

**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_W56

Senator Humphries provided in writing.

Question

The government promised that Personal Support Program, CWC and JPET providers would not be disadvantaged in the tender process. It also promised that the number of smaller “specialist” employment providers delivering more client focused services would be maintained. Pursuant to the Committee’s Terms of Reference, can the Department confirm that these promises have been kept?

Answer

Diversity of providers was encouraged. Job Services Australia and associated purchasing arrangements were designed to offer opportunities for a wide range of organisations to be part of the service delivery network including local community based, specialist and Indigenous organisations.

This was achieved through a number of mechanisms including the design and weighting of the selection criteria as well as increasing flexibility in allowing organisations to form different types of 'tendering groups' or sub contracting arrangements and operate in a manner which best suited their needs.

In bidding for Stream Services, tenderers had to demonstrate an ability to deliver the full range of Stream Services tailored to individual job seeker needs. The selection criteria sought specific responses regarding highly disadvantaged job seekers. For example, tenderers were required to demonstrate:

- in selection criterion 1, their experience, expertise, achievements and innovation in assisting highly disadvantaged job seekers to overcome multiple vocational and non-vocational barriers and achieve sustainable outcomes, and
- in selection criterion 3, how they would deliver innovative, individualised and tailored services to meet the diverse needs of all job seekers (from those who are work ready to those who are highly disadvantaged and who face multiple non-vocational barriers to employment) as well as demonstrating specific strategies to support those who are homeless or at risk of homelessness.

The selection criteria weightings gave emphasis to the understanding of the new Job Services Australia and the tenderers’ ability to translate this into locally tailored strategies. This gave smaller community based organisations opportunity to demonstrate their strengths and abilities in these areas.

The tender outcomes have seen more partnerships, alliances and subcontracting arrangements than were evident in past contracts.

As well as through the www.workplace.gov.au/espurchasing website, the Request for Tender document and information sessions presented by the Department, further support for

potential tenderers, particularly for small organisations, was provided through the National Employment Services Association including:

- a dedicated website that provided a suite of information resources about the new employment services and included an online discussion forum to assist the promotion of linkages between potential tenderers,
- delivery of information sessions and promotion of the website to assist with the facilitate potential partnering arrangements, and
- providing help desk support to potential tenderers regarding partnerships.

The tender outcome has provided a diverse range of national and local providers, including a large number of providers with specialist expertise.

For the first time since 1998 community-based organisations feature significantly in the profile of providers of employment services with an increase in the number of such organisations who have business shares placing them in the twenty largest employment service providers. This places a significant amount of business in the hands of smaller/local providers offering diversity for job seekers and opportunities for small organisations.

Tenderers were encouraged to bid as a specialist provider where they were able to demonstrate and quantify the need for a specialist service. Where appropriate, specialist bids were awarded business to ensure diversity of service provision.

In addition to the range of providers which will deliver generalist employment services, there will be 158 specialist services across Australia providing assistance to groups including the homeless, youth, Indigenous Australians, people with disability.

Community organisations could also tender to be members of the Innovation Fund or Employer Broker Panels and/or are able to engage with Panel members on the delivery of innovative local projects.

The end result has been that the tender process for Job Services Australia has delivered a diverse choice of suitable providers for job seekers consistent with the Request for Tender.

Further, the Government's announcement in relation to the Jobs Fund provides opportunities for organisations to be involved in projects that will focus on directly generating jobs for people in communities with high unemployment, a rise in unemployment or vulnerability.