



Australian Government

Department of Education, Employment and Workplace Relations

Mr Tim Watling
Committee Secretary
Senate Standing Committee on Education, Employment and Workplace Relations
Suite SG, 52 Parliament House
Canberra ACT 2600

Dear Mr Watling

I would like to correct the public record regarding information tabled by Disability Employment Australia (DEA) in the preface to their answers to questions taken on notice from the public hearing into the administration and purchasing of Disability Employment Services (DES) that was held in Melbourne on 27 October 2011.

On page 3 of their supplementary information, DEA compares outcome rates of Job Services Australia (JSA) with DES – Employment Support Service (DES-ESS) and states:

“The [DES] ESS program is already significantly more effective than Streams 3 & 4 of Job Services Australia (JSA).”

Although no source of data has been acknowledged in the submission, it appears that the trends in outcome rates presented by DEA have been derived from the online performance reports provided by the Department of Education, Employment and Workplace Relations (the Department) for DES and JSA providers. In their evidence, DEA has failed to recognise that these reports have been designed to allow providers’ self assessment on how they are tracking against their Star Ratings indicators. These reports are not designed to provide an overall assessment of the performance of a program.

On page 3, DEA also claims that:

“DES-ESS contracts are not being awarded the same regard or respect, despite significantly better results for twenty-six week outcomes....”

The figures that have been used for the purpose of the calculation of the JSA and DES outcome rates are not comparable and do not account for the different outcome payment rules across the two programs. That is, a full 26 week outcome for most JSA job seekers results in them moving completely off income support while for DES participants, the outcomes are based on their Benchmark Work Capacity, which can be as low as 8 hours a week.

Furthermore, there has been no recognition of Pathway outcomes in these figures. The Committee should note that JSA achieves a higher Pathway outcome rate than is observed for DES.



If the Committee is interested in an overall assessment of the performance of the two programs, the Department's Post-Program Monitoring (PPM) survey is the recognised tool for this purpose. The Department has used the PPM survey to report against the program effectiveness indicators in the Annual Report for many years.

The most recent data from the PPM survey shows that DES-ESS achieves an employment rate of 27.6 per cent compared to 47.6 per cent for JSA. Within that overall rate for JSA, Stream 3 achieves an employment rate of 34.8 per cent and Stream 4 achieves a 24.4 per cent employment rate. This data shows that DES-ESS achieves employment rates comparable to Stream 4, which is the stream reserved for the most disadvantaged job seekers in JSA.

The Department considers that the conclusions drawn by DEA are incorrect and misleading. To avoid further misinterpretation by the Committee or the general public, I am seeking that the information in question be retracted from the Senate Inquiry. I would also ask that this letter be provided for the Committee's information.

Yours sincerely

Fiona Buffinton
Group Manager
Specialist Employment Services Group
Department of Education, Employment and Workplace Relations

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