

## Senate Standing Committee on Education and Employment

### QUESTIONS ON NOTICE Budget Estimates 2017 - 2018

#### Outcome 1 - Employment

Department of Employment Question No. EMSQ17-004260

Senator Marshall provided in writing.

#### Question

##### New job seeker compliance measures - savings

- Budget Paper No 2, page 91 says these changes will save \$632 million over five years. Can you provide a break down of those savings?
- Can you list the actions that would constitute a demerit or strike in this program?
- Were any alternative jobseeker compliance models considered?

#### Answer

The savings of \$632 million over five years is the total for all measures included in the 'Better Targeting of Assistance to Job Seekers' package. This includes:

	2016-17	2017-18	2018-19	2019-20	2020-21	Total
Refocusing Work for the Dole	\$0.0m	-\$14.0m	-\$45.2m	-\$44.3m	-\$44.6m	-\$148.0m
Introduce a Targeted Job Seeker Compliance Framework	\$0.0m	\$34.9m	-\$56.3m	-\$88.0m	-\$95.3m	-\$204.7m
Work First: Faster Connection to Employment Services	\$0.0m	-\$23.5m	-\$53.8m	-\$58.6m	-\$62.2m	-\$198.0m
Tightening Reasonable Excuse for Non-Compliance	\$0.0m	\$2.5m	\$0.8m	\$0.5m	\$0.5m	\$4.3m
Allow Drug Addiction Treatments/Interventions as an Approved Activity	\$0.0m	\$0.5m	\$0.4m	\$0.03m	\$0.03m	\$1.0m
Amend the Eligibility Criteria for DSP by Removing Impairment Table 6	\$0.8m	\$2.9m	-\$3.8m	-\$8.2m	-13.4m	-\$21.7m
Remove mutual obligation exemptions for reasons relating to drug or alcohol misuse	\$0.0m	\$1.9m	\$5.6m	\$9.8m	\$11.5m	\$28.8m
Strengthen Third Party Relationship status	\$0.02m	\$0.7m	\$3.0m	\$1.8m	\$1.8m	\$7.3m

verification for single parent payments						
Extend third party relationship status verification to existing recipients of Single Parent Payments	\$3.3m	-\$9.9m	-\$35.7m	-\$29.0	-\$29.6	-\$101.0m

Actions that would constitute a demerit or strike are as follows:

- Failing to enter into a job plan
- Failing to undertake adequate job search efforts
- Failing to attend an appointment
- Failing to attend an activity
- Misconduct at an activity or appointment
- Failing to meet any other compulsory requirement in a job plan
- Failing to attend a job interview\*
- Misconduct at a job interview\*

\* Note that failing to attend or misconduct in a job interview will result in the job seeker immediately being subject to a capability interview (equivalent to up to three demerits), or if they already have accrued three demerits, a capability assessment by DHS. These failures will, however, only result in a single strike in the Intensive Compliance phase.

A range of other job seeker compliance models were considered, including

- International examples such as the compliance frameworks used in the United Kingdom and New Zealand.
- Previous job seeker compliance frameworks used in Australia.