

**SENATE STANDING COMMITTEE ON
EDUCATION, EMPLOYMENT AND WORKPLACE RELATIONS**

QUESTIONS ON NOTICE

Inquiry into the DEEWR Tender Process to award employment services contracts

EEWR_SIH_W55

Senator Humphries provided in writing

Question

In the DEEWR submission, it is stated "The level of job seeker disruption is expected to be lower than in comparable transitions in the past, such as at the time of introduction of the current Job Network contract in 2003." Given that this contradicts evidence given by other witnesses, what justification can the Department provide to support this claim?

Answer

The Department has put in place extensive arrangements to ensure a smoother transition. In addition, the proportion of job seekers who will move to a new provider is also expected to be less than in comparable transitions such as in 2003.

When the current Job Network contract was introduced in 2003, 82 per cent of job seekers referred for services needed to connect to a new or changed provider, with 18 per cent referred to the provider with whom they were already receiving services. By comparison, based on analysis at 27 March 2009, approximately 48 per cent of current job seekers were estimated to move to a new or changed provider, with 52 per cent remaining with their continuing provider. Because job seekers enter and exit employment services on a continuing basis, and due to job seeker choice, actual figures will not be confirmed until after 1 July 2009.

Allocation of transition job seekers to future Job Service Australia providers has sought to enable job seekers to remain with continuing providers where possible, whether that provider will deliver stream services in its own right, as part of a tendering group, or as a sub contractor. Since early May, new job seekers have also been referred to providers that will be continuing beyond July where possible. The referral of transition job seekers has also taken into account connecting job seekers to the range of specialist services available under Job Services Australia, and to most convenient access by job seekers to a future provider in their local area. In remote areas, the Department has also adopted new and better approaches using local community codes, to ensure job seekers can be smoothly connected to services in their local community. Detailed job seeker information has been made available to future providers since May, and the Department has worked closely with any providers on any questions they may have about job seeker referrals.

Consultation with providers and stakeholders have underpinned transition planning and preparations. For example, the Transition Reference Group has reviewed and advised on the wording of all transition letters to job seekers, job seeker referral and caseload information for providers, and each of the operational Guidelines and transition reference materials for Job Services Australia stream services.

The Department's submission (Part 5, pages 30-34) details the actions taken to ensure a smoother transition for job seekers. For job seekers, the paramount consideration in transition is to connect smoothly to the Provider who will assist them in the new and enhanced services. Key actions to ensure this have included:

- **Information and choice for transition job seekers :** transition job seekers have received individual letters from early May 2009 with information about Job Services Australia, their future provider and a hotline for any questions about the changes or to chose a different provider. Job seeker allocation has also aimed to enable job seekers to remain with continuing providers where possible and to refer newly unemployed job seekers to a continuing provider where one is available;
- **Additional support for disadvantaged groups:** current Personal Support Program (PSP) or Job Placement, Employment and Training (JPET) providers have been requested to arrange face to face meetings for participants changing providers, to personally introduce them to the Job Services Australia Provider who will assist them in future. Centrelink Social Worker support is also available;
- **Better access to services in the lead up to transition:** the current transition is ensuring better access and less interruption to services. Previously, it has been a common practice to slow down or suspend access to services as old contracts conclude. In response to provider feedback and with the interests of job seekers paramount, job seekers in the current transition can continue to access Job Network intensive services including new additional services for workers made redundant by the Global Recession, and/or commence in PSP or JPET right up until the new services start. Job seekers in activities such as Work for the Dole or training will generally continue in these while also having access to new Job Services Australia assistance;
- **Readiness of Job Services Australia services:** providers have had three months between announcement of final decisions and the start up of new services for their preparations. The Department has worked closely with all providers throughout this time to ensure services are in readiness for 1 July;
- **Better provider training, IT support, Guidelines and support:** in contrast to past transitions, job seekers can be assured services will be ready with providers supported by an enhanced and well tested IT support system, access to streamlined Guidelines, and extensive training resources. The Department has worked with providers to ensure the take up of training well ahead of services commencing, including through train-the-trainer activities and hands-on demonstrations on-line and at the recent National Employment Services Association (NESA) Practitioner Conference.
- **Timely access to job seeker details:** Detailed job seeker caseload information, and contact details, has been available to stream service providers since early May to assist with planning and to support providers in introducing themselves and welcoming job seekers to Job Services Australia. The on-line appointments diary has been available to providers since mid June.

In summary, the current transition is based on greater consultation and engagement, more timely and complete information and resources to ensure service readiness and clear personalised information for job seekers including a hotline for job seeker choice and for any questions about their transition to Job Services Australia. Moreover, job seekers will have a smoother transition to a single, integrated service to meet their individual needs without the need to navigate the complexity and red tape of the seven separate programs that are being replaced.