

Senate Community Affairs Committee
ANSWERS TO ESTIMATES QUESTIONS ON NOTICE
FAMILIES, HOUSING, COMMUNITY SERVICES AND
INDIGENOUS AFFAIRS PORTFOLIO
2013-14 Budget Estimates Hearings

Outcome Number: 7

Question No: 432

Topic: CDEP

Hansard Page: Written

Senator Scullion asked:

Could you explain in broad terms how the 'no work no pay' provision is enforced under CDEP? The Tiwi Islands Shire Council says that they provide attendance reports on a daily basis, but they are not aware of a single instance of a person not being paid due to not showing up. How many times have people been reported for non attendance on the Nguui CDEP in financial year 2011/2012? How many times have deductions actually been made to people's pay under this provision 2011/2012? Has any auditing ever been done to ensure the 'no work no pay' measure is enforced?

Answer:

There are two cohorts of people participating in CDEP, those on income support, administered by Centrelink, and those on CDEP wages, administered by the CDEP provider.

When a participant on CDEP wages fails to participate and does not have a reasonable excuse for not participating, they are not paid for the absence. This usually occurs during the following pay period. CDEP waged participants are only paid for the actual hours worked. The 'no work, no pay' process is managed by the CDEP wage provider. In 2011/12 this was the Tiwi Islands Shire Council.

When a CDEP participant on income support fails to participate, the CDEP provider advises the Job Services Australia provider who will make a determination on whether to submit a participation failure report. This is then sent to Centrelink who make their own determination. If Centrelink determines that a participation failure has occurred the 'no work, no pay' rule is applied and income support payments are reduced accordingly. The CDEP provider is not informed if such deductions have occurred.

The Department does not retain information on the actual number of times deductions have been made. FaHCSIA Agreement Managers monitor the provider's adherence to CDEP funding agreement conditions including the requirement to enforce 'no work, no pay'.