

EDUCATION, EMPLOYMENT AND WORKPLACE RELATIONS

SENATE LEGISLATION COMMITTEE - QUESTIONS ON NOTICE 2008-09 BUDGET ESTIMATES HEARING

Outcome 8

DEEWR Question No. EW273_09

Senator ABETZ provided in writing.

Question

Employment Services Review

- i) With the new contract for the provision of 7 programmes, will employment service providers be tendering on an Employment Services Area basis?
- ii) Will separate contracts for the provision of Remote Servicing be entered into?
- iii) Will Remote Servicing fees be set as a pro rata amount of the general servicing (if so, how much) or will service fees be tendered separately?
- iv) Will Remote Servicing be conducted face-to-face? Will this impact on the frequency of servicing?
- v) What financial modelling has been undertaken to assess whether the fees payable for Remote Servicing are adequate?

Answer

- i) Yes, tendering and contracting will continue to be undertaken on the basis of geographical areas. However, Employment Service Area (ESA) boundaries have been updated and revised from those used in previous tenders. Maps and descriptions of the proposed 116 ESAs and 17 Labour Market Regions are shown in Appendix C of the Exposure Draft of the New Employment Service 2009-12 Purchasing Arrangements.
- ii) No, the existing Remote Services bundle, excluding the Disability Employment Network (DEN), will be incorporated into the new employment services contract. The Government's Review of Disability Services currently underway will consider options for DEN remote service provision post 30 June 2009.
- iii) As outlined in Part 2.8.7 of the *Exposure Draft of the New Employment Service 2009-12 Purchasing Arrangements*, service fees and Employment Pathway Fund credits will attract a 1.7 multiplier in remote areas in recognition of the increased servicing costs in these locations. A list of areas classified as remote is in Appendix D of the Exposure Draft of the New Employment Service 2009-12 Purchasing Arrangements.
- iv) Table 2 in Clause 51.1 of the draft Employment Services Contract 2009-12 in the *Exposure Draft of the New Employment Services 2009-12 Purchasing Arrangements* sets out minimum contact requirements for providers. For all streams, it is a requirement that providers will have regular face-to-face contact with the job seeker unless there are exceptional circumstances.
- v) Remote servicing was included as part of the overall financial modelling.