

Senate Standing Committee on Education and Employment

QUESTIONS ON NOTICE Additional Estimates 2014 - 2015

Outcome 1 - Employment

Department of Employment Question No. EMSQ15-000069

Senator Cameron asked on 14 April 2015 on proof Hansard page 15

Question

Red tape reduction

Senator CAMERON: Okay. Can you take on notice this question. How do you differentiate between red tape reduction and ensuring that you have proper checks and balances in the new contracts? How has the red tape reduction been set against proper checks and balances and integrity measures?

Ms Leon: We can probably speak to that now rather than take it on notice.

Senator CAMERON: How long will that take because I have limited time?

Senator Abetz: In short, it is an issue of judgement and risk management. If you want zero tolerance completely, I suppose you would have a security guard behind every cashier at every cash register in your shop or you might do an audit of the till from time to time just to ascertain things. So it is a question of where you would draw the line as to what an appropriate risk management strategy is and that is where judgements come in.

Mr Parsons: For instance, we can get information from the DHS computer system to tell us about the job seeker's income support status. We no longer have to ask that same question of the provider.

Ms Leon: So it means there is no impact on integrity.

Senator CAMERON: Can you take this on notice: can you provide me details of what you have identified as red tape reduction in the new contracts; and how you are balancing the red tape reduction against appropriate checks and balances, and fraud procedures. I would be really interested in that and I would expect it would not be a short answer.

Answer

A key objective of jobactive is to reduce service prescription and red tape while maintaining programme integrity.

The programme design of jobactive reduces the administrative impost on organisations.

Examples include:

- aligning job outcome payments with job seeker's income reporting cycle so that more outcome claims are able to be validated on-line with the Department of Human Services. In the limited circumstances where a job seeker receiving jobactive services is not on income support, pay slips or the employer's payroll summary report will be required;
- a more targeted Employment Fund to provide the work-related tools, skills and experience that job seekers need to get and keep a job. Payments for current activities that have high evidentiary requirements, such as reverse marketing and additional contacts, are excluded although jobactive organisations may use their own funds to deliver these services where appropriate;
- a flat Administration Fee paid six-monthly;
- three streams for job seeker servicing rather than four; and

- transfer of job seekers (with their business share) to another jobactive organisation after two years' unemployment (if in Stream A) or three years' unemployment (for job seekers in Stream B or C).

Services will be supported by more efficient, intuitive and responsive information technology solutions and mobile and web based applications. For example:

- more data will be pre-populated to reduce double entry and jobactive organisations will be able to upload documentary evidence directly into the information technology system. This will reduce the need for organisations to provide documents in hard copy to the Department of Employment and enhance transparency and accountability; and
- the Work for the Dole supervisor mobile application will allow host organisations to upload attendance records for job seekers replacing the current paper exchange.

Operational guidelines have been re-designed in consultation with the employment services sector to be concise, easier to read and contain all relevant information. This will eliminate the need for organisations to look for information in multiple documents.

Finally, the services are underpinned by comprehensive performance and assurance frameworks. All jobactive organisations are required to be certified under the department's Quality Assurance Framework and maintain their certification. The department will maintain a robust compliance strategy and increase the use of data analytics and expert actuarial advice to detect suspect behaviour and design audit activities. This is expected to deliver more efficient and better targeted compliance activities.