

**SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE**

Inquiry into the Employment and Workplace Relations Legislation Amendment (Welfare to Work and other Measures) Bill 2005 and the Family and Community Services Legislation Amendment (Welfare to Work) Bill 2005.

23 NOVEMBER

DEPARTMENT OF EMPLOYMENT AND WORKPLACE RELATIONS

QUESTIONS ON NOTICE

**Question:**

Can you provide a split of the 109,000 people estimated to gain some form of employment as a result of Welfare to Work measures?

**Answer:**

The number of job outcomes over 3 years split by the different groups who will gain employment through the assistance available through the welfare to work measures are estimated to be as follows:

Parents	56,000
People with disabilities	20,000
Very long-term unemployed	15,000
Mature age	11,000
Additional recipients due to the income support taper rate changes	7,000
Total	109,000

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**Question:**

Can you provide further explanation of the links in the sections of the Act that explain where a person who is deemed as not being capable of working 15 hours a week after 2 years will automatically go onto DSP?

**Answer:**

A new section 94A “Qualification for disability support pension-person transferring to that pension” is the relevant section in the Employment and Workplace Relations Legislation Amendment (Welfare to Work and other Measures) Bill 2005.

Under the provision people only have to undertake any training and other activities that are required of them over the 2 years. People will not have to undertake assistance, such as training, if it is not available or if it is not required of them.

People who are assessed after 2 years as being unable to work for 15 hours a week will be entitled to DSP under this new provision without making a separate claim. This is allowed under the Social Security Administration Act (section 12). Centrelink will be able to transfer the person straight on to DSP.

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**Question:**

Was there anything in the submissions to the inquiry that has come as a surprise to the department - or was that anything outstanding that the Department had not heard or understood?

**Answer:**

The themes raised in the submissions had already arisen during the Department's consultations with the community and stakeholders.

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**Question:**

Could you provide the amount that Job Network actually funded last financial year and the increase in funds to the Job Network and other employment services through the Welfare to Work package?

**Answer:**

Expenditure on Job Network services in 2004-05 was \$1,385 million.

In accordance with the measures announced in the Budget, estimates of additional funding for services over three years for the Welfare to Work measures are listed below.

<b>Welfare to Work Package announced in the 2005-06 Budget:</b>	<b>Estimated Programme Cost (\$m)</b>			
	<b>2006/07</b>	<b>2007/08</b>	<b>2008/09</b>	<b>3 Year Total</b>
<b>Vocational Rehabilitation</b>	68.645	59.616	57.770	<b>186.031</b>
<b>Disability Open Employment Services</b>	37.364	71.967	64.232	<b>173.563</b>
<b>Other disability services (including workplace modifications)</b>	8.200	9.160	10.671	<b>28.031</b>
<b>Personal Support Programme</b>	21.068	23.895	21.041	<b>66.004</b>
<b>JPET</b>	0.136	0.085	0.087	<b>0.308</b>
<b>Community Development Employment Project</b>	9.662	6.934	7.744	<b>24.340</b>
<b>Work for the Dole</b>	32.326	36.714	38.150	<b>107.190</b>
<b>Job Network*</b>	165.475	284.097	283.815	<b>733.387</b>
<b>Total</b>	<b>342.876</b>	<b>492.468</b>	<b>483.510</b>	<b>1,318.854</b>

Notes:

- Job Network costs include the new Wage Assist and Employment Preparation services announced in the Budget.
- These listed services are only those in the DEWR portfolio. Other Welfare to Work services, such as Comprehensive Work Capacity Assessments are funded by other portfolios.

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#### **QUESTIONS ON NOTICE**

**Question:**

If a single parent is asked to take a job from 2am to 7am and childcare is available (but the parent still thought they would not be able to effectively parent if they worked those hours) would they be in breach of the guidelines if they knocked back the job?

**Answer:**

They would be able to decline a job in nearly all instances. The only instances where they might be required to take the job is where there was approved childcare available. For example, in-home care might be available or the workplace (eg hospital, hotel) might have workplace based approved child care on site that takes children of school-age. Approved childcare, such as this example, is typically not available for children 6 years and over, so the situation would hardly, if ever, arise. If it did arise, the cost of the childcare for these hours might be too expensive, and so the job would become unsuitable on the grounds of costs of care.

Where approved childcare such as that outlined above is not available, the parent decides whether they have informal childcare available. If they did have informal childcare available between 2am and 7am, which meant they could take the job, but they did not want to use that informal childcare, they would not have to, it is up to the parent.

These safeguards regarding suitable and approved childcare will be supported by legislative provisions.

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**Question:**

Can you provide more information on the kind of evaluation process that will be put in place for Welfare to Work and what type of data will be collected.

**Answer:**

The Welfare to Work reform package includes \$11.2 million over four years for effective and timely monitoring and evaluation of Welfare to Work measures. The Government's commitment to monitoring and evaluation of the Welfare to Work measures includes establishing the capacity to analyse and track in 'real time' the impact of the reforms through enhancements to information systems. This measure will contribute to a comprehensive picture of how the reforms assist people in their efforts to seek and maintain work.

The evaluation strategy for Welfare to Work is currently being developed by the Department of Employment and Workplace Relations. It will examine the impact of reform measures, both as a whole and for the key target groups of people with disabilities, parents (including sole parents), mature age job seekers and the very long term unemployed. Evaluation findings will be supported by a high quality, robust and comprehensive evidence base.

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**Question:**

Are there any reports from FACS in relation to PES and outcomes in terms of employment and additional information?

**Answer**

Yes. The report, Evaluation of the Pensioner Education Supplement, was completed in December 2000 and released to the Senate Community Affairs Legislation Committee in June 2003 (Budget Estimates) as an answer to a question on notice from Senator Moore (question No.117).