

**SENATE EMPLOYMENT, WORKPLACE RELATIONS AND EDUCATION  
LEGISLATION COMMITTEE**

**2005-2006 BUDGET SENATE ESTIMATES HEARING  
30 ,31 MAY and 3 JUNE 2005**

**EMPLOYMENT AND WORKPLACE RELATIONS PORTFOLIO**

**QUESTIONS ON NOTICE**

**Outcome 3: Increased Workforce Participation**

**Output Group 3.2: Labour Market Strategies**

**Outputs 3.2.3: CDEP Management**

**Question Number: W123-06**

**Question:**

Senator Carr provided in writing:

Please provide a detailed comparison of the employer subsidies, incentives and job placement payments and other funding support available to CDEPs, IECs and Job Network providers in relation to their Indigenous clients.

**Answer:**

CDEPs

CDEP wages can be used as wage subsidies to provide participants with placements with employers. The objective is to gain employment for participants outside of CDEP and placements should be time limited and must be no longer than 12 months. CDEP organisations can access the CDEP Payment Incentive so they can claim payments when participants get ongoing jobs. The first payment of \$550 can be claimed when the participant is placed in the job and the second payment of \$1650 can be claimed after the participant has had 13 weeks of non-CDEP employment.

IECs

IEC providers are paid the following fees and support funds to assist them in providing job search assistance, placement into employment and ongoing support for IEC Participants to remain in employment (note that IEC participants are CDEP participants). The table below outlines the fees payable.

<b>Payment</b>	<b>Amount</b>	<b>Timing</b>
Commencement fee	\$2,200	Paid for each CDEP participant that commences as an IEC participant.
Job Search Support Account	\$ 600	Amount paid to IEC Provider for each participant. These funds are used by the provider to purchase goods and services that assist the participant to obtain and retain employment.
Training Account	\$880	Amount paid to IEC Provider for each participant. These funds are used by the provider to purchase training courses that assist the participant to obtain and retain employment.
Placement fee	\$550	Paid to IEC Provider when an IEC participant is placed in employment.
Interim outcome fee	\$1,650	Paid IEC Provider when IEC participant has been in employment continuously for 13 weeks.
Final outcome fee	\$825	Paid IEC Provider when IEC participant has been in employment continuously for 26 weeks.

#### Wage Assistance

Under the Indigenous Employment Programme, Wage Assistance of up to \$4,400 for full time work (or \$2,200 for part-time work), over 26 weeks, can be paid to employers who give an ongoing job to an unemployed Indigenous person.

#### Job Network

The fees payable to JNMs are dependent on a job seeker's level of disadvantage and length of unemployment. Many Indigenous job seekers are classified as highly disadvantaged and JNMs assisting them can access additional service and outcome fees and Job Seeker Account credits.

Highly Disadvantaged job seekers go straight into Intensive Support customised assistance the most intensive form of Job Network assistance.

Outcome fees and Job Seeker Account credits are summarised below. Further information on Job Network service fees, outcome payments and Job Seeker Account credits are presented in the Request for Tender Employment Services Description of Services. Job Placement fees are presented in the ESC3 Licensing Arrangements 2003-2006 Job Placement Services. Refer <http://www.workplace.gov.au/esc3tender>.

Job Network members may use the Job Seeker Account to provide a range of work related assistance such as wage subsidies to eligible job seekers, including Indigenous job seekers. Job Network members determine the level of assistance taking into account the job seeker's individual needs and barriers to employment, in accordance with the Employment Services Contract 2003-2006 and expenditure principles. This includes that the value of wage subsidies is commensurate with the job seeker's level of disadvantage. Job Network members also have access to Training Account funds to provide work related training to mature age and Indigenous job seekers who are participating in Job Network's Intensive Support services.

### *Outcome Payments*

<b>Duration of registration</b>	<b>Payment Type</b>	<b>Interim Payment (GST inclusive)</b>	<b>Final Payment (GST inclusive)</b>
		<b>13 weeks</b>	<b>26 weeks</b>
4 - 12 months	Intensive Support 4-12 Month Outcome	\$550	N/A
13 - 24 months OR up to 24 months if the FJNE Job Seeker is not Highly Disadvantaged and has commenced in Intensive Support Customised Assistance	Intensive Support Outcome	\$1,650	\$825
	Intensive Support Intermediate Payment	\$550	\$550
25 - 36 months OR identified as Highly Disadvantaged	Intensive Support Outcome	\$3,300	\$1,650
	Intensive Support Intermediate Payment	\$550	\$550
3 years or longer (also payable for Highly Disadvantaged unemployed 3 years or longer)	Intensive Support Outcome	\$4,400	\$2,200
	Intensive Support Intermediate Payment	\$1,100	\$1,100

### *Job Seeker Account Credits*

<b>Type of Assistance</b>	<b>Amount credited (GST included)</b>	<b>Supplement for Highly Disadvantaged job seekers (GST included)</b>
Entry into Intensive Support	\$11	
Plus locational disadvantage supplement where applicable (Credited at registration in addition to the \$11 otherwise credited)	\$11	
Intensive Support customised assistance (1 <sup>st</sup> period)	\$900	An additional \$450
Plus locational disadvantage supplement where applicable	\$225	
Intensive Support customised assistance (2 <sup>nd</sup> period)	\$500	An additional \$250
Plus locational disadvantage supplement where applicable	\$125	

Financial assistance is also available through the Structured Training and Employment Projects (STEP) for projects which offer lasting employment opportunities for Indigenous job seekers. Project sponsors and/or employers are eligible to receive assistance in respect of their Indigenous participants who may also be CDEPs, IECs or Job Network clients. In some circumstances CDEPs, IECs or Job Network may receive some assistance through a STEP project. It is not possible to categorise the assistance provided in the manner requested due to the flexible nature of the assistance provided.