

**Senate Standing Committee on Education Employment and Workplace Relations**

**QUESTIONS ON NOTICE  
Supplementary Budget Estimates 2012-2013**

**Outcome 3 - Employment**

**DEEWR Question No.** EW0551\_13

**Senator Siewert provided in writing.**

**Question**

**Employment Services**

Please provide the number of jobseekers who participated in each Stream of JSA assistance, and separately for the Work Experience phase, during 2011-12, and the number currently in each stream and in the Work Experience phase, broken down by duration of unemployment.

Please provide total costs for each Stream of JSA assistance during 2011-12 and for the Work Experience phase, broken down into three categories: service fees, EPF credits spent, and outcome payments.

Please provide average expenditures from the Employment Pathway Fund for each Stream and for the Work Experience Phase during 2011-12, broken down by expenditure type, and the same breakdowns for the number of jobseekers assisted with funds drawn from the EPF.

Please provide a breakdown of the number of jobseekers during 2011-12 attracting outcome payments, broken down by pathway and full outcome payments, and by 13 week and 26 week outcomes, for each Stream of JSA assistance and for the Work Experience phase

Please provide details of any employment service evaluations that have been completed by the Department so far this year (including a copy of relevant reports), or are expected to be completed by the end of 2012.

Please provide data on trends in the number of number of very long term unemployed people on Newstart and Youth Allowance (Other) through 2012 and the numbers of these people who have been referred to, and commenced, the wage subsidy scheme and the 11-month work for benefits scheme announced in the Building Australia's Future Workforce policy since the date of implementation of those two measures, and any information available on employment outcomes for those who commenced these programs.

**Answer**

Each of the questions above will be individually addressed. Answers are as follows.

*Please provide the number of jobseekers who participated in each Stream of JSA assistance, and separately for the Work Experience phase, during 2011-12, and the number currently in each stream and in the Work Experience phase, broken down by duration of unemployment.*

The below table provides a count of individual job seekers who were on the JSA caseload on any given day of the 2011-2012 financial year.

| Stream                         | Number of Participants |
|--------------------------------|------------------------|
| Stream 1 Limited               | 134,578                |
| Stream 1                       | 577,244                |
| Stream 2                       | 408,197                |
| Stream 3                       | 294,140                |
| Stream 4                       | 236,580                |
| Work Experience Phase          | 231,987                |
| <b>Total JSA Participants*</b> | <b>1,406,152</b>       |

Note: A job seeker can participate in more than one stream over the course of a financial year, hence the sum of the streams is greater than the total JSA participant count.

The below table provides a count of job seekers by Unemployment Duration for each stream - split between in Work Experience Phase (WEPH)/Not in Work Experience Phase(WEPH) as at 31 August 2012

| Period of Unemployment | <12 Mths    |       |         | 12-23 Mths  |        |         | 2 Years+    |         |         |
|------------------------|-------------|-------|---------|-------------|--------|---------|-------------|---------|---------|
|                        | Not in WEPH | WEPH  | Total   | Not in WEPH | WEPH   | Total   | Not in WEPH | WEPH    | Total   |
| <b>Stream Type</b>     |             |       |         |             |        |         |             |         |         |
| <b>Stream 1</b>        | 174,860     | 1,153 | 176,013 | 14,080      | 10,892 | 24,972  | 5,245       | 3,001   | 8,246   |
| <b>Stream 2</b>        | 86,963      | 1,558 | 88,521  | 34,229      | 14,237 | 48,466  | 21,138      | 21,596  | 42,734  |
| <b>Stream 3</b>        | 31,986      | 2,419 | 34,405  | 16,686      | 9,774  | 26,460  | 32,261      | 63,488  | 95,749  |
| <b>Stream 4</b>        | 37,473      | 1,394 | 38,867  | 26,090      | 4,953  | 31,043  | 44,629      | 46,048  | 90,677  |
| <b>Total</b>           | 331,282     | 6,524 | 337,806 | 91,085      | 39,856 | 130,941 | 103,273     | 134,133 | 237,406 |

**Note:** 1) Job seekers not in Work Experience Phase include those who are suspended and those who have not completed sufficient time in their current stream to enter the Work Experience Phase (eg. 52 weeks)

2) Excludes Stream 1 Limited

*Please provide total costs for each Stream of JSA assistance during 2011-12 and for the Work Experience phase, broken down into three categories: service fees, EPF credits spent, and outcome payments.*

#### **JSA Expenditure for the 2011-12 Financial Year**

| <b>Stream</b>   | <b>Service Fees</b> | <b>Outcome Fee<br/>(including Job<br/>Placement Fee)</b> | <b>Employment<br/>Pathway Fund</b> | <b>Total</b>         |
|-----------------|---------------------|----------------------------------------------------------|------------------------------------|----------------------|
| <b>Stream 1</b> | 161,038,648         | 7,799,354                                                | 15,717,704                         | 184,555,706          |
| <b>Stream 2</b> | 128,013,292         | 161,082,380                                              | 108,812,240                        | 397,907,912          |
| <b>Stream 3</b> | 111,193,233         | 155,974,630                                              | 112,464,298                        | 379,632,161          |
| <b>Stream 4</b> | 174,801,809         | 129,571,457                                              | 127,972,717                        | 432,345,983          |
| <b>Total</b>    | <b>575,046,982</b>  | <b>454,427,821</b>                                       | <b>364,966,960</b>                 | <b>1,394,441,763</b> |

**Note:** Work experience expenditure has been distributed according to the stream the job seekers was in when the cost was incurred.

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*Please provide average expenditures from the Employment Pathway Fund for each Stream and for the Work Experience Phase during 2011-12, broken down by expenditure type, and the same breakdowns for the number of jobseekers assisted with funds drawn from the EPF.*

Tailored servicing arrangements for individual job seekers means the data provided in this response is not representative of the total Employment Pathway Fund notionally allocated to, or spent on, job seekers. Employment Pathway Fund credits are notionally attributed based on level of job seeker disadvantage and in most cases will increase in line with the amount of time an individual is in receipt of JSA services.

**Table 1** contains data from 1 July 2011 to 30 June 2012 showing average expenditure per job seeker assisted from the Employment Pathway Fund by service Stream and category noting that individual job seekers will usually have funding spent across multiple categories.

**Table 2** contains data from 1 July 2011 to 30 June 2012 showing average expenditure per transaction from the Employment Pathway Fund during the Work Experience Phase by category. The average expenditure per job seeker is unreliable as a measure of assistance during the Work Experience Phase given the level of group activity during this period. Individual job seekers will usually have funding spent across multiple categories.

The data reported in Table 1 and Table 2 is not mutually exclusive.

**Table 1**  
**Average EPF expenditure per job seeker assisted by Stream & Category**  
**1 July 2011 to 30 June 2012**

| <b>Stream <sup>1</sup></b>  | <b>EPF Category <sup>2</sup></b>                                               | <b>Average <sup>3</sup></b> |
|-----------------------------|--------------------------------------------------------------------------------|-----------------------------|
| <b>Stream 1</b>             | Equipment, Tools & Clothing                                                    | \$85.36                     |
|                             | Job Seeker Support, Contact & Mentoring                                        | \$113.02                    |
|                             | Other                                                                          | \$165.24                    |
|                             | Pre-employment, Travel & Licensing Assistance                                  | \$62.11                     |
|                             | Professional Services including Interpreters, Medical and Counselling Services | \$109.24                    |
|                             | Wage Subsidy                                                                   | \$1,390.95                  |
|                             | Training, Associated Books & Equipment                                         | \$236.96                    |
| <b>Stream 2</b>             | Equipment, Tools & Clothing                                                    | \$111.45                    |
|                             | Job Seeker Support, Contact & Mentoring                                        | \$74.67                     |
|                             | Other                                                                          | \$234.32                    |
|                             | Pre-employment, Travel & Licensing Assistance                                  | \$98.04                     |
|                             | Professional Services including Interpreters, Medical and Counselling Services | \$201.40                    |
|                             | Wage Subsidy                                                                   | \$1,672.69                  |
|                             | Training, Associated Books & Equipment                                         | \$311.90                    |
| <b>Stream 3<sup>4</sup></b> | Equipment, Tools & Clothing                                                    | \$114.46                    |
|                             | Job Seeker Support, Contact & Mentoring                                        | \$72.72                     |
|                             | Other                                                                          | \$249.20                    |
|                             | Pre-employment, Travel & Licensing Assistance                                  | \$104.73                    |
|                             | Professional Services including Interpreters, Medical and Counselling Services | \$179.81                    |
|                             | Wage Subsidy                                                                   | \$2,372.91                  |
|                             | Training, Associated Books & Equipment                                         | \$351.34                    |
| <b>Stream 4</b>             | Equipment, Tools & Clothing                                                    | \$112.70                    |
|                             | Job Seeker Support, Contact & Mentoring                                        | \$88.01                     |
|                             | Other                                                                          | \$260.79                    |
|                             | Pre-employment, Travel & Licensing Assistance                                  | \$98.33                     |
|                             | Professional Services including Interpreters, Medical and Counselling Services | \$176.46                    |
|                             | Wage Subsidy                                                                   | \$2,811.54                  |
|                             | Stream Four Only Assistance                                                    | \$192.96                    |
|                             | Training, Associated Books & Equipment                                         | \$350.29                    |

<sup>1</sup> Some EPF expenditure is not recorded against individual job seekers and has not been attributed to the averages – this includes Work Experience Group Activities and bulk purchases

<sup>2</sup> 'Other' includes Relocation, Short Term Child Care Assistance and Special Claims

<sup>3</sup> Job seekers with expenditure across multiple categories and or streams will be included in the calculations multiple times

<sup>4</sup> Includes expenditure for Labour Adjustment Package participants

**Table 2****Average EPF expenditure per transaction during the WEPH by Category  
1 July 2011 to 30 June 2012**

|                        | <b>EPF Category <sup>5</sup></b>                                               | <b>Average per Transaction</b> |
|------------------------|--------------------------------------------------------------------------------|--------------------------------|
| <b>During WE Phase</b> | Equipment, Tools & Clothing                                                    | \$96.49                        |
|                        | Job Seeker Support, Contact & Mentoring                                        | \$55.07                        |
|                        | Other                                                                          | \$174.58                       |
|                        | Pre-employment, Travel & Licensing Assistance                                  | \$80.41                        |
|                        | Professional Services including Interpreters, Medical and Counselling Services | \$159.27                       |
|                        | Wage Subsidy                                                                   | \$2,009.59                     |
|                        | Training, Associated Books & Equipment                                         | \$287.24                       |

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<sup>5</sup> 'Other' includes Relocation, Stream 4 Assistance, Short Term Child Care Assistance and Special Claims

*Please provide a breakdown of the number of jobseekers during 2011-12 attracting outcome payments, broken down by pathway and full outcome payments, and by 13 week and 26 week outcomes, for each Stream of JSA assistance and for the Work Experience phase*

**JSA Outcomes from 2011-2012 Financial Year**

|                                  |                 | 13 Week (Job seeker) |               |                | 26 Week (Job seeker) |               |                |
|----------------------------------|-----------------|----------------------|---------------|----------------|----------------------|---------------|----------------|
|                                  |                 | Full                 | Pathway       | Total          | Full                 | Pathway       | Total          |
|                                  |                 | Total                | Total         | Total          | Total                | Total         | Total          |
| <b>Work Experience Phase</b>     | <b>Stream 1</b> | 2,835                | 1,450         | <b>4,285</b>   | 2,605                | 556           | <b>3,161</b>   |
|                                  | <b>Stream 2</b> | 8,468                | 4,721         | <b>13,189</b>  | 6,831                | 1,620         | <b>8,451</b>   |
|                                  | <b>Stream 3</b> | 9,232                | 6,234         | <b>15,466</b>  | 7,017                | 2,370         | <b>9,387</b>   |
|                                  | <b>Stream 4</b> | 3,204                | 1,926         | <b>5,130</b>   | 1,707                | 501           | <b>2,208</b>   |
|                                  | <b>Total</b>    | <b>23,739</b>        | <b>14,331</b> | <b>38,070</b>  | <b>18,160</b>        | <b>5,047</b>  | <b>23,207</b>  |
| <b>Non Work Experience Phase</b> | <b>Stream 1</b> | 1,032                | 444           | <b>1,476</b>   | 874                  | 179           | <b>1,053</b>   |
|                                  | <b>Stream 2</b> | 57,772               | 24,037        | <b>81,809</b>  | 56,118               | 10,527        | <b>66,645</b>  |
|                                  | <b>Stream 3</b> | 21,957               | 11,342        | <b>33,299</b>  | 18,330               | 4,955         | <b>23,285</b>  |
|                                  | <b>Stream 4</b> | 22,741               | 10,751        | <b>33,492</b>  | 17,807               | 4,053         | <b>21,860</b>  |
|                                  | <b>Total</b>    | <b>103,502</b>       | <b>46,574</b> | <b>150,076</b> | <b>93,129</b>        | <b>19,714</b> | <b>112,843</b> |
| <b>Total</b>                     | <b>Total</b>    | <b>127,241</b>       | <b>60,905</b> | <b>188,146</b> | <b>111,289</b>       | <b>24,761</b> | <b>136,050</b> |

**NOTE:** An individual job seeker may be counted multiple times in this table as they may have achieved more than one outcome in a financial year.

*Please provide details of any employment service evaluations that have been completed by the Department so far this year (including a copy of relevant reports), or are expected to be completed by the end of 2012.*

The following table shows the Employment Services Evaluation reports completed in 2012. Note the Job Services Australia (JSA) evaluation is being released progressively as elements are addressed.

| <b>Evaluation</b>                                                                                                                                                                                                                                   |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Job Services Australia 2009-2012 Evaluation: <ul style="list-style-type: none"><li>• Indigenous Servicing</li><li>• Good Practice in JSA</li><li>• Job Seeker Assistance (including Employment Pathway Fund)</li><li>• Employer Servicing</li></ul> |
| Evaluation of Disability Employment Services Interim Report                                                                                                                                                                                         |
| Evaluation of the Disability Support Pension Employment Incentive Pilot                                                                                                                                                                             |
| Evaluation of the DES Moderate Intellectual Disability Loading                                                                                                                                                                                      |
| Evaluation of DES Eligible School Leaver Pathways                                                                                                                                                                                                   |

Completed reports ready for public access can be found at <http://deewr.gov.au/employment-research-and-statistics>.

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**\*Please note that to facilitate clarity the following question has been answered in two separate parts.**

**Part 1**

*Please provide data on trends in the number of number of very long term unemployed people on Newstart and Youth Allowance (Other) through 2012*

**Newstart Allowance and Youth Allowance (other) Recipients - Income Support Duration - Time Series - Financial Year by Month.  
2011/2012 Financial Year**

|               | Newstart Allowance           |                                        |                                     |         | Youth Allowance (other)      |                                        |                                     |        |
|---------------|------------------------------|----------------------------------------|-------------------------------------|---------|------------------------------|----------------------------------------|-------------------------------------|--------|
|               | Short Term<br>(under 1 year) | Long Term<br>(1 year to under 2 years) | Very Long Term<br>(2 years or more) | Total   | Short Term<br>(under 1 year) | Long Term<br>(1 year to under 2 years) | Very Long Term<br>(2 years or more) | Total  |
| <b>Jul-11</b> | 193,348                      | 89,196                                 | 239,468                             | 522,012 | 34,880                       | 18,464                                 | 28,868                              | 82,212 |
| <b>Aug-11</b> | 188,417                      | 86,588                                 | 237,687                             | 512,692 | 33,616                       | 17,772                                 | 27,959                              | 79,347 |
| <b>Sep-11</b> | 186,890                      | 85,317                                 | 238,259                             | 510,466 | 32,876                       | 17,364                                 | 27,188                              | 77,428 |
| <b>Oct-11</b> | 186,756                      | 84,502                                 | 238,878                             | 510,136 | 32,039                       | 17,064                                 | 26,651                              | 75,754 |
| <b>Nov-11</b> | 186,192                      | 83,316                                 | 239,496                             | 509,004 | 32,887                       | 20,748                                 | 28,823                              | 82,458 |
| <b>Dec-11</b> | 197,123                      | 87,049                                 | 251,139                             | 535,311 | 34,153                       | 22,920                                 | 33,737                              | 90,810 |
| <b>Jan-12</b> | 205,153                      | 87,554                                 | 251,720                             | 544,427 | 33,803                       | 21,620                                 | 32,080                              | 87,503 |
| <b>Feb-12</b> | 207,918                      | 87,481                                 | 253,644                             | 549,043 | 33,360                       | 21,859                                 | 33,347                              | 88,566 |
| <b>Mar-12</b> | 206,209                      | 86,690                                 | 252,107                             | 545,006 | 33,198                       | 20,692                                 | 32,015                              | 85,905 |
| <b>Apr-12</b> | 206,700                      | 87,140                                 | 253,139                             | 546,979 | 32,717                       | 19,635                                 | 31,151                              | 83,503 |
| <b>May-12</b> | 207,233                      | 86,580                                 | 252,506                             | 546,319 | 33,141                       | 19,303                                 | 31,132                              | 83,576 |
| <b>Jun-12</b> | 209,322                      | 87,197                                 | 253,254                             | 549,773 | 33,827                       | 18,761                                 | 31,214                              | 83,802 |

**Note:**

Data Includes the following recipients:

Recipients of Newstart Allowance who are determined to be current (i.e. entitled to be paid) on the Centrelink payment system, and not in receipt of CDEP Participation Supplement or zero rate of payment.

Recipients of Youth Allowance (other) who are determined to be current (i.e. entitled to be paid) on the Centrelink payment system.

Income Support duration refers to duration on any income support payment, and may not reflect duration on current payment.

Source: Centrelink Administrative Data - DEEWB Bluebook dataset.



## **Part 2**

*Please provide the numbers of these people who have been referred to, and commenced, the wage subsidy scheme.*

*Please provide data/numbers/information on the 11-month work for benefits scheme announced in the Building Australia's Future Workforce policy since the date of implementation of those two measures, and any information available on employment outcomes for those who commenced these programs.*

The Building Australia's Future Workforce wage subsidy for the very long term unemployed is called Wage Connect. As at 31 August 2012, 8222 (4855 in Job Services Australia and 3367 in Disability Employment Service) participants had been placed in a Wage Connect position with a signed employment agreement.

At that date 3187 had achieved a 13 week outcome and 728 had achieved a 26 week outcome, noting that many more job seekers are on track to achieve an employment outcome but have not been in the job for a long enough period.

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The Enhanced Wage Subsidy is a Building Australia's Future Workforce measure targeted at DES participants who have been on income support for at least 12 months. This subsidy commenced on 1 July 2012 and the budget provides funding of three million dollars per year, over three years. The maximum subsidy amount is \$3000 per participant.

As at 31 August 2012, no 13 or week outcomes had been achieved as the program had only been in operation for two months.

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