

**Senate Standing Committee on Education Employment and Workplace
Relations**

**QUESTIONS ON NOTICE
Additional Estimates 2009-2010**

Outcome 4 - Employment & Participation Policy

DEEWR Question No.EW1047_10

Senator Cormann asked on 10/02/2010, Hansard page 127.

Question

PERCENTAGE OF PENALTIES FOR LACK OF JOB SEEKER COMPLIANCE

Ms Parker—I have a whole number for that one which I can get you—the percentage. The attendance rate for appointments with provider as a compliance issue, 59 per cent. Senator CORMANN—What is that compared to? Could you maybe take it on notice. Ms Parker—Yes, I can take it on notice. I can give you whole numbers here. For participation reports, for example, there were 12,283 penalties in that period. If you want those just as percentages, we can provide that on notice. Senator CORMANN—That would be great, so that we can compare it over a five-year period, if that is okay, because percentages take the population growth— Ms Parker—We have a few here. It is 59 per cent for attendance, as I said. I do not have the exact numbers you want, so we will take that and provide it.

Answer

Data on the penalties applied for job seekers who have not met their participation requirements is provided from the commencement of Welfare to Work in July 2006. Prior to July 2006 the compliance system was significantly different and no useful comparisons could be drawn with the data.

It is possible to present compliance penalties applied as a percentage of the employment services (Job Network and Job Services Australia) caseload of job seekers in receipt Newstart Allowance and Youth Allowance (other) for the periods specified. This is not precisely equivalent to the percentage of job seekers who have incurred penalties as some job seekers will have incurred more than one penalty.

Changes to the compliance framework were introduced from 1 July 2009. The new framework features more immediate penalties such as No Show No Pay to influence participation early – if you fail to participate for a day you don't get paid for it.

Under the new arrangements, if a job seeker is persistently non-compliant, instead of getting an automatic eight week non-payment penalty they will have a Comprehensive Compliance Assessment. This will determine whether there are any underlying barriers to participation that need to be addressed. Job seekers who have deliberately and persistently failed to meet their requirements and have no reasonable excuse will have an eight week non-payment penalty.

For the first six months of 2009-10, the number of compliance penalties applied was equivalent to 2.3 per cent of the job seeker caseload, compared to 2.8 per cent in 2006-07.