

Senate Standing Committee on Education and Employment

QUESTIONS ON NOTICE Additional Estimates 2016 - 2017

Outcome 1 - Employment

Department of Employment Question No. EMSQ17-001966

Senator Marshall asked on 30 March 2017 on proof Hansard page 31

Question

Work for the Dole cost per job found

Senator MARSHALL: Can you do a calculation for us on how much does this program cost per job found?

Ms Leon: I do not think we can do that calculation, Senator, because when people get a job it is not possible for us to say that they got the job as a result of the Work for the Dole or as a result of the training that they did or as the result of—

Senator MARSHALL: Let me word it in a different way: how many people who go off benefits—because you are measuring the program, so I want you to use those figures that you are measuring.

Ms Leon: We measure the whole program.

Senator MARSHALL: All right, so how many people that then go off benefits, divided by the amount that the program costs? What does it cost per person who goes off benefit?

Ms Leon: We would have to apply that against the whole jobactive program, because Work for the Dole is not a separate program to jobactive. People who are participating in Work for the Dole —

Senator MARSHALL: I just want you to do it for Work for the Dole.

Ms Leon: Yes, but it is not a separate program, Senator—

Senator MARSHALL: Isn't it?

Ms Leon: so it is not possible to do the calculation. It is not a meaningful calculation.

Senator MARSHALL: So the \$633 million we were talking about, that is not Work for the Dole?

Ms Leon: But the people who are doing Work for the Dole are also in the jobactive program. It is only a component of a bigger program. I do not think I can attribute to Work for the Dole only the job outcomes that a person has three months later.

Senator MARSHALL: If you cannot do the calculations, don't; I will do them myself. You just get me the information, and I can get a calculator and work it out.

Ms Leon: Do you see the point about causality, Senator?

Senator Cash: I do not think that is what the secretary was saying, Senator Marshall.

Answer

A Cost Per Employment Outcome (CPEO) measure for the jobactive program is used by the Department as a performance measure in the Portfolio Budget Statements (PBS) and the Department's Corporate Plan.

It has been used as a performance measure since 1997, and has maintained a consistent methodology for calculation. It does not include any costs associated with Work for the Dole (WfD) to maintain comparability with the CPEO under previous employment services models.

The Department does not calculate separately the cost per job found for people who participated in Work for the Dole. This is because Work for the Dole does not occur in isolation but as a part of the larger jobactive program and employment outcomes cannot be attributed solely to one component of the program.