

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

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

Outcome 4 - Employment

DEEWR Question No. EW0699_12

Senator Siewert provided in writing.

Question

Very long term unemployed people

"Do the 11 months of compulsory activity, and the \$1,000 EPF credit, apply in each year of unemployment starting with the second, or do they apply to that year only? What exemptions will apply to compulsory participation in this activity? Will the intensity of required activity vary for people with a partial work capacity and principal carers? What penalties are proposed for non-compliance with the 11 months of compulsory activity?"

Answer

- 1. Do the 11 months of compulsory activity and the \$1000 EPF credit apply in each year of unemployment starting in the second or do they apply to that year only?**

The 11 months of compulsory activity applies after the job seeker has been in the Work Experience Phase for 12 months, for each 12-month period they remain in the Work Experience Phase. The Employment Pathway Fund (EPF) credit is paid on commencement of the second year of the Work Experience Phase.

- 2. What exemptions will apply to compulsory participation in this activity?**

Access to current *Social Security Act 1991* provisions for exemption from the activity test will continue to apply. Exemptions from participation can be determined by Centrelink and can be considered on the basis of medical reasons, special circumstances or specific exemptions for principle carers of a child.

- 3. Will the intensity of required activity vary for people with a partial work capacity and principal carers?**

Job seekers with a Work Experience Activity Requirement will have the 11 month participation requirement; however, job seekers will participate depending on their individual circumstances. For example, job seekers with a partial capacity to work and principle carers will have reduced requirements over the 11 months as per current arrangements.

4. What penalties are proposed for non-compliance with the 11 months of compulsory activity?

The current range of existing Job Seeker Compliance Framework penalties will apply to job seekers who do not participate satisfactorily in their activities.