

Standing Committees on Education and Employment

QUESTION ON NOTICE Supplementary Budget Estimates 2022 - 2023

Outcome: Employment and Workforce

Department of Employment and Workplace Relations Question No. SQ23-000208

Senator Janet Rice on 15 February 2023, Proof Hansard page 36-37

Targeted Compliance Framework and cohorts (table 8 in Parliamentary Question 1128)

Question

Senator RICE: Table 8 shows the number of payment suspensions. There is a consistent measure of around 70,000 people being suspended each month. Do you have any breakdowns of who those people are? What payments are getting suspended? What's driving that suspension?

Mr Smyth: We do have data in terms of the Targeted Compliance Framework and cohorts. One of the things that we're certainly noticing is that those participants that are in the online system are far less likely to receive payment suspensions and demerits. We have no-one in the online system that is in the penalty stage—recognising that it does take a period of time to get to the penalty stage and there needs to be a capability review and then a capability assessment undertaken after a person reaches three or five demerits. Our approach generally is that, if participants are accruing demerits at a rapid rate in the online system, for us that would be an indication that something is not right and the online system is not appropriate, and so we would move them to a provider.

Senator RICE: In the interests of time, could you table that analysis. Again, somebody contacted me about being cut off, along the lines of: 'I got my payment cut off by my job service provider because I didn't attend an appointment when I told them I couldn't attend because I was in court all that day. On the phone they assured me my payment wouldn't be cut off, and then I got a notification saying it had been cut off.'

Mr Smyth: That's unacceptable.

Senator RICE: Would the number of those unacceptable outcomes show up in your analysis data?

Mr Smyth: We do track where there are potential provider errors and the like in relation to suspension. We'll take that on notice and come back to you.

Senator RICE: Thank you.

Answer

The department monitors key aspects of the Targeted Compliance Framework through a range of program assurance activities and rectifies any identified issues as appropriate.

Payment suspensions occur when a participant fails to meet a compulsory mutual obligation requirement. A Payment suspension is a temporary hold on a participant's income support payment to encourage re-engagement with their provider or with the Digital Service Contact Centre. Payment suspensions do not result in a net loss of a participants income support payment. Payments are restored within 24 hours once participants meet a re-engagement requirement.

The data provided below is for Workforce Australia participants as at 31 December 2022. It includes payment suspensions that had been resolved at 31 December 2022.

Table 1: Payment Suspensions by Cohort for the period 1 July 2022 to 31 December 2022^{1,2,3}

		Cohort Flow Caseload	Payment Suspensions		
			Events	Participants	Percentage of Cohort
Workforce Australia Online	All Participants	141,675	40,069	33,772	23.8%
	Female	65,532	16,720	14,274	21.8%
	Male	76,137	23,349	19,498	25.6%
	Indigenous	8,139	3,275	2,617	32.2%
	CALD	22,339	6,731	5,786	25.9%
	PWD	8,041	3,814	3,406	42.4%
	Homeless	6,318	2,379	1,969	31.2%
	Ex-Offender	6,446	2,968	2,451	38.0%
	Refugee	2,840	1,496	1,278	45.0%
	Parent	9,789	3,852	3,242	33.1%
	High JSCI	1,081	623	579	53.6%
	Mental Health	6,073	2,555	2,239	36.9%
	Drug and Alcohol	2,976	1,351	1,132	38.0%
Workforce Australia Services	All Participants	419,457	499,264	242,454	57.8%
	Female	201,437	205,611	104,148	51.7%
	Male	218,020	293,653	138,306	63.4%
	Indigenous	70,299	133,026	55,803	79.4%
	CALD	81,883	65,026	37,603	45.9%
	PWD	122,870	145,717	71,572	58.3%
	Homeless	54,558	97,559	41,213	75.5%
	Ex-Offender	69,294	133,010	54,704	78.9%
	Refugee	23,950	22,348	12,535	52.3%
	Parent	68,795	64,558	33,642	48.9%
	High JSCI	134,325	155,099	62,266	46.4%
	Mental Health	56,612	75,713	36,868	65.1%
	Drug and Alcohol	38,625	69,070	29,493	76.4%

PWD (People With Disability)

CALD (Culturally and Linguistically Diverse)

Table 2: Payment Suspensions by Event Type for the period 1 July 2022 to 31 December 2022^{2,4,8}

		Payment Suspensions	Percentage
Workforce Australia Online	All Participants	40,069	100.0%
	Job Plan	np	np
	Points Based Period	23,519	58.7%
	Provider Appointment	<10	np
Workforce Australia Services	All Participants	499,264	100.0%
	Activity	<10	np
	Job Interview	1,335	0.3%
	Job Plan	1,817	0.4%
	Job Referral	1,165	0.2%
	Job Search	<10	np
	Points Based Period	105,669	21.2%
	Provider Appointment	389,029	77.9%
Work Refusal	242	0.0%	

Table 3: Payment Suspensions by Payment Type for the period 1 July 2022 to 31 December 2022²

		Payment Suspensions	Percentage
Workforce Australia Online	All Participants	40,069	100.0%
	JobSeeker Payment	35,107	87.6%
	Youth Allowance (Other)	3,889	9.7%
	Other	1,073	2.7%
Workforce Australia Services	All Participants	499,264	100.0%
	JobSeeker Payment	427,265	85.6%
	Youth Allowance (Other)	54,275	10.9%
	Other	17,724	3.6%

Table 4: Targeted Compliance Framework Zones, as at 31 December 2022^{3,4,5,6}

		Green Zone	Warning Zone	Penalty Zone	All Zones Participants	Green Zone Participants	Warning Zone Participants By Demerit Count						Penalty Zone Participants By Penalty Count			
							1	2	3`	4	5`	All	0	1	2	All
Workforce Australia Online	All Participants	92.9%	7.1%	0.0%	88,479	82,239	5,287	944	<10	<10	0	6,240	0	0	0	0
	Female	93.4%	6.6%	0.0%	39,745	37,106	2,250	np	<10	0	0	2,639	0	0	0	0
	Male	92.6%	7.4%	0.0%	48,732	45,131	3,037	557	<10	<10	0	3,601	0	0	0	0
	Indigenous	90.6%	9.4%	0.0%	5,296	4,800	414	82	0	0	0	496	0	0	0	0
	CALD	94.4%	5.6%	0.0%	13,112	12,380	638	np	<10	0	0	732	0	0	0	0
	PWD	93.4%	6.6%	0.0%	4,226	3,948	239	39	0	0	0	278	0	0	0	0
	Homeless	91.2%	8.8%	0.0%	4,005	3,652	287	66	0	0	0	353	0	0	0	0
	Ex-Offender	90.5%	9.5%	0.0%	4,071	3,684	np	np	0	<10	0	387	0	0	0	0
	Refugee	93.6%	6.4%	0.0%	1,799	1,683	104	12	0	0	0	116	0	0	0	0
	Parent	92.3%	7.7%	0.0%	6,823	6,300	447	76	0	0	0	523	0	0	0	0
	High JSCI	92.9%	7.1%	0.0%	226	210	np	<10	0	0	0	16	0	0	0	0
	Mental Health	92.2%	7.8%	0.0%	3,668	3,382	245	41	0	0	0	286	0	0	0	0
	Drug and Alcohol	89.9%	10.1%	0.0%	1,933	1,738	164	31	0	0	0	195	0	0	0	0
Workforce Australia Services	All Participants	74.1%	25.8%	0.1%	281,952	208,868	47,028	19,980	4,840	964	51	72,863	204	17	0	221
	Female	77.2%	22.7%	0.0%	131,903	101,895	20,163	7,795	1,655	321	14	29,948	np	<10	0	60
	Male	71.3%	28.6%	0.1%	150,047	106,971	26,865	12,185	3,185	643	37	42,915	148	13	0	161
	Indigenous	65.1%	34.8%	0.1%	51,102	33,263	10,865	5,283	1,305	301	12	17,766	np	<10	0	73
	CALD	81.2%	18.8%	0.1%	51,724	41,994	6,763	2,223	590	113	13	9,702	np	<10	0	28
	PWD	75.1%	24.9%	0.0%	83,084	62,384	13,499	5,644	1,252	247	17	20,659	np	<10	0	41
	Homeless	66.0%	33.9%	0.1%	37,942	25,051	7,796	3,915	934	np	<10	12,851	np	<10	0	40
	Ex-Offender	64.4%	35.5%	0.1%	50,049	32,210	10,810	5,421	1,254	274	17	17,776	np	<10	0	63
	Refugee	78.0%	22.0%	0.0%	np	12,276	2,340	838	221	np	<10	3,460	<10	0	0	<10
	Parent	77.2%	22.8%	0.1%	44,961	34,704	7,063	2,582	505	np	<10	10,232	np	<10	0	25
	High JSCI	71.3%	28.6%	0.1%	94,862	67,643	17,193	7,758	1,791	367	23	27,132	np	<10	0	87
	Mental Health	73.0%	26.9%	0.1%	38,600	28,190	6,685	2,938	627	np	<10	10,390	np	<10	0	20
	Drug and Alcohol	65.4%	34.5%	0.1%	27,922	18,249	5,989	2,843	664	139	10	9,645	np	<10	0	28

Table 5: Capability Interviews for the period 1 July 2022 to 31 December 2022^{4,7}

	Total Completed Interviews	Capable		Not Capable - All		Reasons for Not Capable Outcome							
						Errors in Requirements		Ongoing Circumstances		Disclosed new information		Eligibility change	
Workforce Australia Online	11	<10	np	<10	np	0	-	<10	np	<10	np	<10	np
Workforce Australia Services	9,962	5,899	59.2%	4,063	40.8%	888	21.9%	754	18.6%	1,279	31.5%	1,142	28.1%

Table 6: Capability Assessments for the period 1 July 2022 to 31 December 2022^{4,7}

	Total Completed Assessments	Capable		Not Capable - All		Reasons for Not Capable Outcome							
						Errors in Requirements		Ongoing Circumstances		Disclosed new information		Eligibility change	
Workforce Australia Online	0	0	-	0	-	0	-	0	-	0	-	0	-
Workforce Australia Services	481	307	63.8%	174	36.2%	<10	np	np	np	152	87.4%	0	-

Notes:

1. Cohort Flow Caseload captures any participant that was commenced and compellable at any stage during the reporting period. Demographic data is as at the participant's first commencement date in the period or the start of the period if they commenced prior.
2. Figures are of non-compliance events that have been finalised as at the report date.
3. Participants can belong to more than one demographic cohort.
4. Where a number is less than 10 this is indicated by '<10'. To prevent these numbers from being reverse engineered some other numbers are not published (indicated by 'np').
5. Participants with a Demerit Count of 5 have had a Capability Assessment triggered which had yet to be finalised as at Report Date.
6. Participants in the Penalty Zone with a Penalty Count of 0 have either not received a financial penalty since entering the Penalty Zone, or have recommenced in the Penalty Zone after serving a preclusion period (3rd Financial Penalty).
7. Where a Capability Interview or Assessment has more than one reason for the participant being found Not Capable, only the primary reason is reported here
8. Some event types for payment suspensions in Workforce Australia Services are not applicable to Workforce Australia Online participants.