

Senate Standing Committee on Education and Employment

QUESTIONS ON NOTICE Budget Estimates 2017 - 2018

Outcome 1 - Employment

Department of Employment Question No. EMSQ17-004264

Senator Marshall provided in writing.

Question

New job seeker compliance measures - demerit system

- How many interviews, meetings and daily activities in programs were they expected to attend last year?
- How many people are expected to lose one week, two weeks and four weeks of payment? Can you list the forecast savings for each strike measure?
- How many suspensions and penalties were imposed last year for participation failures?
- How many people are estimated to reach the second demerit stage in first year of the proposed system?
- Are these strike or demerit decisions appealable at the time they are made?

Answer

How many interviews, meetings and daily activities in programs were they expected to attend last year?

In 2015–16 there were 1,407,510 appointments scheduled for job seekers subject to the compliance framework in all employment services. Of these, 1,244,227 were attended. As providers are not required to record attendance at activities, information is only available on the number of activities that job seekers did not attend. In 2015–16, providers reported non-compliance related to failure to attend activities to the Department of Human Services 377,827 times.

How many people are expected to lose one week, two weeks and four weeks of payment? Can you list the forecast savings for each strike measure?

In the first year of the measure, approximately:

- 83,000 job seekers are estimated to lose one-week's payment, forecast to save \$26.0 million in 2018–19;
- 42,000 are estimated to lose two-weeks' payment, saving \$27.4 million; and
- 22,000 are estimated to four weeks' payment, saving \$30.0 million.

How many suspensions and penalties were imposed last year for participation failures?

In 2015–16, there were 1,852,762 payment suspensions across all employment services. Over the same period, there were 261,529 financial penalties.

How many people are estimated to reach the second demerit stage in first year of the proposed system?

It is expected that in the first year of the proposal, approximately 100,000 job seekers will enter the Intensive Compliance Phase.

Are these strike or demerit decisions appealable at the time they are made?

No demerit, suspension or penalty will be applied to any job seeker if they had a valid reason for their failure and, where required and feasible, gave prior notice of that reason.

If a job seeker considers that a demerit has been applied in error, they may discuss this with their provider and, if they are unsatisfied with the response, they may contact the Employment Services National Customer Service Line.

In the Intensive Compliance Phase, job seekers will be given the opportunity to provide an explanation to the Department of Human Services for their actions before any penalty is applied. Job seekers may also request that any decision to apply a financial penalty is reviewed by the Department of Human Services, and if the job seeker feels they have been treated unfairly they have the option of appealing the decision to the Administrative Appeals Tribunal.