

**SENATE STANDING COMMITTEE ON
EDUCATION, EMPLOYMENT AND WORKPLACE RELATIONS**

**QUESTIONS ON NOTICE
BUDGET ESTIMATES 2009-10**

Outcome **4**

DEEWR Question No. EW0234_10

Senator Humphries asked on 1 June 2009, EEWL Hansard page 79.

Question

New Disability Employment Services – estimates

Is the number of job seekers assisted over the two years of the contract, expected to decrease?

Answer

The estimates for 2010–11 do not reflect any downward estimate in job seeker numbers. The new model introduces a new fee structure and there are transition effects on the pattern of expenditure in the first financial year.

The new fee model, for example, pays service fees more evenly across the 18 month program than the current VRS fee structure and the current DEN Capped fee structure. In VRS most of the service fees available for the first 18 months of service are paid in the first 12 months. In DEN Capped they are paid in the first 10 months.

The new fee structure also introduces higher outcome payments and the full effect of these changes is not evident in the estimates until the second full financial year.