

**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_W57

Senator Humphries provided in writing.

Question

Comments in submissions and by witnesses at the hearing have been made with regard to perceptions of a weakening of the partnership ideal between the Commonwealth and employment service providers, as evidenced by the failure of well-established community providers to have contracts renewed.

Can you point the committee to any policy statements by the government which would refute this perception?

Answer

The *Request for Tender for Employment Services 2009-12*, was an independent competitive tender run by the Department of Education, Employment and Workplace Relations following an extensive consultation period. The tender process has been oversights and signed off by an external probity adviser.

In the lead up to the release of the Request for Tender, many public consultations were held with employment services providers and other stakeholders to seek their input into the new model. This input was invaluable in developing a model that adequately supported providers whilst maximising outcomes for job seekers. This consultation included:

- In January 2008, feedback was sought from employment services providers on the future directions for employment services. Over 260 submissions were received.
- A discussion paper, *The Future of Employment Services in Australia*, was released on 16 May 2008 and this was followed by two weeks of public consultations. Over 190 submissions were received in response to the discussion paper.
- The exposure draft of the purchasing arrangements for the new employment services was released on 1 August 2008. After the release of the exposure draft, consultation sessions were held around Australia.

Partnerships

The reforms to employment services are designed to introduce new, simpler, more effective and equitable services nationally, with a significant reduction in administration and red tape for both employment services providers and job seekers. The new approach is about adopting and implementing a more 'partnering' approach to contract management. The principles of consultation, communication, collaboration and consistency will underpin the way the department will do business.

The Request for Tender foreshadowed the development of a Charter of Contract Management. This was developed in consultation with stakeholders. The Charter sits alongside the formal legal contract and sets out the standards and conduct that employment services providers can expect from the Department in overseeing and administering the delivery of employment services. The Charter creates a new way for the Department to work in a co-operative, collegiate, strategic partnering relationship with employment services providers. The following principles underpin the Charter: Partnerships; Building a strong and vibrant sector; Achieving outcomes; Continuous improvement; and Supporting innovation.

The Australian Government continues to work closely with employment services providers to ensure the high standard of employment services delivery is maintained, including through partnerships with the peak employment services organisation, the National Employment Services Association (NESA) and with a range of other stakeholders.

Examples of these partnership arrangements include:

Working with NESA

The Department continues to work closely with NESA who:

- facilitate consultative and feedback processes with the employment services industry
- assisted with implementation of the employment services reforms through a dedicated website and an online discussion forum, delivery of information sessions and help desk support to potential tenderers regarding partnerships
- are supporting transition through a dedicated website and database to facilitate connections between employment services personnel and opportunities with other employment services providers as well as providing access to information on facilities and other resources that may be available from current providers.

Transition Reference Group

A key element of the transition arrangements for Job Services Australia is close consultation and communication with the industry and stakeholders. In January 2009, a Transition Reference Group was established to provide advice to the Department on the detailed arrangements for the transition to Job Services Australia. The Transition Reference Group has met on a regular basis. Membership includes provider organisations nominated by NESA, as well as a representative from the National New Enterprise Incentive Scheme Association and Jobs Australia.

The Transition Reference Group will provide advice to the Department on communication with stakeholders, the development of provider partnerships, and guidelines and other materials.

In addition, all existing and future providers have access to information about the transition arrangements, including the minutes from the Transition Reference Group meetings, through the Department's website at www.deewr.gov.au.

IT Advisory Group

In July 2008, the Department initiated an extensive consultative process as part of the development of the Job Services Australia IT System. A key part of this strategy was the establishment of an IT Advisory Group comprising employment peak body CEOs, departmental representatives and an independent IT industry representative.

Feedback on the consultation process undertaken by the Department has been positive.

Performance and Reporting Working Group

The Performance and Reporting Working Group has nurtured a strong partnership with providers through the Group's Technical Reference Group. Eleven provider organisations are participating directly in the Technical Reference Group, along with two provider representative bodies, NESAs and Jobs Australia. The Technical Reference Group was formed to refine the Performance Management Framework as outlined in the *Request for Tender for Employment Services 2009-12*.

In addition, all current and future providers have access to all Technical Reference Group information through the Department's website at www.deewr.gov.au.