

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

**2005-2006 SUPPLEMENTARY BUDGET SENATE ESTIMATES HEARING
2 and 3 NOVEMBER 2005**

EMPLOYMENT AND WORKPLACE RELATIONS PORTFOLIO

QUESTIONS ON NOTICE

Outcome 1: Efficient and effective labour market assistance

Output Group 1.2: Labour market programme management and delivery

Output 1.2.2: Employment Services

Question Number: W425-06

Question:

In relation to correspondence sent to Ministers Andrews and Dutton outlining the possibility that Job Network providers are able to obtain both outcome payments through the Job Network Scheme plus payments through the State Workers Compensation Schemes:

- (a) can the Department advise how this correspondence is being handled?
- (b) can you please advise of the dates that contact was made with the three Job Network providers which have been identified in the correspondence?

Answer:

(a) The department takes seriously any allegations of poor or inappropriate practice by contracted providers. It is not prohibited for organisations to perform services additional to their Employment Services Contract 2003-06 however Clause 5.1 of the Contract prohibits payment for services that are the same or similar as those funded by another publicly funded body. Breach of the Contract by a Job Network member can result in sanctions including reduction of business share or termination of contract, as well as recovery of any claims inappropriately made. Recipients of workers' compensation are eligible for full Job Network services only where they meet normal eligibility, for example, if they are receiving a qualifying Commonwealth income support payment.

The department has undertaken a range of checks on the correspondence including: seeking legal advice on whether the practice described, if it occurred, would be caught by Clause 5.1; confirming that two (not three) of the organisations listed hold Job Network contracts; checks of the department's customer service line and other records; referral of the correspondence to the Account Manager who confirmed no appearance of this practice had been evident in monitoring to date and who offered to raise the allegations directly with the organisations as required; and confirmation by the organisations that each had arrangements in place to prevent claims for Job Network payments in these circumstances. The department's reply to the correspondent sought any specific information about these matters, additional to these organisations being publicly listed as delivering workers compensation services.

The department will be undertaking further compliance and assurance activities as part of its scheduled contract monitoring and programme assurance activities, including detailed checks of four Fully Job Network Eligible job seekers at these organisations receiving workers compensation. The department has found no evidence to support the matters raised in this correspondence but will continue to follow up in the context of its ongoing contract management and programme assurance activities.

(b) Checks by the department have shown that there are two organisations (not three as mentioned in the correspondence sent to Minister Dutton) with Job Network contracts. Both organisations were contacted on 3 November 2005.