality. One of the really important tests that we apply before organisations are funded is about establishing that we are not paying to replace somebody who was made redundant a month ago to do exactly the same thing. Does that help?

**Mr HIBBINS:** Yes. Just to clarify, because there is a difference between job creation and job placement, which is still a worthwhile exercise.

**Ms PULFORD:** Yes, that is right. No, our focus will be on creating opportunities that would not have existed without the funding.

**Mr HIBBINS:** In terms of the performance measure, 10 000 jobs created through Working for Victoria, I am glad you clarified that was mostly full-time worker hours, but do you have an indication in terms of the length of contract or the length of time that you are intending for people to be employed?

**Ms PULFORD:** Yes. A key metric that has been used for some years that will continue to be really important is employment over time. In the employment programs that existed before the pandemic one of our key measures, and it even appears in the budget papers, is people placed into positions and stayed for more than six months. That is really what we call a win, a successful placement, and that will continue to be a really important guide. But we are also very conscious that some of these people that we will be working to support into work are in a very different labour market to the one that we had a year ago. And so again the way that the payments to employers are provided will need to recognise ongoing employment—I am looking for a better way to describe this than reward for effort, but really 26 weeks will be a little more flexible than that, but the principle of ongoing employment is a key one.

**The CHAIR:** Sorry to interrupt, Minister. The member’s time has expired. I will pass the call to Mr Richardson, MP.

**Mr RICHARDSON:** Thanks, Chair. Sticking with budget paper 3, page 83 and the Working for Victoria initiative, I am wondering, Minister, if you could take us to some of the specific actions the government took to support workers in the creative industries through the Working for Victoria Fund?

**Ms PULFORD:** Yes. Thanks, Tim. There is a wonderful initiative that we announced just recently, a partnership with the education department. I think we called it creatives in schools; that is certainly how we were referring to it. It will place—I am just going to look to my wonderful advisers—150 people. The creative industries have really been at the sharp end of the restrictions, and of course our students, particularly in

primary schools, have missed so many of those not extracurricular but creative and group opportunities for expression that are so important for their development. And so that program will provide work to 150 people. They will be placed in schools in time for the new school year. This is part of the Working for Victoria Fund. Whilst it is coming to the end of its life, its funds are allocated and that program will run well into next year, placing artists, actors and musicians in a school environment. I take the opportunity to thank the people in education who have worked really closely with us to make that happen, and of course our partners in the creative industries who are connecting us with people who have been out of work.

**Mr RICHARDSON:** Taking you, Minister, to the Jobs for Victoria initiative—and I refer to budget paper 3 at pages 257 and 258—are you able to explain for the committee’s benefit the Jobs for Victoria initiative announced in the budget?

**Ms PULFORD:** Sorry?

**Mr RICHARDSON:** The Jobs for Victoria initiative that has been announced in the budget, at budget paper 3, pages 257 and 258, particularly around that Victorian economic recovery support that has been provided.

**Ms PULFORD:** Yes, definitely. This is an absolutely essential part of our work and the government’s jobs plan. While many elements of the jobs plan, which we have discussed a bit here this afternoon, are about creating a whole lot of additional economic activity in every corner of the state, our Jobs for Victoria suite of initiatives is about providing support to people who have lost work through the pandemic, with a particular focus on people who face significant barriers to employment. We have been working very closely with Minister Tierney and with her departmental officials as well to ensure that people who are in need of a start in the workforce, or a new start in the workforce in a different place to perhaps where they were before, have every opportunity to navigate a simple and clear system. But with our job advocates and mentors as well as career counsellors, no matter what stage of the looking-for-work experience somebody is at there will be the right kind of support for them. So in addition to the wage subsidy part of the program we really have that trebling of intensive support—people who are experts in assisting people to find their pathway into work and to navigate what skills and training they might need on the way through.

And further to a question from one of your committee colleagues, our interest here is fairly and squarely about sustainable, secure work that people can really get into and be in for a long time, so we particularly work with industries that are experiencing skills shortages and with employers that are experiencing skills shortages so that people can have not just a job for three months or six months. We measure these things in numbers, but I have met some people and heard their stories about the very, very personal impact that a job—and a good job—has on someone, and that is so much more than the sum of all the numbers.

**Mr RICHARDSON:** Fantastic. Thanks, Minister.

**The CHAIR:** Thanks, Mr Richardson. I will pass the call to Ms Bridget Vallence, MP.

**Ms VALLENCE:** Thank you, Chair. Thank you, Minister and team, for appearing. Look, we will pick up again on the wage subsidies questions. In terms of the ‘Gender Equality Budget Statement’ at page 4 and referring to the \$250 million in wage subsidies supporting businesses—so this is a \$250 million package—and just what I was hearing from you in answering Mr O’Brien, is the subsidy a fixed per-person subsidy over the six months?

**Ms PULFORD:** No.

**Ms VALLENCE:** And if not, what is the range—what is the highest wage subsidy and the lowest wage subsidy?

**Ms PULFORD:** That will be determined by negotiations with host employers that will take into account a range of factors: additional costs, training needs and other supports that people will need—things like the appropriate rate for the industry, those kinds of things. As you would appreciate, there is an enormous variance in different industries.

**Ms VALLENCE:** So the \$250 million, and you are estimating that to be around 10 000 Victorians—if you are going into negotiations, I would imagine that they might take some time—have you estimated at least a range or a high end of a wage subsidy?

**Ms PULFORD:** The Working for Victoria program I think provides us with some really helpful data about the rates for different types of work. Of course the—

**Ms VALLENCE:** I guess to determine your package, the \$250 million, an estimate of 10 000 people, there must be some sort of modelling that is used to derive that.

**Ms PULFORD:** Yes. Based on the experience through Working for Victoria but also historical experience with other programs, we are really confident about 10 000, and I hope to be with you this time next year telling you we are well ahead of target.

**Ms VALLENCE:** Hopefully. Could you provide that to the committee on notice, the details around—

**Ms PULFORD:** We can provide you with some information—in fact I have it somewhere in my folder—about some of the salary ranges that the Working for Victoria program has reflected. There is quite a range, as you would expect, depending on whether people are in supervisory roles, for instance, or are in a more entry-level type role with a lower remuneration. We can provide you with background on that though.

**Ms VALLENCE:** Is the wage subsidy paid to the employer or to the employee?

**Ms PULFORD:** To the employer.

**Ms VALLENCE:** To the employer. And is it only in the private sector that this wage subsidy is available?

**Ms PULFORD:** No. Our focus will be on industry, but it will not be exclusively private sector employment. Community sector organisations will be eligible as well.

**Ms VALLENCE:** Any public sector?

**Ms PULFORD:** It is not our intention, no.

**Ms VALLENCE:** It provides for \$50 million for women over 45, which is great—it is a challenging area. Is there also an allocation for men over 45 or older men?

**Ms PULFORD:** Not specifically, but we will be, as I indicated in earlier answers, monitoring where the greatest need is and entering into negotiations and entering into partnerships with prospective employers very cognisant of what is happening in the labour market. So we do not have a specific target as we do for women, but as you would appreciate and understand—you have an interest in this, and you have asked some of my colleagues questions along these lines as well—women over 45 are one of the most acutely impacted groups in the community through this downturn due to the nature of where they are highly concentrated in work.

**Ms VALLENCE:** Yes, 100 per cent. On that, we know that ABS data is saying that around 107 000 women lost their job during the hotel quarantine outbreak and second wave. In terms of women in more feminised jobs—I know there is a focus on women in construction and transport, but in terms of women in the beauty industry or fitness or florists or caterers, is there anything in this budget that actually helps women who are in those existing industries?

**Ms PULFORD:** As you would appreciate, there have been supports for things like cash flow—things that you would have talked to Minister Pakula about, no doubt—to support businesses across a range of sectors. There is a specific initiative for women in business in my innovation portfolio which is about supporting women startups, which is a particular focus, but we will work with organisations that have high potential to provide ongoing certain employment for people without any predetermined views about what sectors they are in. So there are opportunities for women in some traditionally male-dominated areas but also opportunities for women in some traditionally female-dominated areas. I would refer you to some of the announcements made by some of my colleagues around boosts to the community sector, for instance, where there are again quite significant skills-shortage challenges to work within the caring economy—

**The CHAIR:** Thank you, Minister. I do not mean to cut you off, but the member's time has expired. I will pass the call to Ms Nina Taylor, MLC.

**Ms VALLENCE:** Thank you, Minister.

**Ms TAYLOR:** Thank you, Minister. I was just wanting to go a little bit further on Jobs Victoria, budget paper 3, pages 257 and 258, looking at mentors and advocates. What will the new jobs mentors and advocates do to support job seekers?

**Ms PULFORD:** Yes, thank you, Nina, for that question. The role of the mentors will be, as the title suggests, to assist people in finding the right pathway for their next work or next career. The role of the advocates will be I think a little different to what we have done previously. We will be having people quite active in the community, embedded with community organisations, and I would even go so far as to say you might run into these people in your local shopping centre—so really bringing this program right into the community. We are recruiting partners for these programs, and we hope to be recruiting some very, very special individuals for this work in the not-too-distant future.

**Ms TAYLOR:** Thank you. How will jobseekers access Jobs Victoria support?

**Ms PULFORD:** In a range of different ways. Through our traditional employment program partners, but on a much grander scale. As I said, it is really a tripling of effort. We are also going to be establishing a much stronger online presence and a call centre as well so that people are able to find us easily. There is already a platform that exists to connect people to work opportunities as part of the Working for Victoria program, so that platform will not only continue but it will be enhanced so that people are matched to jobs that are in good alignment with their skills, their interests and perhaps their work experience where possible. But we will work with community organisations to find people who do not perhaps so readily ask for assistance and make sure that they know that we are available in a number of different ways.

**Ms TAYLOR:** Thank you. How will Jobs Victoria work with JobsBank?

**Ms PULFORD:** JobsBank has received \$15 million in additional funding in the budget. JobsBank plays a really important role in this whole system. They work closely with employers to ensure that employers that are looking for work are aware of the opportunities and indeed the benefits of hiring lots of the people that we are working to support.

**Ms TAYLOR:** Excellent. Very good. Now, a topic that has come up today is women and young people, within the context of the jobs market. I refer to budget paper 3, page 257, regarding wage subsidies in the employment portfolio. Could you outline the government's wage subsidy?

**Ms PULFORD:** Yes. We have spoken about this a little bit over the course of the afternoon. The wage subsidy program that we have had to date has been very effective in providing work opportunities to people. The wage subsidy going forward will enable us to provide an incentive and some really, really practical assistance to employers to provide opportunities for people. As we will start talking about probably in a very short amount of time, in my small business portfolio I spend a lot of time talking to our business community leaders and to individual business owners and operators, and there are many, many people that are now ready to expand again after a period of contraction, so providing some assistance while they are getting back on their feet, for instance, will potentially provide some really good matching opportunities where we can put people into work. Again, I would state that our focus is to complement the whole-of-government program on job creation, but with a real focus on people who have found it pretty hard to find work for any number of reasons of disadvantage or discrimination or other challenge.

**The CHAIR:** Thank you, Minister. Our time for consideration of the employment portfolio has concluded. The committee will follow up on any questions taken on notice in writing, and responses will be required within 10 working days of the committee's request. The committee will now take a short, 5-minute break before beginning its consideration of the small business portfolio. I declare this hearing adjourned.

**Witnesses withdrew.**

