

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

**QUESTIONS ON NOTICE
Budget Estimates 2011-2012**

Outcome 4 - Employment & Participation Policy

DEEWR Question No.EW0321_12

Senator Abetz asked on 31/05/2011, Hansard page 19.

Question

Job Seeker Suspensions

Ms Paul: Exempt is about personal circumstance as you can hear, medical, caring, domestic violence, it is what is happening to me. If I could frame this correctly, and I will hand over to my colleagues. Suspension is a broader set of people who are doing things which are contributing to them finding a job and therefore they are allowed to be suspended from requirements. For example, they may be studying. What if they are studying full time, why would they have to—and the study is clearly going to contribute towards them getting a job, it is that sort of difference in suspended. So suspended would be a broader thing. We can give you those numbers but I think what you were really getting at probably was the exemptions. If you like, on notice, we can break down suspensions for you too, if you wish. Senator ABETZ: Yes. I hope I do not confuse myself but you took a question on notice last time, 0951. I was provided with an answer as at 28 February and answer number 4—sorry, I will wait until you have got it. Ms Paul: Answer number 4 just to start the ball rolling. Senator ABETZ: All right. Ms Paul: Was the number that Ms McKinnon was giving you which is that broader set that I have just described. Someone might be studying, they might be working part-time but still seeking full-time employment and so on and so it is fair for them to be exempt from job search requirements. A highly technical difference between the word 'exempt' and the word 'suspended' which, on the other hand, we have kind of conflated here. That 21 per cent of JSA case load is that broader thing that I just spoke about, whereas exempt are those personal conditions, which is the eight per cent. Senator ABETZ: Can I then do a comparison between the eight and the 21 per cent? Ms Paul: No, you cannot and the reason is that is why we have to take it on notice. Senator ABETZ: I did not think so. That leaves a 13 per cent category. Ms Paul: A different base. Senator ABETZ: No. Ms Paul: So number four here we have answered just for JSA. The eight per cent was answered for a broader set than JSA. We really do have to give it to you on notice.

Answer

Most recipients of participation payments are required to satisfy an activity test or participation requirements. "Exemption" refers to exemption from an activity test or participation requirements by Centrelink for a specific period of time.

Centrelink may, under the Social Security Law, exempt an individual from the activity test or participation requirements for a specified period due to individual

circumstances, for example, illness or personal crisis. These are referred to as “exemptions”. Many (but not all) participation payment recipients are also required to register with an employment services provider and to undertake job search or other activities to prepare them for employment.

Participation payment recipients who have been referred to an employment services provider by Centrelink may have an exemption from an activity test or participation requirement and are, therefore, not required to be serviced by their Job Services Australia (JSA) provider for that period.

If Centrelink exempts an individual from the activity test or participation requirements and that individual is on an employment services caseload, the employment services provider suspends them. Suspension means that the provider is temporarily not servicing that job seeker and not receiving service fees. Job seekers can also be suspended from employment services for reasons other than Centrelink exemptions from the activity test or participation requirements. For example, they may be suspended due to being in a job or studying, or if assessed by an allied health professional as having a temporary work capacity of under 15 hours a week.

Please refer to EW322_12 for a list of suspension and exemption categories and the number of these job seekers on the JSA caseload.