

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

**QUESTIONS ON NOTICE
Budget Estimates 2010-2011**

Outcome 4 - Employment & Participation Policy

DEEWR Question No.EW0227_11

Senator Cormann asked on 1/06/2010, Hansard page 10.

Question

DISABILITY EMPLOYMENT SERVICE FUNDING FOR 2010-11

Mr Storen—The total disability employment service funding in 2010-11 is \$752 million, \$752.783 million. Senator CORMANN—That is right, we spoke about that yesterday. understand about the program, this is over a two and a half year period. So the Commonwealth provides directly 30 per cent of the services? Ms Paul—I am not sure who the other providers are; we could be reminded. We do not have those people here now. We did cover this yesterday. CRS Australia is a major provider. Senator CORMANN—Are you saying that this was part of a competitive tender where others were able to compete for the same business? Ms Paul—In the reform of the disability employment services, some parts were rolled over, some parts were—.....Ms Paul—Oh, that is helpful. Some parts were rolled over; some parts were put out for tender. CRS Australia has always had a large slice of the business and they retain a large slice of the business. Senator CORMANN—But did they obtain that large slice of the business as part of a competitive tender where they competed with others, or were they— Ms Paul—I cannot recall which piece is which unless someone wants to help me out. I will take it on notice. We could have dealt with this easily yesterday, I am sorry, Senator. Senator CORMANN—This is part of the contracts that I was told we usually look— Ms Paul—That is fine, I will take it on notice and I am happy to get back to you.

Answer

CRS Australia was the sole provider of previous Vocational Rehabilitation Services prior to the introduction of partial contestability from 1 July 2007. Between 1 July 2007 and 28 February 2010, CRS Australia was one of 19 providers contracted to deliver Vocational Rehabilitation Services on behalf of the Australian Government. For this period, CRS Australia delivered approximately 50 per cent of demand driven services and 80 per cent of fixed places for Vocational Rehabilitation Services. With the introduction of the new Disability Employment Services from 1 March 2010, the Government agreed that 55 percent of business in the Disability Management Service should be allocated for CRS Australia without the need to tender. The 55 percent was allocated on the basis that there was no change to the value of the existing CRS Australia income in 2008-09.