

## Senate Community Affairs Legislation Committee

### BUDGET ESTIMATES – 1 JUNE 2017 ANSWER TO QUESTION ON NOTICE

#### Department of Human Services

**Topic:** Jobseeker Penalties

**Question reference number:** HS 23

**Senator:** Kakoschke-Moore

**Type of question:** Written

**Date set by the committee for the return of answer:** 21 July 2017

**Number of pages:** 3

#### **Question:**

- a) How many total jobseeker penalties were given in the last year?
- b) What were those penalties for, for example how many were for failing to attend appointments?
- c) How many of those penalties were found to be incorrectly applied, and so overturned?
- d) How many jobseekers had their payments partially cut in the last year?
- e) What were those cuts for?
- f) How many of those cuts were found to be incorrectly applied, and so overturned?
- g) What is the number of jobseekers who have had their payments suspended in the past year?
- h) What were those suspensions for?
- i) How many of those suspensions were found to be incorrectly applied, and so overturned?
- j) How many jobseekers challenged their suspension/payment cut or penalty in the last year?
- k) Overall how many of these applications for alterations were approved?
- l) When a jobseeker notifies the Department of Human Services that they would be challenging a suspension, penalty or cut to their payment, does the Department direct them to any support services, such as welfare rights centres?
- m) When a job-seeker misses an appointment or activity, is it correct that there is meant to be a two-stage process before a penalty is applied: first, the job agency is required to make an attempt to make contact with the job-seeker; second, after this, Centrelink's Participation Team is required to attempt to make contact with the job-seeker?
- n) How often do either of these happen, before a job-seeker is penalised, and how much change has there been over the years in how often this process is followed?
- o) What constitutes an attempt to make contact?
- p) My office has had complaints that sometimes a first attempt to make contact might occur at 4.50pm, not giving the job-seeker a chance to return the call if it is missed, or to solve the issue. Has this been a complaint the Department has also had?

**Answer:**

**Please note: The responses to a), b), d), e), g), h), and i) were provided by the Department of Employment.**

a), b), d), e) The table below provided by the Department of Employment shows the number of financial penalties applied to activity tested job seekers, by type, in the 2016 calendar year.

<b>Financial penalty type</b>	<b>Number of penalties</b>	<b>Number of job seekers<sup>^</sup></b>
No Show No Pay – Failure to attend or behave appropriately at an Activity in the Job Plan or at a Job Interview	270,529	73,125
Reconnection – Failure to attend a Re-engagement appointment or meet another Reconnection requirement without reasonable excuse	11,393	9,659
Non Attendance Failure – Failure to attend usual provider appointment without reasonable excuse, or without prior notice of reasonable excuse	31,662	25,532
Serious – Failure to accept a suitable job offer, or to commence in a suitable job after having accepted it	1,161	1,141
Serious – Failure applied for persistent and wilful non-compliance following a Comprehensive Compliance Assessment	35,657	15,661
Unemployment Non Payment Period - Job seeker left a suitable job without reasonable excuse, or was dismissed from job due to misconduct	10,240	10,198
<b>Total</b>	<b>360,642</b>	<b>105,813</b>

Source: Department of Employment data (DSS Extract)

<sup>^</sup>Job seekers are counted once against each penalty type and once in the ‘total’ figure. Because job seekers can be subject to multiple compliance events during the year, the sum of job seeker counts exceeds the ‘total’ job seeker count.

- c) In total, 596 applications for review of the decision to apply a job seeker compliance penalty in relation to failing to attend an appointment resulted in a ‘set aside’ outcome for the period 1 July 2016 to 31 March 2017.
- f) In total, 431 applications for review of penalties, which resulted in a partial cut in payment for the period 1 July 2016 to 31 March 2017, resulted in a ‘set aside’ outcome.
- g), h) The table below provided by the Department of Employment shows the number of income support payment suspensions applied to activity tested job seekers, by type, in the 2016 calendar year.

<b>Income support payment suspension type</b>	<b>Number of suspensions</b>	<b>Number of job seekers<sup>^</sup></b>
Job seeker missed usual provider appointment	1,693,990	623,100
Job seeker missed reconnection appointment	14,067	13,198
Job seeker disengaged from an activity in Job Plan	139,444	71,040
Job seeker missed third party appointment	1,754	1,689
<b>Total</b>	<b>1,849,255</b>	<b>635,659</b>

Source: Department of Employment data (DSS Extract)

<sup>^</sup> Job seekers are counted once against each suspension type and once in the ‘total’ figure. Because job seekers can be subject to multiple compliance events during the year, the sum of job seeker counts exceeds the ‘total’ job seeker count.

- i) The Department of Employment advised in calendar year 2016, 119,276 income support payment suspensions were rejected.
- j) In total, 2101 applications for review of the decision to apply a job seeker compliance penalty or suspension were received for the period 1 July 2016 to 31 March 2017.
- k) Of the total 2101 review applications, 656 resulted in an outcome of ‘set aside’ or ‘varied’.
- l) If a job seeker presents in a crisis situation due to a payment reduction, staff will offer the assistance of social work services and/or advise the customer of welfare agencies that may

provide assistance. These support services may direct the job seekers to other services such as welfare rights centres.

- m) Before a failure investigation is reported for non-attendance at an appointment or activity, the job seeker's employment services provider is expected to make at least one attempt to contact the job seeker to discuss their reasons for non-compliance. When the Department of Human Services receives a participation report from a provider the Department will also attempt to make contact with the job seeker. An SMS, online notification or letter is immediately issued to the job seeker requesting they contact the Department to discuss the report. The Department's Participation Solutions Team may also attempt to contact the job seeker via telephone. Where all outbound contact attempts are unsuccessful, the job seeker will be directed to discuss an outstanding failure report with the Participation Solutions Team when they next report.
- n) Since the introduction of the current model in July 2009, the Department has always attempted to contact the job seeker via outbound means on receipt of a participation report. As such, the Department issues an SMS (where mobile phone details are held on the job seeker's record), secure online mail or letter requesting that the job seeker make contact. The Department may sometimes also attempt contact with the job seeker by phone. If the Department is unsuccessful in making contact with the job seeker via all outbound contact attempts, the job seeker will be directed to discuss the outstanding failure report with the Department when they next report. A penalty is never applied without first speaking with the job seeker.
- o) On receipt of a participation report the Department of Human Services sends the job seeker an SMS, online notification via myGov, or a letter requesting they make contact. We also direct the job seeker to speak with our Participation Solutions Team to talk to them about any outstanding reported failure when they report. The Department will not apply a failure without having a conversation with the job seeker to discuss their reasons for the reported non-compliance.
- p) The Department of Human Services is not aware of any complaints, noting that a job seeker compliance penalty is not applied without the job seeker being given an opportunity to provide their reason/s for not meeting requirements.