

Top Employers using Workforce Australia Services - Labour Hire analysis

- Job placements have been recorded for over **121,000 employers** (by ABN) between 1 July 2022 and 31 December 2023. The **top 10 employers**, shown below, account for **3.6%** of all job placements recorded to date.
- Six of the top 10 employers are labour hire companies. The remaining four are large retail or hospitality employers with wide geographical coverage.
- Labour hire companies account for **14.9% of total job placements** recorded in Workforce Australia to date. This compares to around 2.3% of jobs across the economy. The reason for the much higher prevalence of labour hire placements in Workforce Australia is likely related to:
 - Workforce Australia participants on average tending to have lower skills, less work experience, and more work barriers than the general working population. This profile matches the type of work often offered by labour hire firms.
 - Providers may find it easier to deal with a smaller number of large labour hire companies, as opposed to a larger number of individual employers.
- Placements with labour hire companies were more likely to be provider-sourced than placements with non-labour hire companies. In Workforce Australia to date 39.9% of all job placements for labour hire companies were recorded as provider-sourced placements, compared to 23.9% for non-labour hire companies.

Top 10 Employers – Job placements recorded by providers, as at 31 December 2023

Employer	Labour hire company	ABN	Workforce Australia Services	Transition to Work	Total	Provider-sourced placements
Woolworths Group Limited	N	88000014675	2,010	501	2,511	14.4%
Coles Supermarkets Australia Pty Ltd	N	45004189708	1,752	341	2,093	14.2%
Programmed Skilled Workforce Limited	Y	66005585811	1,562	139	1,701	64.1%
Randstad Pty Limited	Y	28080275378	967	56	1,023	36.2%
Hays Specialist Recruitment (Australia) Pty Limited	Y	47001407281	739	20	759	11.5%
Kmart Australia Limited	N	73004700485	564	169	733	11.9%
Australian Leisure and Hospitality Group Pty Limited	N	37067391511	601	94	695	17.4%
Tailored Workforce Trust	Y	50624417887	584	78	662	89.0%
WorkPac Pty Ltd	Y	52111076012	547	42	589	40.1%
Toll Personnel Pty Limited	Y	66110880503	533	39	572	54.5%

Notes:

- The top 10 employers are based on the sum of job placements for both Workforce Australia Services and Transition to Work, and so may differ to the top 10 employers for either program individually.
- Job placements are not recorded for Workforce Australia Online.
- Broome Employment Services separated from Workforce Australia Services from 1 November 2023. Placements for Broome Employment Services are not included.

Related Questions received on notice

PDR Link	Submitted By	Subject	Answer Summary
SQ23-000598	O'Sullivan, Matt	Top 10 employers using Workforce Australia	Data on job placements by ABN, to 31 December 2022, for top 10 ABNs
SQ23-000195	Payman, Fatima	Wage subsidies to labour Hire companies	The total value of wage subsidies flowing to labour hire companies since the start of Workforce Australia
SQ23-001140	O'Sullivan, Matt	Workforce Australia Services	Information about how the department is raising awareness of Workforce Australia with employers and incentivising engagement

Work for the Dole

Purpose of the program

- Work for the Dole activities provide participants with work-like experiences that benefit or contribute to the community.
- Work for the Dole is the Mandatory Activity for participants in Workforce Australia Services who have not met the activation requirement by their activation point (i.e. generally every 6 months).
 - Participants can undertake an alternate activity if it better suits their individual circumstances, even once they reach the activation point.
 - Work for the Dole can also be undertaken voluntarily at any time in Workforce Australia Services.
 - Participants accrue points towards their Points Based Activation System (PBAS) target whether it is being undertaken as a Mandatory Activity or voluntarily.
 - Participation in Work for the Dole is for a minimum of 8 weeks.

Commencements and activities under Workforce Australia

Period	Participant Commencements		Approved Activities
	Referred*	Commenced	Total Activities
1 July 2022 to 31 December 2023	17,653	12,035	2,334
Current as at 31 December 2023	1,616	1,157	1,249

*Referred includes participants who have not yet started at their activity. Reasons for this may include, the Participant being referred to an alternative activity, exiting employment services or being subject to a temporary exemption.

Expenditure/Budget (\$ millions)

	2023-24	2024-25	2025-26	2026-27	2027-28	Total FE [^]
Budget	32.544	37.367	40.352	40.936	41.090	192.289
Actual Expenditure	4.109					4.109

[^]Total forward estimates budget for 2023-24 to 2027-28

Contract to Date Expenditure:

- Total expenditure under Workforce Australia (1 July 2022 - 31 December 2023) for Work for the Dole is \$8.164 million.
- Actual expenditure is lower than the forecasted expenditure amount due to the flexibility participants have to satisfy their activation requirement through alternate activities such as such as Employability Skills Training, Career Transition Assistance, Skills for Education and Employment or accredited training courses.

What has the Government said about the program?

Select Committee for Workforce Australia Employment Services

- The House Select Committee Inquiry into Workforce Australia Employment Services released its final report on 30 November 2023.
- The report recommended that Work for the Dole be retained where participants do not meaningfully engage or comply with their Job Plans over the long term, and that participants should receive realistic financial supplementation to cover their costs of transport and participation.
- The Government is carefully considering the report and its recommendations and is expected to respond to the report in the first half of 2024.

Recent media and stakeholder views of the program

- In response to the release of the Select Committee Report the Brotherhood of St Laurence announced on 15 January 2024 that they will no longer be accepting volunteers referred from Work for the Dole. The Brotherhood of St Laurence have not hosted any Work for the Dole activities since the commencement of Workforce Australia.
- Following the release of the statement from the Brotherhood of St Laurence, The Guardian, SBS News and The Project submitted media requests to the Department. A response from the Department was provided to these requests. The story aired on The Project on 19 January 2024 and included interviews with the Brotherhood of St Laurence, the Saturday Paper, and the AntiPoverty Centre.

Remuneration

- Many media outlets refer to Work for the Dole as a form of labour. Income support payments are not a wage for participating in activities such as Work for the Dole. In return for income support payments, individuals are expected to do all that they are able to in order to look for work or build their capacity to work. Participants in Work for the Dole receive a fortnightly \$20.80 Approved Program of Work Supplement, administered by Services Australia.
- Community peak bodies such as the Antipoverty Centre continue to advocate for the cessation of Work for the Dole on the basis that activities are unsafe and remuneration does not reflect activities undertaken.

Freedom of Information Requests

In response to an FOI request, the release of certain Work for the Dole documents occurred in the week of 15 January 2024.

How the program operates

- There are 2 types of Work for the Dole activities, **Work for the Dole Placements** and **Work for the Dole Projects**.
 - **Work for the Dole Placements** involve placing single participants into individual roles within a Host Organisation and have been available since 4 July 2022.
 - **Work for the Dole Projects** involve placing groups of participants in community projects developed specifically as a Work for the Dole activity and have been available since 4 October 2022.
- Participants must be aged 18 years and over, registered in Workforce Australia Services and in receipt of income support to undertake Work for the Dole. Work for the Dole may be undertaken voluntarily at any time while in Workforce Australia Services or as the Mandatory Activity.
- Work for the Dole activities must only be hosted* by:
 - not-for-profit organisations/charities
 - local, state, territory or Australian Government organisations or agencies or;
 - a not-for-profit arm of for-profit organisations

*Except in specific circumstances, such as Community Support Projects.

- Workforce Australia Services providers engage Host Organisations in their Employment Regions to deliver Work for the Dole activities that suit the individual needs of their caseload.
- Providers can tailor an appropriate number of activity hours to a person's individual circumstances, rather than having a 'set' number of hours prescribed.
- Activities can include training to provide participants with the opportunity to obtain a license, qualification, micro-credential, or other recognised skill.
- Activities should provide participants with the opportunity to develop some or all of the 10 core competencies identified by Jobs and Skills Australia (digital engagement, initiative and innovation, learning, numeracy, oral communication, planning and organising, problem solving, reading, teamwork, writing).

Work for the Dole participation requirements

- Participants serviced by a Workforce Australia Services Provider generally have a Mandatory Activity Requirement at 6 months, or at 3 months if they were referred from Workforce Australia Online after 12 months, and then every 6 months if they have not been intensively engaged in services. Work for the Dole is the default activity for eligible participants who have a Mandatory Activity Requirement.
- All placements in Work for the Dole must be for a minimum of 8 weeks. Participants undertaking Work for the Dole to meet their Mandatory Activity Requirement are required to participate for a minimum of 8 weeks to meet their requirement.
 - Participants undertaking Work for the Dole on a voluntary basis may remain in the activity for longer than 8 weeks should they choose to do so.
- There are 2 participation requirement categories for Work for the Dole:
 - 15 - 25 hours per week for participants with full-time requirements
 - 7.5 - 15 hours per week for participants who are:
 - aged 18-59 who have partial capacity to work or are principal carers
 - aged 60 – up to age pension
 - Disability Support Pension (DSP) recipients under 35 who have participation requirements.

Suitability

- Providers must ensure activities are safe for participants and consider the participant’s suitability in relation to their individual circumstances, including any cultural and religious beliefs.
- Participants should discuss with their provider if they do not feel their individual circumstances are being taken into consideration. If they are not satisfied with the response from their provider, they should contact the National Customer Service Line.
- Providers are also required to adhere to specific guidelines when identifying suitable Host Organisations to deliver Work for the Dole activities.
 - For example, providers cannot engage Host Organisations to deliver Work for the Dole activities if the organisation condones any form of discrimination, including on the grounds of religion, race, ethnic group, language, sex, or disability.

Self-Referral

- Some providers, who are also not-for-profit organisations and meet the Host Organisation eligibility requirements, can host their own Work for the Dole activities, however, the uptake in Workforce Australia has been low. In addition, providers who are also a Registered Training Organisation (RTO) may deliver training elements within their activities. Arrangements are in place to ensure other organisations continue to have access to undertake these roles.
- A provider who is also an RTO may deliver training for up to 50 per cent of their Work for the Dole activities.
- A provider may not deliver training on a Work for the Dole activity where they are both the arranging provider and the Host Organisation.
- Providers cannot create Work for the Dole activities that result in a benefit or gain to the provider. Work for the Dole fees paid for activities cover the running costs of the activity only such as risk assessments, provision of personal protective equipment and induction training.

Incidents

- From 1 July 2022 to 31 December 2023, there have been a total of **103 incidents** (1 per cent of participants) among the **10,277 unique participants** who have participated in Work for the Dole under Workforce Australia.
 - Incidents involving injuries (**89**) include strains to muscles/tendons or joints, fractures, dislocation, scratches, cuts and burns.
 - Incidents not involving injury (**14**) may include, for example, feeling faint, experiencing chest pains, falling or tripping and near misses, however, the participant has not reported sustaining an injury because of the incident.

- In comparison, Safe Work Australia report that 3.5% of the working population experienced a work-related injury or illness in financial year 2021-22 (Source: *Analysis of ABS Work-related injuries survey data, 2021-2022*).

Safety and Insurance

- Providers and Host Organisations have a legal requirement to ensure the workplace and the activity being carried out meets all Work Health and Safety (WHS) obligations under relevant legislation and program requirements.
- The department purchases personal accident insurance and public and product liability insurance to cover participants who undertake activities such as Work for the Dole.
- Providers must confirm that associated Host Organisations have current and appropriate insurance to cover any risks associated with the Work for the Dole activity.
- WHS matters are a critical priority for the program. Providers are responsible for ensuring all activities have an Activity Risk Assessment prior to starting. In addition, Providers must complete a Participant Risk Assessment for each participant before they can be referred to an activity.
- Providers must also consider the individual circumstances of participants when placing them in an activity. This includes ensuring they comply with the direction on face-to-face service delivery which outlines it is not reasonable to require participants to undertake face -to-face activities (such as Work for the Dole) where they have genuine COVID concerns.

Research

- Post Program Monitoring (PPM) results under jobactive consistently showed most Work for the Dole participants in jobactive were satisfied that they operated in a safe work environment, had good supervision, and were pleased with the quality of their Work for the Dole activity.
- Departmental evaluation research also found many participants appreciated the social interactions of their Work for the Dole placement and recognised the community benefit of the program.
- It is expected that PPM results for participants undertaking Work for the Dole in Workforce Australia Services will be published in May 2024.

Related Questions received on notice

PDR Link	Submitted By	Subject	Answer Summary
SQ23-001226	Rice, Janet	Provide the latest data on incidents, risk assessments, injuries and complaints from Wfd sites	Every Work for the Dole activity is required to have an Activity Risk Assessment to identify the risks at each activity and how each risk will be mitigated. Table in response document provides detail on 78 WHS incidents and injuries broken down by category from 1 July 2022 to 30 September 2023. For the period 1 July 2022 to 30 September 2023, 48 complaints were received by the NCSL about Wfd from Participants in Workforce Australia Services. Response document details the top 3 types of complaints; Wfd referral, Provider issues and Host Organisation issues.
SQ23-001547	O'Sullivan, Matt	What is the number of Wfd Participants now?	Since the commencement of Workforce Australia there have been 9,605 commencements in Work for the Dole (as at 30 September 2023). Note: a person may commence in Work for the Dole more than once.

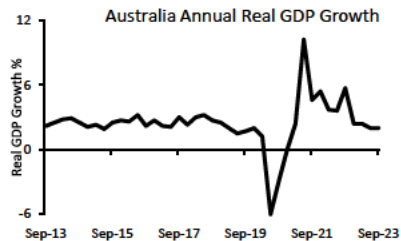
Economic Factsheet

Australia's economy is resilient despite slowing global conditions

- Softening of the labour market is evidenced by:
 - Employment growth slowing** from 7.2% from Oct 2021 to 2022 (peak post COVID), to 2.8% from Dec 2022 to 2023.
 - Job vacancies** peaking post COVID in May 2022 and **falling** by 18.3% to Nov 2023.
 - Monthly hours worked** peaking post COVID in Apr 2023 at 1,985 million hrs and **falling** to 1,926 million hrs in Dec 2023.
 - Unemployment rate rising** after low of 3.4% in Oct 2022.
 - Labour productivity falling** by 2.9% between 2021-22 to 2022-23, after growing 2.5% from 2020-21 to 2021-22.
- From May 2023 to 2023:
 - Employment projected to increase 14.2% = 2m people.**
 - At least **9 / 10 new jobs will require post-secondary quals.**
 - Around 44% will require a VET qual (51% in 2023), and 48% will require a bachelor's degree or higher (35% in 2023).
 - Jobs growth: Digital and tech by 21%, care and support by 22%, clean energy workforce by 30%.

Wages are growing, with real wages growth expected to be positive from mid-2024

- Wage Price Index** increased 3.2% from Sept 2021 to 2022 and 4.0% from Sept 2022 to 2023.
 - Quarterly wage growth was at a record high** of 1.3% from July to Sept 2023.
- Inflation rising faster than wages** - real wages have fallen 1.4% from Sep 2022 to 2023.
- Inflation rising faster than wages** - real wages have fallen 1.4% from Sep 2022 to 2023. However with CPI increasing by 4.1% from Dec 2022 to 2023, if WPI rises by 4% from Dec 2022 to 2023 real wages will have fallen only 0.1% and positive real wages growth will be within sight.
- May 2023: average weekly ordinary time earnings for full-time adults at \$1,838.10; median earnings at \$1,600.
- MYEFO 2023-24 and RBA (Nov 2023) forecast that **real wage growth will turn positive from mid-2024.**



All figures are from Dec 2023 and seasonally adjusted, unless otherwise stated. Figures around rounded to the nearest whole number unless a decimal place is necessary.

Labour force participation is at record highs and the unemployment rate is low

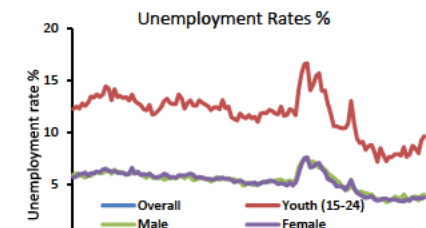
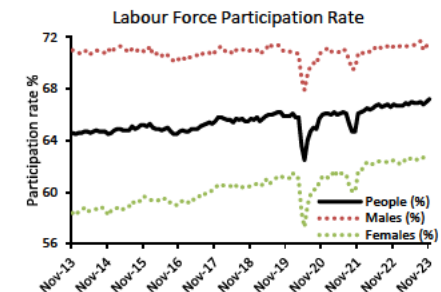
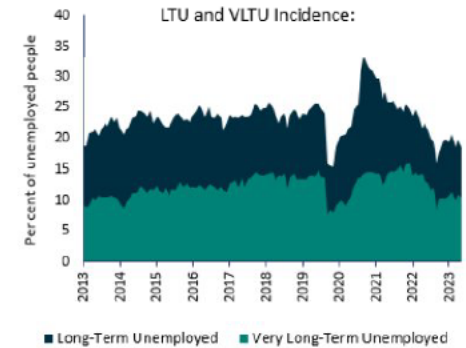
- Unemployment rate** at 3.9%, **below pre COVID** 5.0% in Dec 2019.
- Youth unemployment** at 9.5%, **below pre COVID** 11.7% in Dec 2019.
- Participation rate** at 66.8% (percentage of working aged employed and unemployed).
- Female participation rate at 62.6%, male participation rate at 71.2%.
- Gender participation rate gap at 8.6%, down from 12.7% in Dec 2013.
- 14.2m employed workers (85.2% of workforce):**
 - Inc 12.1m employees: 9.8m full-time, 4.4m part-time and 2.7m casual employees. 9.4m employees were permanent.
 - 1m independent contractors.
 - Over 2022-23, 1% reported undertaking digital platform work.

The White Paper has set goals for full and inclusive employment

- In Sept 2023, 6.6% of **workers had multiple jobs** (5-6% pre COVID).
- Women have lower wages and super despite longer life expectancy** (85.2 yrs) than men (81.3 yrs) but (in 2020-21, median super for women 60-64 years was \$53,000 less than that of men).
- First Nations employment behind** (52% in 2021).
- Employment rate for people with disability behind** (50% in 2018).
- Employment rate for mothers:** single with child less than 5 yrs (52%) and partnered (70%) compared to fathers (90%) (2022).
- Unemployment rate for 15-24 yr olds is 2x rate** for all Australians.
- 20% of unemployed were long term unemployed for 12 mths or more (LTU) and 11% were very LTU for 24 mths or more (VLTU).
 - LTU and VLTU incidence has increased but remains below pre COVID levels** (proportion of LTU/VLTU of unemployed dropped during 2020 due to large influx of unemployed persons from COVID).

While more people are participating in paid work than ever before, there is untapped potential

- MYEFO 2023-24 forecasts **unemployment to rise to 4.5% in June 2025.**
- DEWR analysis shows **risk for higher unemployment** if global tensions escalate and/or interest rates are higher for longer.
- Underemployment higher than unemployment** since 2003.
 - 1.5m underutilised:** 0.5m unemployed, 1m underemployed.
 - 20% of part-time workers want more hours** (Feb 2023).
- Proportion of businesses reporting at least one vacancy decreased** from 27.7% in Nov 2022 to 19.7% in 2023.
 - Expansion of demands for customer-facing jobs means larger proportion of high-skill workers sought for these roles.
 - Fall in internet vacancies is largest for food preparation assistants, sales workers and hospitality workers.



Last Cleared By **s 22(1)**
Date Last Cleared 22 January 2024

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SB24-000068
Data for: 31 January 2024

Economic & Labour Market data (ABS)

	Latest data	Pre-COVID comparison
Real GDP growth	2.1% over the year (Sep-23)	2.0 (Dec-19)
Quarterly CPI inflation	0.6% over the year (Dec-23)	0.3 (Mar-20)
Yearly CPI inflation	4.1% over the year (Dec-23)	2.2 (Mar-20)
Wage price index (WPI) growth	4.0% over the year (Sep-23)	2.2 (Mar-20)
Real wages growth	-1.3% over the year (Sep-23)	0.0 (Mar-20)
Employed workers	14.2 million (Dec-23)	13.0 million (Mar-20)
Working more than one job	955,600 (Sep-23)	787,900 (Mar-20)
Independent contractors	1.0 million (Aug-23)	1.0 million (Aug-19)
Casual workers	2.7 million (Nov-23)	2.6 million (Feb-20)
Casual share of employees	22.5% (Nov-23)	24.1% (Feb-20)
Participation rate	66.8% (Dec-23)	65.8% (Mar-20)
Unemployment rate	3.9% (Dec-23)	5.2% (Mar-20)
Underemployment rate	6.5% (Dec-23)	8.7% (Mar-20)
Long-term unemployed	107,200 (Dec-23)	171,800 (Mar-20)
Very long-term unemployed	61,300 (Dec-23)	74,100 (Mar-20)
Job vacancies	388,800 (Nov-23)	227,600 (Feb-20)

Labour force data (ABS)

	Dec-2023	Monthly change
Unemployment rate	3.9%	0.0%pts
-Youth rate (15-24 yrs)	9.5%	-0.2%pts
-Female rate	3.8%	0.1%pts
-Male rate	3.9%	-0.1%pts
Underemployment rate	6.5%	0.0%pts
-Female rate	8.0%	0.3%pts
-Male rate	5.2%	-0.3%pts
Participation rate	66.8%	-0.4%pts
-Female participation rate	62.6%	-0.4%pts
-Male participation rate	71.2%	-0.5%pts
Total employed	14,201,100	65,100 (-0.5%)
-Female employed	6,762,600	-37,400 (-0.5%)
-Male employed	7,438,500	-27,000 (-0.4%)
Full-time employed	9,791,200	-106,600 (-1.1%)
-Female full-time	3,802,500	-79,500 (2.0%)
-Male full-time	5,988,800	-27,000 (-0.4%)
Part-time employed	4,409,900	41,400 (0.9%)
-Female part-time	2,960,100	42,200 (1.4%)
-Male part-time	1,449,800	-700 (-0.0%)
Total unemployed	573,600	800 (-0.1%)
-Female unemployed	270,100	6,800 (2.6%)
-Male unemployed	303,500	7,600 (-2.4%)

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Page 2 of 2

Silica and engineered stone

What has been announced

- On 13 December 2023, Commonwealth, state and territory work health and safety (WHS) Ministers unanimously agreed to a prohibition on the use, supply and manufacture of engineered stone, with the majority of jurisdictions to commence the prohibition from 1 July 2024.
 - This prohibition was recommended in Safe Work Australia's Decision Regulation Impact Statement: *Prohibition on the use of engineered stone* (Decision RIS), in response to the rise in silicosis diagnoses in engineered stone workers.
 - The prohibition will be subject to appropriate exceptions for activities such as removal, repair, minor modification, and disposal of engineered stone products installed prior to the prohibition (legacy products), as well as appropriate exceptions for engineered stone products with trace levels of crystalline silica (under 1%).
 - Engineered stone will be defined for the purposes of the prohibition in accordance with the model WHS Regulations, with an exemption process for particular products such as concrete and cement products; ceramic wall and floor tiles; and porcelain products.
 - A process for exempting products from the prohibition will be identified by Safe Work Australia, in consultation with WHS regulators.
- Ministers also agreed there is a need for a transition period for contracts entered into on or before 13 December 2023 and will settle arrangements for this at their next meeting in March 2024, or out of session earlier if possible.
- The Commonwealth also intends to put in place a complementary importation prohibition on engineered stone to provide an additional layer of enforcement and deterrence at the border.
- These outcomes were published via a communique posted on the Department's website. Reference: <https://www.dewr.gov.au/work-health-and-safety/resources/work-health-and-safety-and-workplace-relations-ministers-meeting-13-december-2023>.
- The Commonwealth will also provide \$9.3 million over two years from 2023-24 to deliver a communications strategy to support decisions taken by WHS Ministers to prohibit the use of engineered stone.

Current status of the policy

- WHS Ministers have agreed to meet in March 2024 to consider a number of implementation matters.
- Amendments to the model WHS laws to include a prohibition on the use of engineered stone are being progressed by Safe Work Australia as a matter of priority.

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SB24-000007

- WHS Ministers also requested Safe Work Australia progress the following work by the end of February 2024:
 - develop a national framework to support jurisdictional management of working with legacy products, such as removal, modification, repair work, and disposal
 - settle policy parameters for amendments to the model WHS Regulations on crystalline silica processes, including additional training requirements, requirements to conduct air monitoring, and reporting of workplace exposure standard exceedances, and
 - determine a process through which products may be exempt from the prohibition.
- To implement any amendments to the model WHS laws, Commonwealth, state and territory governments must adopt these laws into their own WHS laws to take effect.
- The Government is delivering a communications strategy to support the decision by WHS Ministers to prohibit the use of engineered stone. The strategy includes a communications and public relations campaign to ensure that consumers, workers and businesses receive clear and consistent information about the engineered stone prohibition.
 - Developmental research to identify target audiences and key messages commenced in December 2023. The campaign is currently under development, with a launch date to be confirmed (see also **SB24-000045 -Campaigns – Fee free TAFE and engineered stone**).

Stakeholders consulted

- The Government has engaged in significant consultation on addressing silicosis and silica-related diseases in engineered stone workers. The department has engaged with businesses, employer peaks, unions and state and territory governments on these issues.
 - Businesses have included: Caesarstone, Cosentino, ^{s 47G(1)}, ^{s 47G(1)(b)}, ^{s 47G(1)(b)}, ^{s 47G(1)}.
 - Employer peaks have included: Australian Chamber of Commerce and Industry; Master Builders Association and the Housing Industry Association.
- Safe Work Australia's Decision RIS involved public consultation, receiving 114 submissions from businesses, workers, industry groups, unions, health experts and professional bodies and governments.
 - Safe Work Australia can answer questions on the consultation process for its Decision RIS.

Business impacts

- The majority of jurisdictions have agreed to commence the prohibition from 1 July 2024. This timeframe is designed to allow for existing stocks of engineered stone to be used up by businesses prior to the ban coming into effect.

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Page 2 of 4

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SB24-000007

- WHS Ministers have agreed to settle transitional arrangements by March 2024 in relation to contracts for engineered stone products entered into on or before 13 December 2023.
- The Decision RIS estimated that there are approximately 750 – 1,250 businesses involved in fabricating and/or installing engineered stone, and approximately 12 wholesalers who import engineered stone.
- Safe Work Australia found that 95% of businesses who responded to its consultation process work with both engineered and natural stone products and are likely to transition to work with just natural stone or other alternative products.
- Safe Work Australia’s modelling estimates the total costs of the prohibition to businesses that fabricate and install engineered stone to be \$6.9 million over 10 years, stemming from costs of possible closures (assumes around 93 businesses), and purchasing new equipment.
- Safe Work Australia found that the high demand for skilled labour in the construction sector would reduce the impact on any workers that may be displaced.
- If workers are displaced, they will have access to a range of existing Commonwealth support measures and programs.
 - For example, employment-related services will be available to help workers find a new job as quickly as possible, including through services such as the Transition Support Network and Workforce Australia’s Early Access Initiative.
 - Workers looking to retrain or upskill will benefit from the Government’s commitment to deliver a strengthened vocational education and training sector under the National Skills Agreement. Depending on eligibility, this may include access to free training for workers through the Fee Free TAFE initiative and/or the provision of a range of financial benefits and incentive for employers and apprentices in priority occupations.

Recent media on this policy

13 December 2023

[The Guardian: ‘Dangerous product’: Australian ban on engineered stone to begin next year](#)

- The article notes the unanimous agreement of Ministers to ban the use of engineered stone, flags the Commonwealth’s intention to implement a customs ban and raises the issue of transitional arrangements for engineered stone ordered on or before 13 December 2023.

13 December 2023

[The Australian Financial Review: Engineered stone ban leaves builders, customers in disarray](#)

- The Housing Industry Association calls for greater clarity on what the ban on engineered stone means for current building projects and the Master Builders Association raises concern over the uncertainty of transitional arrangements.

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Page 3 of 4

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SB24-000007

Next steps, including consideration by Government where expected

- WHS Ministers will meet in March 2024 to endorse amendments to the model WHS laws to give effect to the prohibition and consider a range of implementation matters being considered by Safe Work Australia.
- WHS Ministers will settle transitional arrangements for contracts entered into on or before 13 December 2023 at the next meeting in March 2024, or out of session earlier if possible.
- Implementation arrangements for a complementary import ban are being considered by Government.

Budget

Budget process	Measure	Funding
2023-24	Funding to expand the functions of the Asbestos Safety and Eradication Agency (ASEA) to include matters relating to respirable crystalline silica and silica-related diseases (announced as part of the measure 'Addressing silicosis and silica-related diseases').	\$4.2 million over 4 years
2023-24	Funding to the department to administer grants to Safe Work Australia social partners to deliver national awareness and behaviour change initiatives relating to silica dust in the workplace (announced as part of the measure 'Addressing silicosis and silica-related diseases').	\$1.2 million over 2 years
2023-24	Funding for the department to progress reforms to address silicosis (announced as part of the measure 'Addressing silicosis and silica-related diseases').	\$4.7 million over 4 years
MYEFO 2023-24	Funding to the department to deliver a national communications campaign to inform stakeholders about the prohibition on engineered stone and what it means for them.	\$9.3 million over 2 years

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Date Last Cleared	29 January 2024

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Page 4 of 4



Australia news

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'Dangerous product': Australian ban on engineered stone to begin next year

Most states and territories to ban product on 1 July 2024, with the commonwealth flagging an import prohibition

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Benita Kolovos

Wed 13 Dec 2023 18.23 AEDT

Australia will ban the use, supply and manufacture of engineered stone, in a move that has been described as lifesaving.

State and federal workplace ministers met on Wednesday, where they agreed to ban the material, which is commonly used in kitchen and bathroom benchtops. When cut, the product releases fine silica dust that has been found to cause deadly diseases and cancers.

A communique of the meeting said the decision was unanimous, with the majority of jurisdictions to have a ban in place from 1 July 2024.

Victoria, Queensland and New South Wales issued statements after the meeting, in which they committed to this date.

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"No one should be exposed to fatal risks simply by going to work. It's just unacceptable," Victoria's minister for WorkSafe, Danny Pearson said.

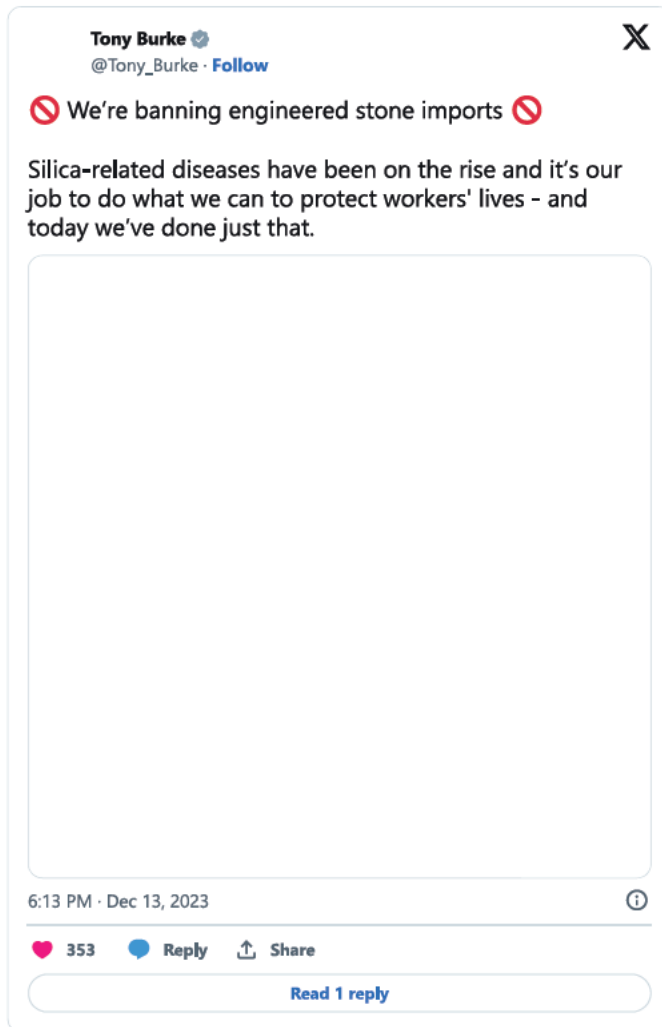
Queensland's industrial relations minister, Grace Grace, said: "This is a dangerous product that's known to cause the potentially fatal disease silicosis, and it has no place in our workplaces."

New South Wales' minister for work health and safety, Sophie Cotsis, congratulated "all workers, unions, medical experts and businesses that I stood side by side as we campaigned for this day".

"My message to business and consumers is this: it's time for you to stop buying this stuff. Don't enter into any further contracts," she said.

The federal government has also flagged a customs prohibition on engineered stone, effectively banning the importation of the product.

Ministers will consider at another meeting in March 2024 whether there will need to be a transition period for engineered stone ordered prior to Wednesday. But in the interim, they have urged businesses and consumers not to enter into any new contracts.



The decision follows a recommendation by Australia’s workplace safety watchdog [to prohibit](#) the use of all engineered stone, irrespective of crystalline silica content, to protect the health and safety of workers.

The Safe Work Australia report found the rates of silicosis and silica-related diseases have “risen substantially in recent years, with a disproportionate number of diagnoses in engineered stone workers”. It said there was [“no evidence”](#) that lower levels of crystalline silica could be safe for workers cutting and grinding engineered stone.

The release of the report prompted several businesses, including Bunnings and Swedish furniture giant Ikea, to [phase out its engineered stone products](#). Many states, including Queensland, Victoria and Western Australia had already banned dry-cutting of the stone.

Safe Work Australia’s chief executive, Marie Boland, on Wednesday said the prohibition will make workplaces “safer and healthier”.

“The cost to industry, while real and relevant, cannot outweigh the significant costs to workers, their families and the broader Australian community that result from exposure to respirable crystalline silica from engineered stone,” Boland said.

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“Continued work with engineered stone poses an unacceptable risk to workers, which is why we recommended a prohibition on the use of all engineered stone.”

The Australian Council of Trade Unions assistant secretary, Liam O’Brien, said the ban would “save lives”.

“We thank ministers for putting workers lives ahead of corporate profit,” O’Brien said.

“Engineered stone is a fashion product that is killing the workers who make it. With alternatives readily available, why are we risking the lives of tradies for a fashionable finish in our kitchens?”

Law firm Maurice Blackburn, which represents workers who have been diagnosed with deadly silicosis and other related autoimmune diseases, also welcomed the decision.

“Like asbestos, there is no safe level of workplace exposure to silica dust,” principal lawyer, Jonathan Walsh, said.

“We welcome this ban on engineered stone. It will save lives and protect countless others from diseases caused by dangerous silica dust.”

According to the ministers’ communique, exceptions will be introduced for the removal, repair, minor modification or disposal of engineered stone installed before 1 July 2024, as well as for products with trace levels of silica under 1%.

Safe Work Australia has been tasked with drafting amendments to the model workplace health and safety regulations, which will then be added to each jurisdiction’s existing laws.

It has also been asked to develop a national framework for legacy engineered stone products and a process for assessing new products for possible exemptions, prior to the ministers’ March meeting.

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Engineered stone ban leaves builders, customers in disarray

A national decision to ban engineered stone products left companies in Australia's home-building sector unable to tell customers on Wednesday if they could supply benchtops they had contracted to buy, or whether they would have to go back and renegotiate new products at new prices.

The agreement by workplace relations and work health and safety ministers to ban the supply and manufacture of engineered stone, with "the majority" of jurisdictions to implement the prohibition from July 1 next year, was clear, said Simon Croft, Housing Industry Association chief executive of industry and policy.



Banned from July 1, 2024, but industry says the lack of detail about existing contracts with engineered stone products is disappointing and confusing. **Eddie Jim**

But Mr Croft said calls the HIA had been fielding from companies about whether they could take new orders, how to manage orders already received, or what to tell customers in display homes about existing or alternative products showed the detail missing in the ministers' statement.

"What that [means] for current project and current orders, or contracts being entered into now, is where we need to have greater clarity," he told *The Australian Financial Review*.

The [ban](#) agreed by federal, state and territory ministers was largely expected after [a report by agency Safe Work Australia recommended it](#) for

the artificial product made of up to 90 per cent crystalline silica, with minerals, resins and pigments.

While widely used for kitchen and bathroom benchtops, the dust emitted from it in cutting causes silicosis, an often-fatal lung disease, and workers of engineered stone were [over-represented among people diagnosed with the disease](#), the report said.

The statement by ministers, led by Minister for Employment and Workplace Relations Tony Burke, said there would be further discussion before they met again in March to agree on a transition period for contracts entered into on or before Wednesday's agreement.

It said there needed to be agreed exceptions to the ban for removal, repair, modification and disposal of engineered stone products installed before the ban, as well as exemptions for products with trace levels (less than 1 per cent) of crystalline silica.

It further said border controls would need to be in place to prevent imports from circumventing the domestic ban.

Master Builders Australia, which said it was committed to working with the regulator on the ban, said it was disappointed at the legal uncertainty over transition arrangements.

These included relevant contractual obligations relating to existing fixed-price residential contracts, the availability of suitable alternative products at a similar price point and implications for businesses with significant quantities of engineered stone products in stock, and whether there would be compensation or buy-back schemes.

Cyber Security

Key Points

- To ensure the ongoing safeguarding of information held by the department, we do not publicly discuss the details of our information security arrangements.
- Publicly reporting on the department's protective security maturity and vulnerabilities would provide details that malicious actors may exploit and increase the department's risk of its protective security arrangements. Questions relating to the PSPF are a matter for the Department of Home Affairs (DoHA), who can respond on behalf of the Commonwealth.
- The department is committed to the protection of government and public information, and the integrity and availability of ICT systems, from the threat of cyber security incidents.
- The department adopts a risk-based approach to the management of information risk in accordance with:
 - the Protective Security Policy Framework (PSPF)
 - the Australian Cyber Security Centre's (ACSC) Information Security Manual (ISM)
 - the ACSC's Strategies to Mitigate Cyber Security Incidents, in particular, the 'Essential Eight'.
 - Whole-of-Government initiatives, frameworks, and policies.
- The department provides an annual report on its protective security maturity to the DoHA (previously the Attorney Generals Department) under the PSPF.
- The department has several internal activities to educate and raise cyber security awareness to staff on their responsibilities in the evolving threat environment including:
 - mandatory online security education and awareness training for all new staff within four weeks of commencement, includes content on cyber security.
 - a requirement for all staff to complete the mandatory online security training annually to reinforce their security responsibilities.
 - department wide email phishing campaigns to enhance email awareness and security.
 - regular communications to staff to remind them of their security obligations.
- The department closely monitors cyber events, working closely with relevant agencies to understand and remediate where appropriate any potential risks to the department and/or our clients.
- The department continuously monitors the impact of external cyber security data breaches such as the Medibank, Optus and Latitude breaches.
- The ACSC released an enhanced Essential Eight Model in November 2023. The department is adjusting our Cyber Uplift Work Program 2023-2024 to reflect the new requirements of the Essential Eight Model.

Background

- The following **five core elements** underpin the department's **cyber security approach**:
 1. **Secure-by-design:** The department carries out due diligence on all hardware and software implemented within its ICT environment. The department applies security measures throughout the system lifecycle, including capturing security requirements alongside business requirements and incorporating these into system designs.

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2. **Rapid mitigation:** The department proactively monitors publicly known vulnerabilities – through vendors, the ACSC and other sources, and patches or mitigates as quickly as possible.
3. **Assurance:** The department carries out security assessments internally and by independent third parties to identify security gaps and acts to close these gaps. This includes assessment carried out by Information Security Registered Assessors Program (IRAP) assessors, penetration tests and vulnerability assessments.
4. **Collaboration:** The department partners with the ACSC, vendors and service providers, and with other Australian Government agencies, sharing intelligence and knowledge, to reduce the risk of cyber threats.
5. **Cyber resilience:** The department monitors and responds to risks posed by cyber security threats to maintain business operations.

Related Questions received on notice

PDR Link	Submitted By	Subject	Answer Summary
PQ23-000157	Senator James Paterson	TikTok Downloading - Work devices Minister Burke	The Department of Employment and Workplace Relations has IT controls in place that prevent the use of TikTok on work issued devices
SQ23-001110	Senator Michaelia Cash	Internal IT-policy for employees	<p>The department sets out its internal IT policy for employees in the 'Acceptable Use of IT Policy' which is available to staff on the department's intranet.</p> <p>The policy has not been amended in the current financial year.</p> <p>In the current financial year there has been one breach of internal IT policies by an EL1 staff member.</p> <p>There were no occurrences of employees that breached internal IT policies multiple times.</p> <p>The department has not included a copy of the policy as it sets out how the department and its staff meet responsibilities under the Protective Security Policy Framework and Information Security Manual in relation to maintaining the security of information. The policy outlines security responsibilities, compliance rules, acceptable and unacceptable uses of the ICT network. Releasing the policy may provide a malicious actor with information that could adversely impact the security of the department's ICT network.</p>

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Page 2 of 3

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SB24-000038

PDR Link	Submitted By	Subject	Answer Summary
SQ23-001281	Senator Jane Hume	Use of ChatGPT	<p>The use of Generative AI websites, including ChatGPT, was limited for all departmental users on the internal network from 31 May 2023.</p> <p>The department has established a governance structure led by the Chief Digital Officer to oversee the use of Artificial Intelligence, including ChatGPT, within the department.</p> <p>The department's guidelines on the use of generative AI tools are based on the Digital Transformation Agency (DTA) "Interim guidance on generative AI for Government agencies". The department regularly reviews the guidelines to ensure they reflect the latest DTA advice.</p>
SQ23-001099	Senator Michaelia Cash	Storing and Securing of Sensitive Documents DEWR Policy	<p>The department's Information Management Security Policy is currently being revised and updated. The Information Management Security Policy applies equally to all staff regardless of level.</p> <p>The Department has recorded 33 breaches of Information Management Security Policy in the current financial year, across 30 staff ranging in levels from APS3 to SESB1 levels.</p> <p>The department has not included a copy of the policy as it sets out how the department meets its responsibilities under the Protective Security Policy Framework in relation to the security of information. The policy outlines how information is to be protected, accessed, stored, and used. Releasing the policy may provide a malicious actor with information that could adversely impact the security of the department's information.</p>

Last Cleared By	s 22(1)
Date Last Cleared	30 January 2024

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Page 3 of 3

Question on notice no. 1337

Senator James Paterson: asked the Minister representing the Minister for Employment and Workplace Relations on 11 January 2023—

On 8 November and 28 November 2022, before Senate estimates, officials from the Australian Signals Directorate and the Department of Home Affairs confirmed employees of the Departments of Defence and Home Affairs were banned from downloading the TikTok application on their work-issued devices.

Are employees in any department or agency within your portfolio permitted to download TikTok on their work issued devices; if yes, why are they not subject to the same restrictions as Departments of Defence and Home Affairs employees.

Answer —

Minister representing the Minister for Employment and Workplace Relations has provided the following answer to the Senator's question:

The Department of Employment and Workplace Relations has IT controls in place that prevent the use of TikTok on work issued devices.

Standing Committees on Education and Employment**QUESTION ON NOTICE
Budget Estimates 2023 - 2024****Outcome: Cross Portfolio****Department of Employment and Workplace Relations Question No. SQ23-001110**

Senator Michaelia Cash provided in writing.

Internal IT-policy for employees**Question**

Please provide a copy of the agencies internal IT-policy for employees.

- Has this policy been amended in the current financial year? If so, please provide a copy of the amendments the policy.
- Is this the same policy for all employees regardless of APS level classification, if not please provide a copy of any other internal IT-policies.
- How many breaches of internal IT policies have occurred in the current financial year?
- Please provide a breakdown, by APS level classification, of how many employees have breached internal IT policies.
- Please provide a list of how many employees, according to APS level classification, have committed multiple violations of internal IT policies.

Answer

The department sets out its internal IT policy for employees in the 'Acceptable Use of IT Policy' which is available to staff on the department's intranet.

The policy has not been amended in the current financial year.

In the current financial year there has been one breach of internal IT policies by an EL1 staff member.

There were no occurrences of employees that breached internal IT policies multiple times.

The department has not included a copy of the policy as it sets out how the department and its staff meet responsibilities under the Protective Security Policy Framework and Information Security Manual in relation to maintaining the security of information. The policy outlines security responsibilities, compliance rules, acceptable and unacceptable uses of the ICT network. Releasing the policy may provide a malicious actor with information that could adversely impact the security of the department's ICT network.

Standing Committees on Education and Employment**QUESTION ON NOTICE
Supplementary Budget Estimates 2023 - 2024****Outcome: Cross Portfolio****Department of Employment and Workplace Relations Question No. SQ23-001281**

Senator Jane Hume provided in writing.

Use of ChatGPT**Question**

Does the department/agency allow for the use of ChatGPT on the internal network?

- a. If so, what risk management and governance mechanisms are in place to protect government data?
- b. Please provide the department/agency policy on use of artificial intelligence.

Answer

The use of Generative AI websites, including ChatGPT, was limited for all departmental users on the internal network from 31 May 2023.

The department has established a governance structure led by the Chief Digital Officer to oversee the use of Artificial Intelligence, including ChatGPT, within the department.

The department's guidelines on the use of generative AI tools are based on the Digital Transformation Agency (DTA) "Interim guidance on generative AI for Government agencies". The department regularly reviews the guidelines to ensure they reflect the latest DTA advice.

Standing Committees on Education and Employment**QUESTION ON NOTICE
Budget Estimates 2023 - 2024****Outcome: Cross Portfolio****Department of Employment and Workplace Relations Question No. SQ23-001099**

Senator Michaelia Cash provided in writing.

Storing and Securing of Sensitive Documents | DEWR Policy**Question**

Please provide a copy of the Department's internal policy, in relation to the storing and securing of sensitive documents?

- Has this policy been amended in the current financial year? If so, please provide a copy of the amendments the policy.
- Is this the same policy for all employees regardless of APS level classification, if not please provide a copy of any other internal document policies storage.
- How many breaches of internal document storage policies have occurred in the current financial year?
- Please provide a breakdown, by APS level classification, of how many employees have breached internal document storage policies.
- Please provide a list of how many employees, according to APS level classification, have committed multiple violations of internal document storage policies.

Answer

The department's Information Management Security Policy is currently being revised and updated. The Information Management Security Policy applies equally to all staff regardless of level.

The Department has recorded 33 breaches of Information Management Security Policy in the current financial year, across 30 staff ranging in levels from APS3 to SESB1 levels.

The department has not included a copy of the policy as it sets out how the department meets its responsibilities under the Protective Security Policy Framework in relation to the security of information. The policy outlines how information is to be protected, accessed, stored and used. Releasing the policy may provide a malicious actor with information that could adversely impact the security of the department's information.

Online Employment Services Trials

Key points

- On 14 December 2023, the Hon Tony Burke MP and the Hon Dr Andrew Leigh MP jointly announced a series of service improvement trials (**Attachment A**) for Workforce Australia Online.
- From March 2024 onwards, DEWR will conduct five Randomised Controlled Trials (RCTs). **Table 1** provides an overview of the policy intent for each trial.
- The trials will test whether clients using online services get better employment outcomes, such as through more intensive job-finding support delivered by government and reduced length of time in online services.
- RCTs are widely accepted as the gold standard in program impact evaluation. They are a compelling mechanism to assess the effect of new or revised settings in employment services on a smaller scale, to figure out what works best for clients.

Table 1: Overview of Online Employment Services Trials

Trial	Policy intent
Maximum time in online servicing	Will test whether some clients could benefit from provider supports at an earlier stage.
Adjusting (lowering) the Points Based Activation System (PBAS) points target	Will test whether variations in points targets affect employment outcomes of online clients.
Enhanced support for online clients	Will test whether additional targeted support could be beneficial for some online clients.
Digital services review (DSR)	Will test whether some clients could benefit from earlier provider support, and whether improvements can be made to the process for self-assessment of suitability for online services.
Personalised messaging	Will test whether more personalised messaging can be used to improve engagement with online services and resources for clients, including for First Nations peoples.

Current considerations and next steps

Ethical considerations

- The department is conducting these trials to the highest of ethical standards.
- Trial design elements will not be punitive. Client's income support is in no way tied to participation in a trial.

- Additionally, participation will be voluntary and participating clients will be able to opt-out of the trials at any point.
- Prior to commencement, each trial will be considered by an external Human Research Ethics Committee (HREC).
- The ethics review of each trial will be consistent with the National Health and Medical Research Council's *National Statement on Ethical Conduct in Human Research* to ensure the ethical appropriateness of each trial on clients and the community.
- Monitoring of Employment Services System (ESS) data will be enhanced to ensure that the trials operate as intended, and any issues are promptly identified and resolved.

Timing of the trials

- The trials will launch sequentially, with the first two trials expected to launch in March 2024. Refer to **Table 2** for an overview of the timing of the trials, and **Table 3** for the number of clients expected to participate in each trial.

Table 2: Indicative timing of Online Employment Services Trials

Trial name	Expected launch date	Preliminary results	Expected end date
Maximum time in online servicing	March 2024	early-2025	Dec 2025
Adjusting the PBAS points target	March 2024	late-2024	Dec 2024
Enhanced support for online clients	July 2024	mid-2025	Dec 2025
Digital services review	July 2024	mid-2025	July 2025
Personalised messaging	late-2024	late-2025	mid-2026

Table 3: Indicative number of clients that will participate in Online Employment Services Trials

Trial name	Control group	Treatment groups	Total participants
Maximum time in online servicing	10,000	20,000	30,000
Adjusting the PBAS points target	10,000	20,000	30,000
Enhanced support for online clients	10,000	10,000	20,000
Digital services review	500	500	1,000
Personalised messaging	30,000	30,000	60,000

Background

- The trials are being designed in partnership with the Australian Centre for Evaluation (ACE) at Treasury.
- The design of the first two trials (Time in online servicing, Adjusting the PBAS points target) is aligned with relevant findings and recommendations from the Select Committee's report on Workforce Australia. Notably:
 - **Recommendation 19**, which highlights the value of Single Touch Payroll data for evaluation and research purposes.
 - **Recommendation 56 and 57**, which recommend tailoring mutual obligation and compliance frameworks to individual's circumstances, making them more flexible, and considering changes to PBAS points targets.
- Other relevant findings and recommendations will factor into the design of subsequent trials.

Expenditure

- MYEFO 2023-24 allocated \$37.2 million to DEWR — spread over 2023-24 to 2026-27 — to set up and deliver these trials. The bulk of trial related expenditure will be incurred in 2024-25 (\$19.8 million) and 2025-26 (\$10.06 million).
- Table 4 summarises the split of the MYEFO funding across the trials.

Table 4: MYEFO 2023-24 funding breakdown for Online Employment Services Trials

Trial name	Allocated funding
Fixed Costs	\$1.01 million
Maximum time in online servicing	\$18.032 million
Adjusting the PBAS points target	\$1.893 million
Enhanced support for online clients	\$10.902 million
Digital services review	\$2.441 million
Personalised messaging	\$2.932 million
Total for all trials	\$37.210 million

Last Cleared By	s 22(1)
Date Last Cleared	30 January 2024

Attachment A – Joint Media Release – 14 December 2023 – Service Improvement Trials for Workforce Australia Online

The Hon Tony Burke MP

Minister for Employment and Workplace Relations
Minister for the Arts

The Hon Dr Andrew Leigh MP

Assistant Minister for Employment
Assistant Minister for Competition, Charities and Treasury

The Australian Government is undertaking service improvement trials for Workforce Australia Online, to ensure employment services better meet the needs of the people who use them.

These trials will help build public sector stewardship in the employment services system, a key reform principle outlined in the Employment White Paper.

The trials will test whether people using online services get better employment outcomes, such as through more intensive job-finding support delivered by government and reduced length of time in online services.

The service improvement trials are designed in partnership with the Australian Centre for Evaluation at Treasury, and subject to a robust ethical framework.

Participation will be voluntary, with opt-out provisions available to all clients.

The online service improvement trials will inform the government's response to the House Select Committee into Workforce Australia Employment Services.

Quotes attributable to Minister Burke:

"The Government knows there are many people who just want to find jobs."

"We want an employment service that works to genuinely connect people to jobs, and a system that employers want to use to meet their workforce needs."

"This will help improve the support offered through online employment services."

Quotes attributable to Assistant Minister Leigh:

"High quality trials have a strong track record in assessing new medications, and have been used in other countries to evaluate employment programs. In this year's budget, we established the Australian Centre for Evaluation, with a mandate to conduct more rigorous evaluations.

"These are among the first Australian high quality trials to evaluate employment services. They demonstrate the Albanese Government's commitment to evidence over ideology and building an evidence base using the most rigorous evaluation techniques.

"We owe it to employment service clients to build the strongest possible evidence base. These trials will help vulnerable Australians find secure, well-paid jobs."

Source: Department of Employment and Workplace Relations, [Joint Media Release](#), 14 December 2023.

Time to Work Employment Services factsheet

What has been announced

In the 2023–24 Budget, the Australian Government announced the extension of Time to Work Employment Service (TWES) until 30 June 2024. TWES is a national, voluntary in-prison employment service that assists adult Aboriginal and Torres Strait Islander peoples to access the support they need to better prepare them to find employment.

Current status of the policy

The one-year extension of TWES has been implemented. The department is continuing to work in partnership with stakeholders to develop policy options regarding the future of the program.

An evaluation of TWES was completed on 30 June 2021 and produced 10 key findings:

1. The evaluation found limited evidence of how Aboriginal and Torres Strait Islander stakeholders were consulted during the design and implementation of TWES.
2. Just over half of participants who join TWES do not connect with a post-release employment service provider within 13 weeks of their release. Increasing the number of participants who do connect with post-release employment service providers is challenging under the current model.
3. TWES Providers would benefit from having more time with participants before they are released, to build a relationship with them and deliver all of the core service activities.
4. TWES Providers inconsistently understood how some aspects of TWES work.
5. Most TWES participants are not receiving an Approved Transition Plan or a Facilitated Transfer Meeting with their referred post-release employment service provider before they leave prison.
6. TWES has evolved to complement state-based prison programs and has been shown in some jurisdictions to target highly disadvantaged prisoners who cannot access other training and employment opportunities.
7. TWES Providers could strengthen cultural appropriateness by improving how the program is communicated and delivered to participants including through an increased role of Aboriginal and Torres Strait Islander prison staff.
8. Some of the key assumptions underlying the TWES program logic do not hold in practice, which limits the potential for TWES to improve how employment service providers engage with ex-offenders.
9. TWES is only partially successful in addressing the service coordination challenges identified by the Prison to Work Report. The respective roles of Commonwealth and State/Territory Governments in supporting ex-offenders through the post-release transition period should be reconsidered.
10. Commonwealth and State/Territory Governments need to address data limitations and data linkages to enable better monitoring and evaluation of employment, recidivism and long-term outcomes.

Stakeholders consulted

A discussion paper was released on 17 July 2023, with a total of 39 submissions received from a range of stakeholders (peak bodies, advisory groups, TWES providers, state and local governments, Workforce Australia providers, employers, Employment Facilitators and members of the public).

Consultations were also held with every state and territory justice department (including selected correctional centres), justice reform advocates, people with lived experience of prison, academics, drug and alcohol services, community organisations, first language services, employers and social enterprises.

Summary of Stakeholder Feedback

Key stakeholder feedback received focused on:

- addressing structural and systemic barriers such as the use of police checks; the ability to expunge criminal history; and onerous and restrictive parole conditions;
- potentially expanding the eligibility of any future service to include those on remand and in juvenile justice;
- the need for people centred support to mentor and support prisoners access vocational and non-vocational supports both pre and post release; and
- better alignment, tailored and coordination of services in each prison (noting service scope, availability and intensity differs by jurisdiction), between the Commonwealth, state governments, and corrections management.

Next steps, including consideration by Government where expected

The department will continue to work in partnership with stakeholders to develop policy options regarding the future of First Nations prison employment services. Government will consider policy options in the context of the 2024–25 Budget.

Table 1: Time to Work Employment Service in non-remote areas - Extension Funding

	2022-23 (\$m)	2023-24 (\$m)	Total (\$m)
Departmental	0.110	1.118	1.228
Departmental – Capital	0.172	0.000	0.172
Administered	0.025	3.639	3.664
Services Australia	0.023	0.600	0.623
Total	0.330	5.357	5.687

Source: Department of Employment and Workplace Relations Portfolio Budget Statement 2023-24

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Better targeting employment services (MYEFO)

What is the measure?

This measure will mean that from 1 July 2024 clients that are 'fully meeting' their mutual obligation requirements will exit from employment services, where those activities are expected to continue for 13 weeks or more.

This change will better recognise clients who are working or participating in a sufficient level of activity for their circumstances and ensures employment services are directed to those who need support the most.

Under the existing arrangements, providers can exit some clients from employment services if they are fully meeting their mutual obligations (see background). Some clients fully meeting their activities remain connected, despite the fact that they have no other requirements.

These changes will apply to clients of Workforce Australia, the Community Development Program as well as Disability Employment Services (DES). DES clients eligible for post-placement support would not be exited from their provider's caseload. Questions on post-placement support arrangements in DES should be directed to the Department of Social Services.

This measure will achieve savings of \$266.1 million over the forward estimates. Savings from the measure will offset other priorities in the Employment and Workplace Relations portfolio.

What does this mean for individuals?

On 1 July 2024, an estimated 76,000 employment services clients fully meeting their requirements will be exited.

Each year from 1 July 2024, an additional 17,000 individuals fully meeting their requirements would either be exited or not referred to employment services. They will instead have their Job Plan with and report their participation in their fully meeting activities to Centrelink.

Those who stop fully meeting their requirements will be referred back to employment services, as appropriate.

No support will be removed from those who want it. Clients who are fully meeting their requirements and still want employment services support will be able to opt in (volunteer) into employment services. There will also be no changes to mutual obligations.

What does this mean for employment services providers?

Clients fully meeting their requirements generally have no engagement with their provider (their provider cannot require them to look for work or meet any other activities). With these changes, providers can better direct their support and resources to those most in need.

When approving a client's activity to fully meet their mutual obligation requirements, providers will be required to confirm with the client that participation in the activity is expected to continue for 13 weeks or more. If it is, the person will be exited from employment services, unless they wish to continue receiving support.

This measure also makes changes to outcome payments, so that providers will also be paid an outcome payment when a participant aged 55 and over on their caseload begins fully meeting their requirements.

Currently, outcome payments are paid when principal carer parents and individuals with a partial capacity to work begin fully meeting their requirements, but not for those aged 55 and over. Providers are only paid an outcome payment when a person aged 55 and over is means tested off income support through paid work.

Improvements to processes

Improvements will also be made to the Centrelink processes.

Voluntary work approval processes for Centrelink will be streamlined into one process (currently there are two separate forms, one to approve the organisation and one to approve the placement), allowing both the organisation and client to seek approval for the voluntary work activity through a single process.

Reporting requirements for those fully meeting their requirements will also be improved through better use of existing information already provided by clients and employment services providers. Changes will not increase administrative burden for individuals or providers. For example:

- Where an individual is fully meeting their requirements through paid work and stops declaring income this will trigger a conversation to determine if the person's circumstances have changed.
- Where information on study end-dates are provided by employment services providers, these will be used instead of arbitrary time limits.

The changes will allow Centrelink to manage more effectively those who are fully meeting their requirements.

Expenditure/Budget

Item	2023-24	2024-25	2025-26	2026-27	Total
DEWR (Administered and Departmental)	\$0.325m	-\$116.568m	-\$109.923m	-\$86.798m	-\$312.964m
DEWR – Capital	+\$0.612m	\$0.0m	\$0.0m	\$0.0m	+\$0.612m
Services Australia	+\$11.007m	+\$12.476m	+\$9.328m	+\$9.149m	+\$41.960m
Services Australia – Capital	+\$3.210m	+\$1.115m	\$0.0m	\$0.0m	+\$4.325m
Total Impact on Underlying Cash	-\$15.154m	+\$102.977m	+\$100.595m	+\$77.649m	\$266.067m

Recent media on the program

At the 13 December 2023 NESA Policy Stocktake and Leadership Forum, providers expressed concerns on the impacts of the measure's employment services expenditure savings to their business.

Background

Some clients can 'fully meet' their requirements through a sufficient level of activity. The way in which they can fully meet their requirements depends on the cohort:

- Principal carer parents may fully meet their requirements through 30 hours per fortnight of paid work, study, approved voluntary work (in some circumstances), or a combination of these activities.
- Those with an assessed partial capacity to work can fully meet their requirements through 30 hours per fortnight of paid work, approved study, or a combination of the two.
- Individuals aged 55 and over may fully meet requirements through 30 hours per fortnight of paid work, approved voluntary work, or a combination of the two.
- Workforce Australia clients who undertake 70 hours per fortnight of a combination of paid work and study can also fully meet their requirements.

Those who fully meet their requirements, do not have other requirements such as job search or provider appointments.

Announcement

The Better Targeting Employment Services measure was announced as part of the 2023-24 Mid-Year Economic and Fiscal Outlook.

New PALM scheme settings

THE PALM SCHEME IS DELIVERING KEY GOVERNMENT REFORMS

- The new PALM scheme Deed and Guidelines were introduced from 26 June 2023, to strengthen safeguards for PALM workers
- There are now more approved employers signed up to the PALM scheme than when the new deed was introduced. There are 459 employers (as at 31 Dec 2023) compared with 424 at the end of June 2023,
- All employers with active recruitments signed up to the new PALM scheme.
- These settings aim to balance the needs of employers with strong protections for PALM workers. They ensure a reliable and productive source of labour is available to industries with local labour shortages and that PALM workers have enough income every week to support themselves, their families, and communities at home.
- Importantly, the new settings provide access to a reliable and productive workforce for employers, improves PALM worker experiences, reduce the risk of workers disengaging and help address risks of exploitation.

PALM Assurance and Compliance

- The assurance approach for the PALM scheme focuses on a culture of compliance and best practice by AEs, equipping them to meet obligations of the Deed and Guidelines, and ensuring robust protections are in place to safeguard workers' employment rights, safety, welfare and wellbeing. The department seeks to prevent and detect non-compliance and poor performance by PALM scheme AE through:
 - Preventative controls**, such as:
 - Systems and processes that eliminate or reduce risks including:
 - Conducting compliance checks before employers enter the scheme (workplace relations check, immigration integrity checks and financial viability checks)
 - Desktop review of recruitment documentation to confirm conformance with Deed and Guidelines requirements before an AE can recruit.
 - Educating workers on their workplace rights when they arrive in Australia and providing fact sheets translated into languages.
 - Detection activities** seek to confirm AEs understand and are meeting their obligations and are delivering the scheme objectives as intended and to quickly rectify issues. These include:
 - Monitoring visit**, from 1 July 2023 to 31 December 2023, we conducted **126** visits.
 - Our **call centre** information line where concerns can be raised and our **grievance management policy** which provides workers and their advocates a way to lodge grievances the department can assist to resolve.
 - Information sharing** with other agencies, and
 - Desktop audits including thematic assurance activities**, for example, we undertake a review of pay data four months into every new AEs first recruitment, and a sample of other AEs Worker Mobilisations in the program, to check hours or work and the appropriateness of pay and deductions. For the period 1 July 2023 to 31 December 2023, **34** AEs were subject to Pay Data Assessments, with **13** AEs being referred to the Fair Work Ombudsman for review against possible breaches of the Fair Work act. AEs were subject to Pay and Condition compliance reviews. Thematic activities are designed through an annual planning process considering contemporary risks and challenges in the program.
 - Investigations** where issues are identified we investigate. If the matter relates to a breach of the law, like the Fair Work Act for example, we will refer it to the appropriate regulatory authority.

STAKEHOLDER FEEDBACK ON NEW SETTINGS

- The new operational policy settings were informed by extensive consultations with key stakeholders over 18 months. The Department receiving 186 written submissions from stakeholders, reflecting a broad range of views.
- Key stakeholders – including sending countries, unions, and worker advocates – argued for the new settings.
- Some industry feedback is critical of the requirement that employers offer short-term PALM workers a minimum of 30 hours per week from 1 July 2024.
- The criticism suggests that the 30 hours per week requirement does not provide employers with the flexibility they need to respond to the seasonality of agriculture and horticulture work, as well as unpredictable weather and market conditions.
- The change from averaging hours over a set period was introduced to encourage employers to better plan their workforce needs, particularly in the shoulder seasons, rather than bringing in workers with little prospect of work in some weeks who can then incur debt and support two households – their family at home, and themselves in Australia.
- The department recognises that there may be exceptional circumstances when employers are not able to offer short-term workers a minimum of 30-hours per week e.g. as a result of natural disasters. The department works closely with employers and PALM workers during these times to ensure both are supported. The deed allows the department, in exceptional circumstances, to suspend (some of) an employer's obligations.
- As part of recruitment planning, the department requires employers to develop contingency plans which could include looking for other work for PALM workers at their worksites or short-term portability arrangement.
- The department continues to work constructively with all key stakeholders as the new settings are implemented.

Key Requirements of the new PALM Deed

PALM Deed requirement	New requirement?	
	Short term	Long term
Minimum 30 hours per week averaged over each consecutive 4-week period (from 1 January to 30 June 2024)	Yes	N/A
Minimum 30 hours per week every week during the placement (from 1 July 2024)	N/A	Yes
Minimum full-time hours for long-term workers (From the commencement of the Deed (for new recruitments) or 1 October 2023 (for transition recruitments))	Yes	Yes
Must pay workers the same full rate of pay attached to the relevant classification in the applicable Fair Work instrument if workers are performing the same type of work as others engaged at the same site (from 1 October 2023)	Yes	Yes
Must submit a new Welfare and Wellbeing Plan (or update an existing Plan approved under the previous SWP Deed) to the Department (from 1 October 2023)	No	Yes
Must engage a Welfare and Wellbeing Support Person (from 1 January 2024)	No	Yes
Must demonstrate Cultural Competency (from 1 March 2024)	Yes	Yes
Must cover the cost of the worker's accommodation or transport for any week in which the employer offers less than 20 hours. (From the commencement of the Deed (for new recruitments) or 1 October 2023 (for transition recruitments))	Yes	Yes
Must provide or arrange accommodation for long-term workers the first 12 months of their placement unless they choose to arrange their own accommodation (from the commencement of the Deed) (previously only required for 3 months)	Yes	Yes
Must invite unions and the FWO to address workers that have not previously been invited to be addressed and notify the department (by 1 October 2023)	No	Yes
Employers are required to ensure a minimum net pay guarantee for each worker after tax and deductions of \$200 a week (from the commencement of the Deed)	Yes	Yes
Must ensure workers understand deductions that will be made from their pay, including providing training on what information is included on their pay slip (from the commencement of the Deed)	Yes	Yes
Must ensure any outstanding debt cannot be carried over after the worker has completed their placement in Australia and returned to their home country (from the commencement of the Deed)	Yes	Yes
Must arrange transport for workers* (or ensure workers' own transport is reliable, safe, and affordable (from the commencement of the Deed)	No*	Yes
Must have a Grievance Management process in place (from the commencement of the Deed)	Yes	Yes
Can utilise worker portability arrangements (from the commencement of the Deed)	Yes	Yes
Can seek reimbursement for flight costs paid on behalf of short-term workers when the employer is unable to recoup this cost (minus their own \$300 contribution) through no fault of the employer (from the commencement of the Deed)	Yes	N/A

* Short-term AE's were previously required to arrange transport for workers. Ensuring workers' self-organised transport is reliable, safe and affordable, is also a new requirement to short-term AE's.

Net Zero

A skilled Australian workforce is an important element in the transition to net zero. The Department of Employment and Workplace Relations (DEWR) has an essential role in fostering a skilled workforce, and ensuring workers and communities are well placed to maximise the opportunities from the economic transformation.

What has been announced

- The Government will **legislate a national Net Zero Authority** to ensure the workers, industries and communities can seize the opportunities of Australia's net zero transformation – announced in the 2023-24 Budget.
- Roadmap for **net zero APS by 2030** released to demonstrate leadership across the APS – joint media release by the Hon Chris Bowen MP, Minister for Climate Change and Energy Senator the Hon Katy Gallagher Minister for Finance, and Senator the Hon Jenny McAllister, Assistant Minister for Climate Change and Energy on 28 November 2023.

Key Statements

- *In 2023, the Net Zero Economy Agency (NZEA) visited regions across Australia to understand opportunities and challenges facing communities in the transformation to a net zero economy, as well as the priority actions needed to support this transformation – extract from Department of Prime Minister and Cabinet news item, 18 December 2023.*
- *Australia must ensure it has the workforce needed in the locations required to both build the required energy infrastructure and work with new energy technologies. Much of the work required to implement the transition to net zero draws on a limited workforce, both within Australia and globally – extract from Department of Climate Change, Energy, the Environment and Water (DCCEEW) website, 3 December 2023.*
- *As part of achieving net zero by 2050, we need an estimated 32,000 more electricians over the next seven years. And this demand for electricians only tells part of the story. Preliminary modelling suggests that we need close to 2 million workers in building and engineering trades by 2050 - extract from speech by the Hon Brendan O'Connor MP, Minister for Skills and Training at Careers for Net Zero Fair (Melbourne), 26 October 2023.*
- Australia's clean energy workforce is:
 - *Typically paid less than transitioning sectors. In general, clean energy sectors lag behind the pay and conditions available in more established sectors...*
 - *predominantly employed in the construction phase. Unlike traditional energy employment, there can be a higher degree of variability and project-based work in clean energy. For example, large-scale solar farms are a project-based industry where businesses may lack certainty while waiting to win contracts, secure finance or gain approvals. Workforce needs are also typically front-ended during construction phases, meaning there are fewer long-term employment opportunities...*
 - *employed across Australia. Regional differences mean different locations are better suited to certain technologies and therefore attract different types of workers – Jobs and Skills Australia, Clean Energy Generation report 3 October 2023.*

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SB24-000066

Current status of the policy

The growth in renewable projects across Australia is accelerating workforce demands for people with a range of skills and capabilities.

- DEWR is working closely with the NZEA, DCCEEW and other agencies to align existing support across government, invest in peoples' skills and ensure secure jobs are available in regional communities. This includes taking a people-centred approach to understanding the needs of each region and ensuring responses are developed in close consultation with these communities.
 - DEWR and the NZEA will continue to consult people in regions and communities about ways they can take advantage of opportunities arising from new clean energy industries and support workers in emissions-intensive sectors to gain new skills transition to new jobs.
- DEWR is also working closely with agencies across the Australian Public Service (APS) to ensure we meet the APS target of net zero by 2030.

A range of existing programs are in place to support people through the transition to net zero:

- **The New Energy Skills Program** contains three elements which include fit-for-purpose training pathways through development of resources to fast-track the uptake of existing clean energy training packages, a new mentoring program to appoint experienced mentors from industry to support new energy apprentices, and the Jobs and Skills Australia's clean energy capacity study.
- **New Energy Apprenticeships Program** encourages apprenticeship pathways in clean energy occupations to create a pipeline of skills to support the net zero transition. 10,000 apprentices will be supported to complete their training with a New Energy Apprentice Support Payment, valued at up to \$10,000 over the duration of their apprenticeship to assist with the cost of living, and access to clean energy industry mentoring support.
- **A new National Skills Agreement** will be leveraged to support the transition to net zero as a national priority under a shared stewardship operating model, and through the establishment of TAFE Centres of Excellence which support development of degree-equivalent apprenticeships in priority sectors like clean energy.
- **Fee-free TAFE** supports training places in areas of high demand and assists students by removing financial barriers to study. Priority sectors include construction and manufacturing.
- Retrenched workers and their partners have immediate access to tailored employment services under the **Early Access initiative** and can directly register with a Workforce Australia Provider.
- An on-the-ground **Transition Support Network** made up of representatives from Commonwealth, State and Territory governments, **Employment Facilitators** and local stakeholders, assists groups of retrenched workers to transition to new jobs as quickly as possible.
 - Four Employment Facilitators under the Local Jobs Program are supporting the net zero transformation in Fitzroy (QLD), Gippsland (VIC), Hunter (NSW) and South-West WA. One of their priorities is supporting communities to become more resilient and develop new employment opportunities as part of the transition to net zero.
- **Jobs and Skills Councils (JSCs)** consult with their relevant industries (eg Energy, Gas and Renewables) to provide advice to Government to ensure Australia has an appropriately skilled workforce, including the workforce to support Australia's net zero transition.
- Jobs and Skills Australia's **Clean Energy Generation Report** focusses on the transformation of the Australian workforce, presents opportunities on emerging skills gaps and considerations for industry, vocational education and training around pathways and opportunities.

OFFICIAL

Page 2 of 4

OFFICIAL

SB24-000066

- The **Employment White Paper** recognised that the net zero transformation will drive the economy and labour market with concentrated regional impacts and lead to shifts in industrial composition, available jobs, and in the skills needed to do them.

Stakeholders consulted

- To inform policy and program advice, DEWR consults with industry and community stakeholders, Commonwealth agencies (esp NZEA, DCCEE, DISR, Treasury, PM&C and DITRDCA), state and territory governments, on a range of skills/training and workforce issues and opportunities related to the net zero transition.
- The Department, in collaboration with the NZEA, is undertaking regional consultations in January and February 2024. The consultations will support improvements to the worker transition policy in regions impacted by the transition to a net zero economy.

Recent media on this policy

- **2 December 2023 – ABC news:** *“Australia commits to tripling of renewable energy capacity by end of decade”*. [Attachment A](#)
 - Australia joined more than 100 other countries at the 28th United Nations Conference of the Parties (COP28 Climate Change Conference) in committing to a tripling of renewable energy capacity by the end of the decade.
- **24 October 2023 – Mining.com.au:** *“Coal plant workers face major income cuts amid push for renewable energy”*. [Attachment B](#)
 - A pooled redeployment scheme that upskills and provides new pathways for displaced workers must be part of government climate change planning (cites E61 institute).
- **24 October 2023 – E61 Institute:** *“At the Coalface: What happens to workers displaced by decarbonisation”*. [Attachment C](#)
 - Redundant workers experience a substantial earnings drop in the year after redundancy, earning 43% less. Coal-fired power plant workers face an even larger earnings decrease, with a 69% drop.

Next steps

- The Government is considering options to ensure fair outcomes for workers and businesses affected by the transition to net zero. This is being done in consultation with other departments and stakeholders.
- In 2024, Government will consider the design of the second phase of the New Energy Apprenticeships Program in response to JSA’s Clean Energy Capacity Study.

OFFICIAL

Page 3 of 4

OFFICIAL

SB24-000066

Expenditure/Budget

Table 1: Employment and Skills Programs

Program	Description	Funding
Local Jobs Program	<p>Additional facilitators to support workers in regions impacted by the energy transition.</p> <p>Flexible funding pools to support small-scale investments to help worker and community transitions.</p>	<p>Up to \$25 million is available within the National Priority Fund for individual projects ranging from \$200,000 to \$1 million (GST exclusive) across six priorities.</p> <p>Nine additional staff to deliver enhanced services in four regions through the Local Jobs Program at a cost of \$1.7m per year.</p>
Early Access to Employment Services	Retrenched workers can access immediate access to Workforce Australia employment services.	\$3.4 million from 1 July 2023 to 30 June 2025
New Energy Apprenticeships Program New Energy Skills Program	<p>The New Energy Apprenticeships Program will support 10,000 New Energy Apprentices.</p> <p>The New Energy Skills Program contains three elements:</p> <ol style="list-style-type: none"> 1) Fit-for-purpose training pathways to fast track the uptake of existing training packages in electric vehicles, renewables and hydrogen, resources will be developed for use by training providers. 2) A new experienced mentors program to support New Energy Apprentices. 3) Jobs and Skills Australia Capacity Study 	<p>Total \$105.1 million over 9 years.</p> <ul style="list-style-type: none"> • \$87.3 million over 9 years for the New Energy Apprenticeships measure (previously announced as \$95.6 million over 9 years) • \$17.8 million over 5 years for the New Energy Skills Program (previously announced as \$9.6 million over 4 years)

Last Cleared By	s 22(1)
Date Last Cleared	30 January 2024

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Page 4 of 4

SB24-000066 - *Net Zero
Attachment A

ABC News: Australia commits to tripling of renewable energy capacity by end of decade – 2
December 2023

<https://www.abc.net.au/news/2023-12-02/australia-commits-to-tripling-renewable-energy-capacity-decade/103181500>

By Energy Reporter Daniel Mercer

Australia has joined more than 100 other countries across the globe in committing to a tripling of renewable energy capacity by the end of the decade in another coup for the organisers of this year's UN climate talks.

The 28th conference of the parties — otherwise known as COP — is underway in Dubai in the United Arab Emirates, where a series of agreements have given early momentum to the goals of tackling global warming.

Another took place overnight, when Australia announced it would get on board with efforts — spearheaded by event host the UAE — to increase the amount of green energy in the world by 200 per cent within seven years.

The goal has been described as hugely ambitious and would involve adding an amount of renewable energy that would be enough to power the United States every year by 2030.

Federal Climate Change and Energy Minister Chris Bowen, who will be Australia's top representative in Dubai, said the country was already well on the way towards meeting its own 2030 green energy target of 82 per cent.

Mr Bowen said the "signature initiative" of the UAE at COP28 made sense given the need for a global push to clean up the international economy and the fact that renewable sources, particularly solar, were now the cheapest forms of energy.

"Today the Albanese Government joins over 100 countries, alongside other major energy exporters the United States, Canada, Norway and more, to support a key push on renewables and energy efficiency," Mr Bowen said.

"We know that renewables are the cleanest and cheapest form of energy — and that energy efficiency can also help drive down bills and emissions.

"That's why the Albanese Government is supporting the UAE's signature initiative to triple global renewable energy generation capacity and double global average annual energy efficiency improvements by 2030."

Australia's embrace of much loftier renewable energy goals comes just days after the government had to rewrite the blueprint for its own, domestic target amid concerns the country would fall short.

Under the shake-up announced late last month, the government has outlined plans to use taxpayer subsidies through its "capacity investment scheme" to underwrite renewable energy projects and the so-called firming capacity that would be needed to back them up, such as batteries.

SB24-000066 - *Net Zero
Attachment A

While the plan has won approval from renewable energy developers and environmentalists, it has also come under fire from the federal opposition over claims it will expose taxpayers to too much risk.

In announcing the government's support for a tripling of renewable energy globally, Mr Bowen suggested the rest of the world could learn from Australia's early lead on some aspects of the energy transition.

He noted Australia led the world in the uptake of rooftop solar power — about one in every three homes has an installation — while it was also well-placed to develop clean export industries such as green hydrogen.

"Australia has the highest penetration of rooftop solar in the world and has a plan for 82 per cent renewables by 2030," the minister said.

"Our expanded Capacity Investment Scheme will help deliver 32 gigawatts of new renewable generation and storage, providing certainty for renewable investors and cheaper, cleaner energy for households and businesses.

"And while Australia has a plan to get to 82 per cent renewables by 2030 to deliver cleaner, cheaper and more reliable energy, for emissions to go down around the world, we need a big international push."

Richie Merzian, the international director at lobby group the Smart Energy Council, applauded the announcement.

"It is a refreshing change to see an Australian Government back the right kind of energy at the UN climate conference," Mr Merzian said.

"Australia is attempting to triple its renewable energy capacity at home and now the Albanese Government is joining the call to triple global renewable capacity by 2030."

SB24-000066 - *Net Zero
Attachment B

Coal plant workers face major income cuts amid push for renewable energy – 24 October 2023

[Coal plant workers face major income cuts amid push for renewable energy - Mining.com.au](#)

By Joshua Smith

The Mining & Energy Union (MEU) has called for stronger transition support for workers displaced by coal power plant closures as Australia strives to lower its carbon emissions.

The call follows a new report from New South Wales-based research firm e61 Institute that shows coal-fired power station workers face a far steeper income hit post-redundancy than workers in other industries.

MEU General President Tony Maher says with more and more coal-fired plants due to close over the coming decade, the workers that operate and the communities that host these power stations should not be left to shoulder the burden of decarbonisation.

“We know that we are facing a succession of closures in the years and decades ahead and that workers in those power stations are anxious about the future.

One of the ways to keep our skilled power station workers in the jobs they are trained for is through redeployment schemes which provide a pathway for redundant workers to transfer to power stations with longer operating timeframes.

As we work towards building the industries of the future, the current workforce faces immediate upheaval.”

He says a pooled redeployment scheme that upskills and provides new pathways for displaced workers must be part of government climate change planning to ensure that no Australian is left behind.

The e61 report examines the lived experience of displaced workers from coal-fired plants and how this compares to other sectors, using those still working in coal-fired power plants as a counterfactual. The report acknowledges that the results of the research are not necessarily causal estimates of the cost of job loss from power plant closures.

In any case, e61 reports some key findings.

Firstly, redundant workers across the board typically experience a drop in earnings of around 43% in the year after redundancy; second, coal-fired power plant workers experience a larger drop on average, with earnings down 69% in the year after redundancy; and finally, redundant workers from coal-fired plants continue to earn around 50% less after 4 years post-redundancy compared to 29% for all other workers.

This disparity is not strongly influenced by the skill of the workers, either; e61 reports that low-skilled occupations in coal plants see similar earnings losses to high-skilled occupations, but the low-skilled workers suffer greater losses than low-skilled workers in other sectors.

“The net-zero transition will bring many benefits, but it is important that any transition costs are carefully managed,” the e61 report says.

SB24-000066 - *Net Zero
Attachment B

Of course, the idea of a ‘just transition’ — a phrase coined to describe the balance of a switch to renewable energies and job security for those in non-renewable-energy sectors — is not new by any means.

An Australian Just Transition Authority was a promise under Bill Shorten’s failed 2019 Labor campaign, with the would-be Prime Minister outlining plans to train workers displaced by the clean energy transition, prioritise community needs to minimise the impacts of coal-fired plant closures, and put displaced workers first in line for new jobs. And while policy may have remained lacking ever since, it’s still a key part of the decarbonisation conversation.

In an August 2023 report, the Australian Council of Trade Unions (ACTU) said it was ‘entirely predictable’ that taking action on climate change would come at the cost of regional jobs and economic activity.

The ACTU said at a minimum, the Australian government needed an authority to invest in re-skilling, retraining, and redeploying workers in the economies of communities impacted by the shift to renewable energy.

“Germany has managed to phase out its hard coal mines without a single forced redundancy as a result of significant government planning, investment, and institutional support over a period of 2 decades,” the ACTU said.

Clearly, Australia’s energy transition is going to have the greatest impact on the workers, family members, and communities that are employed in or are host to Australia’s remaining 18 coal-fired power stations.”

This all comes amid ongoing calls from environmental groups such as Australia’s Climate Council for the government to stop approving new coal, oil, and gas projects as existing projects are on the way out. For reference, two-thirds of old coal power plants are expected to close by 2033, according to an October speech by Daniel Westerman, the CEO of the Australian Energy Market Operator.

The Climate Council, however, believes just as renewable energy is the future of Australian power, jobs in the renewable energy sector should be the future of Australian coal power plant workers.

“Now is the time for [NSW Premier Chris Minns] to accelerate the move towards affordable, clean energy sources like wind, solar, batteries and pumped hydro,” Climate Council CEO Amanda McKenzie said in September, citing the looming closure of the 2,880-megawatt Eraring coal power plant closure, currently slated for 2025.

“The renewable energy boom is our best shot at tackling the climate crisis. With the right policies, NSW can create thousands of new clean energy jobs, drive down power bills, and continue to deliver reliable electricity supply for homes and businesses.”

SB24-000066 - *Net Zero
Attachment C

E61 Institute: At the Coalface: What happens to workers displaced by decarbonisation – 23 October 2023

https://e61.in/wp-content/uploads/2023/10/the_coal_face-5.pdf

By Dan Andrews, Elyse Dwyer and Lachlan Vass

The shift to a net zero economy brings great advantages, but managing transition costs, like job displacement, is critical. While the direct impact on jobs in coal-fired power plants may be relatively small in a dynamic labour market, the localised impacts of these closures and the political salience they have may motivate additional government intervention.

We use microdata, to compare the earnings of coal-fired power plant workers made redundant to the broader labour market, to demonstrate the value of microdata in shaping future structural adjustment policies as plant closures loom.

While our findings aren't causal, they highlight three key patterns:

Redundant workers experience a substantial earnings drop in the year after redundancy, earning 43% less.

Coal-fired power plant workers face an even larger earnings decrease, with a 69% drop in earnings in the year following redundancy.

Relative earnings losses persist over time: after four years, coal-fired power plant workers earn 50% less, compared to 29% for other workers.

Download the Micro Note: At the coalface – What happens to workers displaced by decarbonisation

Data - Wages

Key points

- Many key measures of wages growth have begun to lift over the past year, after being subdued for close to a decade (at around 2%).
- Latest data shows the **Wage Price Index (WPI)** increased by **4.0%** over the year to 30 September 2023, the highest annual growth since reported in March 2009. This is an increase from 3.6% recorded in the previous release in the June quarter 2023.
- Wages outcomes from bargained agreements are also increasing. The average annualised wage increase (**AAWI**) for agreements approved in the September quarter 2023 of **4.1%** is the equal highest AAWI since the March quarter 2012.
- However, over the year to 30 September 2023 real wages fell by **1.4%**. This reflects increased inflation (as measured by the Consumer Price Index (**CPI**), currently **5.4%** over the year to 30 September 2023), more than offsetting increased wages.
- Real wages are forecast to continue to improve over this year and next, as inflation subsides alongside relatively stronger nominal wages growth.

Government action

- The Government is committed to growing wages and driving productivity.
- The Government made a submission to the Annual Wage Review on 31 March 2023 arguing that the wages of low-paid workers shouldn't go backwards.
 - The Fair Work Commission announced an increase of 8.6% for the National Minimum Wage, the largest increase on record.
 - The Fair Work Commission also announced an increase of 5.75% to modern award wages – the highest increase for award workers ever delivered.
 - Overall, the Annual Wage Review decision benefitted up to 2.7 million employees in Australia.
- The Government made a submission to the Fair Work Commission Aged care industry Work Value Case in August 2022, in support of a wage increase. The Commission confirmed a 15% interim increase to award wages for many aged care workers from 30 June 2023 and the Government has committed to fully funding this increase.
- The *Fair Work Legislation Amendment (Secure Jobs, Better Pay) Act 2022* amended the Fair Work Act to place gender equality at the heart of the workplace relations system.
 - This includes making gender equality an object of the Fair Work Act, amending how the Fair Work Commission considers work value and equal remuneration cases, and establishing new expert panels for Pay Equity and the Care and Community Sector in the Commission to hear and decide these types of cases.

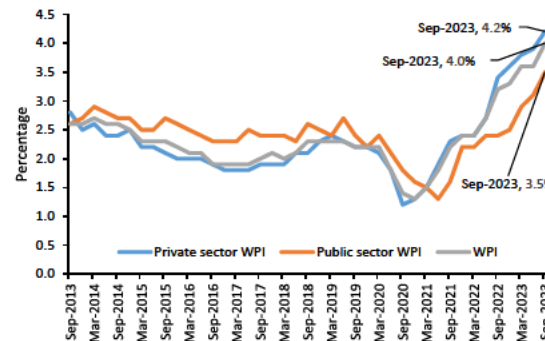
- The Government is committed to ensuring bargaining is a key enabler of productivity growth, which will lead to sustainable wages growth.
- With the *Fair Work Legislation Amendment (Closing Loopholes) Act 2023* the Government has made reforms that will ensure labour hire workers are paid at least what they would receive if they were directly employed by a host employer and paid under the host's enterprise agreement.

Wage Price Index by sector and industry

By sector

- Over the year to the September quarter 2023, the private sector WPI increased by 4.2%, above the 3.5% increase in the public sector WPI. Both sectors have recorded strong increases in wages growth:
 - the increase in the private sector WPI was the highest annual increase since the December quarter 2008 (when it was 4.3%);
 - the increase in the public sector WPI was the highest annual increase since the June quarter 2011 (when it was 3.7%).
- The gap between the annual increase in the private sector WPI and the public sector WPI is 0.7 percentage points, down from a peak of 1.1 percentage points in the December quarter 2022.

Chart 1: Annual growth in WPI by sector (%), Sep 2013 – Sep 2023



Source: ABS, Wage Price Index, September 2023, seasonally adjusted data.

Table 1: Growth in Wage Price Index (%) by sector

	Quarterly (%)			Annual (%)		
	Private	Public	All	Private	Public	All
Dec-22	0.9	0.8	0.8	3.6	2.5	3.3
Mar-23	0.9	1.0	0.9	3.8	2.9	3.6
Jun-23	0.9	0.8	0.9	3.9	3.1	3.6
Sep-23	1.4	0.9	1.3	4.2	3.5	4.0

Source: ABS, Wage Price Index, September 2023, seasonally adjusted data.

By industry

- Over the year to September 2023, the largest increases in the WPI were in Accommodation and food services (5.5%), Health care and social assistance (4.9%) and Arts and recreation services (4.6%).
- Over the year to September 2023, the smallest increases in the WPI were in Financial and insurance services (3.1%), Public administration and safety (3.4%) and Education and training (3.6%).

Real wages growth

- Over the year to 30 September 2023, real wages decreased by **1.4%**.
- However, in both the June and September quarters 2023 real wages increased by 0.1% (after 11 consecutive quarters of negative real wages growth).

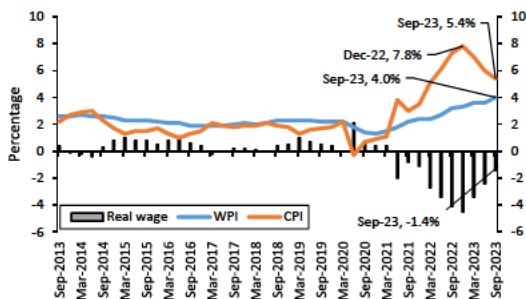
Table 2: WPI, CPI and real wages growth (%) by Government

Government	Average annualised growth rates		Real wages	Smallest/largest annual increases		
	WPI	CPI		WPI	CPI	Real wages
ALP (Dec 07 – Sep 13)	3.5	2.7	0.8	2.6 (Sep-13) 4.3 (Dec-08)	1.2 (Sep-09) 5.0 (Jun-12) 5.0 (Sep-08)	-0.8 (Sep-08) 2.6 (Jun-12)
Coalition (Sep 13 – May 22)	2.2	2.2	0.0	1.3 (Dec-20) 2.7 (Mar-14)	-0.3 (Jun-20) 5.1 (Mar-22)	-2.7 (Mar-22) 2.1 (Jun-20)
ALP (May 22 – present)	4.0	5.8	-1.8	2.7 (Jun-22) 4.0 (Sep-23)	5.4 (Sep-23) 7.8 (Dec-22)	-4.5 (Dec-22) -1.4 (Sep-23)
Latest (Sep-23)	4.0	5.4	-1.4	-	-	-

Sources: ABS, Wage Price Index, September 2023, seasonally adjusted data; ABS, Consumer Price Index, September 2023, original data.

Notes: Figures for governments are the changes from December 2007 to September 2013, September 2013 to June 2022, and June 2022 to September 2023. Real wages growth is calculated as the average annualised growth rate for WPI minus the average annualised growth rate for CPI.

Chart 2: Annual growth in WPI, CPI and real wages (%), Sep 2013 – Sep 2023



Sources: ABS, Wage Price Index, September 2023, seasonally adjusted data; ABS, Consumer Price Index, September 2023.

Wages outlook

- “Wages are expected to continue to grow by 4 per cent through the year to the June quarter 2024. Moving through 2024–25, wage growth is expected to soften as the labour market loosens in response to weaker demand. Nominal wage growth is expected to ease to 3½ per cent in the June quarter 2025.” (2023–24 MYEFO)
- The 2023–24 MYEFO forecasts that inflation will fall to 3¾% by the end of 2023–24 and gradually return to within the Reserve Bank’s inflation target range (of between 2–3%) by 2024–25.
- Positive annual real wage growth is expected in early 2024.

Table 3: Government forecasts of wage growth and inflation

	2021-22 *actual	2022-23 *actual	2023 -24	2024- 25	2025- 26	2026- 27
Wage Price Index	2.7	3.6	4	3 ¾	3 ½	3 ½
Consumer Price Index	6.1	6.0	3 ¾	2 ¾	2 ½	2 ½
Calculated real wage growth based on actuals/forecasts						
Real wage growth	-3.4	-2.4	¼	½	1	1

Sources: Wage Price Index (WPI) and Consumer Price Index (CPI) forecasts are from the 2023-24 MYEFO. Real wage growth has been calculated based on the WPI and CPI forecasts. Forecasts are through the year growth to the June quarter.

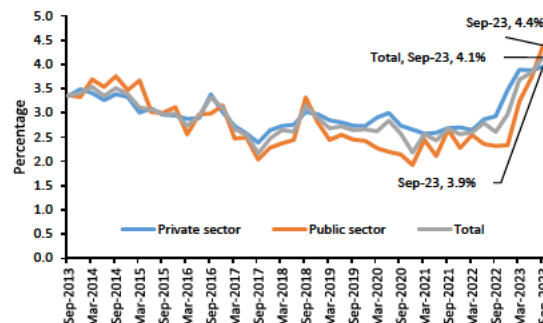
*These are actual figures using ABS, Wage Price Index, and ABS, Consumer Price Index.

Wages growth in enterprise agreements

Department’s Workplace Agreements Database

- The average annualised wage increase (AAWI) for agreements approved in the September quarter 2023 was 4.1%, the equal highest AAWI since the March quarter 2012.
For approved agreements, the public sector AAWI was 4.4% and the private sector AAWI was 3.9% in September 2023.

Chart 3: AAWI by public and private sector (%), approved agreements, September 2013 – September 2023



Source: Department of Employment and Workplace Relations, Trends in Federal Enterprise Bargaining Report, various quarters.

Fair Work Commission enterprise agreement data

- The Fair Work Commission’s indicator of enterprise agreement wage rises shows that the 273 agreements covering 73,061 employees lodged between 2 December 2023 and 15 December 2023 paid an average annualised wage increase of 4.2% over an effective duration of 3.1 years.
- The Commission’s data differs from the Trends data shown above: it reports on agreements lodged rather than agreements approved; it does not include any Greenfields agreements; and it does not take into account agreements which offer flat dollar rate increases instead of percentage wage increases.

National Minimum Wage and Award Wages

- In the 2022-23 Annual Wage Review, the Fair Work Commission announced an increase of 8.6% to the National Minimum Wage - the largest increase on record.
- The Fair Work Commission also announced an increase of 5.75% to modern award wages – the highest increase for award workers ever delivered.
- Overall, the Annual Wage Review decision benefited up to 2.7 million workers in Australia.
- In the 2021-22 Annual Wage Review, the Fair Work Commission delivered a 5.2% increase to the National Minimum Wage and a minimum \$40 a week increase for all other award wages.

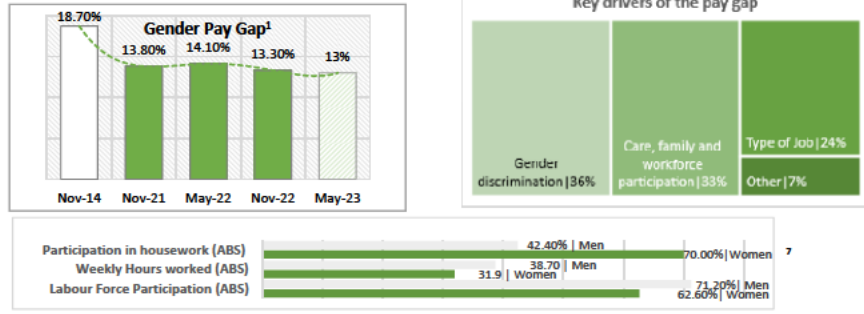
Gender pay gap

- The gender pay gap is currently 13.0%, which is the lowest on record (ABS, Average Weekly Earnings, May 2023).
 - This compares with 13.4% in November 2022, 13.9% in May 2022, and a recent high of 18.5% in November 2014.
- This means that men working full-time earn, on average, \$252.30 per week more than women working full-time.

Data – Gender Equality

The Government is delivering on its commitment to help close the gender pay gap (13.0% is a record low)

The weekly gender pay gap for full-time adult employees of 13.0% equates to full-time men earning \$252.30 more per week than full-time women.¹ This is down from 14.1% 12 months prior. ABS Labour Force Survey figures for December 2023 show that women’s labour force participation fell from the record high of 63.0% in November to 62.6% in December.² While the participation rate has improved over time, it remains well below the male rate of 71.2% – 8.6 percentage points lower. Our changes are making an impact. The latest Gender Gap Report from the World Economic Forum shows Australia’s world gender equality ranking has jumped up 17 places from 43rd to 26th. This is the largest increase since the index began in 2006.



The gender pay gap is influenced by several interrelated factors

- Women do more unpaid care and domestic labour**
 - Women make up 38.8% of full-time workers in Australia, however 67.1% of part-time workers.² Full-time non-managerial men paid at the adult rate work 2.3 more total hours and 0.9 more ordinary-time hours per week than women.³
 - Years not working due to career interruptions such as caring for young children or family members accounts for 20% of the gender pay gap.⁴
- Industries and occupations are segregated.**
 - Australia has a highly gendered workforce with around 65% of occupations in shortage on the Skills Priority List having workforces that are over 80% men or women – e.g. aged care is almost 90% women.
 - Latest ABS data shows in August 2023 that while around 54.7% of all male employees are employed in the top three earning occupations, only 44.0% of all female employees work in these occupations.⁵
 - While around 20.2% of all male employees are employed in the top five earning industries, only 14.7% of all female employees work in these industries.⁵

	Industry ⁵	Ave Weekly Earnings	Females	Gender pay gap
Highest Paid	Mining	\$ 2,682.60	22.8%	16.8%
	Financial & insurance services	\$ 2,120.10	50.2%	22.8%
Lowest Paid	Retail trade	\$ 984.40	55.0%	8.9%
	Accommodation & food services	\$ 733.60	55.8%	11.0%

 - Jobs and Skills Australia data shows that occupations with skills shortages are likely to have workforce gender imbalances, particularly male-dominated occupations. For more than half of occupations in national shortage, women make up less than 20% of their total workforce.
 - Only 46.5% of WGEA reporting organisations are gender mixed organisations.⁶
- Inequities in education, experience, and seniority**
 - In 2021, women accounted for 41% of all levels of managers in Australia, but less than one in five CEOs or business leaders. Only one in four organisations had a gender-balanced leadership team.⁴
 - Women represent 30.1% of all apprentices in training. Women in male-dominated trades make up 8.2% of all trade apprentices.

- Gender discrimination**
 - Women working full-time still earn less than men working full-time in every industry, even in those that are female dominated. The gender pay gap is even larger for some groups of women, such as women in regional areas and women with disability. (A National Strategy to Achieve Gender Equality is being developed and will outline ways to enhance women’s economic equality.)
 - 59.7% of employees who have their pay set by an award are female. 27.0% of all female employees have their pay set by an award, compared to one fifth (19.2%) of all male employees.³ Non managerial employees who are modern award-reliant earn considerably less (\$33.00/hr) than all non-managerial employees (\$44.00/hr) and work 5.8 fewer hours per week on average.³
 - The Fair Work Commission is undertaking research on gender undervaluation and occupational segregation, which will inform their actions in the Annual Wage Review and other proceedings.
 - Workplace sexual harassment continues to be an unacceptable feature of Australian workplaces. Women who experience sexual harassment are more likely to switch to jobs that are gender segregated and have lower pay. (Note: The government is implementing the Respect@Work Report recommendations.)
 - In Workforce Australia women are over-represented among long-term participants, including those who have been in employment services for extremely long periods. Women are at increased risk of remaining on income support long-term. Even after taking into account other factors such as age, parenting responsibilities, level of education and work experience, the gap is still there.

There have been a number of achievements to date, including...

Reforms to the Fair Work Act 2009

- The Paid Family and Domestic Violence Leave Act Introduced 10 days of paid family and domestic violence leave each year, which means victim/survivors don’t need to choose between pay or safety.
- The Secure Jobs, Better Pay Act added a new gender equality object in the Fair Work Act, reformed the equal remuneration provisions, funded new expert panels including for gender pay equity, improved access to flexible work arrangements, and strengthened bargaining for low paid workers.
- The Protecting Workers Entitlements Act provided stronger access to unpaid parental leave to help families share work and caring responsibilities.
- The 2023 Closing Loopholes Bill (No.1) added stronger protections against discrimination, adverse action and harassment to benefit employees who have been, or are, subjected to family and domestic violence.

New Voluntary Parents’ program (SB24-000087)

- The government announced during the 2023-24 Budget the decision to end the ParentsNext Program and replace it with a new voluntary service. From 5 May 2023, all compulsory requirements for participants in ParentsNext were paused.
- In partnership with community organisations and Services Australia, the Department has undertaken a consultation process to design the new service. This was an opportunity to better understand the needs of parents and how a new service can support them to plan for their future education and employment goals, build their capabilities and skills, and work toward the type of paid work they want, when they are ready.
- On 7 December 2023, the Government announced a new voluntary pre-employment service would commence from 1 November 2024.

Employment Services Reform

- The House Select Committee on Workforce Australia Employment Services heard from many women’s advocates including the National Council of Single Mothers and their Children, Equality Rights Australia, the BRAVE foundation and the National Women’s Safety Alliance.
- Feedback from women’s advocates is reflected in the Interim Report on ParentsNext released in November 2023.

Australian Skills Guarantee

- The Australian Skills Guarantee (Skills Guarantee) will introduce new national targets for apprentices, trainees and paid cadets on eligible Commonwealth funded major projects.
- Targets will apply to major construction and information and communications technology (ICT) projects with a total contract value of \$10 million or more.
- The Skills Guarantee will also introduce new national targets for women apprentices, trainees, and paid cadets on eligible major projects. Targets will be applied to Commonwealth tender processes from 1 July 2024.

Data References 1 ABS Average Weekly Earnings, Australia, May 2023; 2 ABS Labour Force, Australia, December 2023; 3 ABS Employee Earnings and Hours, May 2023; 4 KPMG, She’s Price(d)less report, 2022; WGEA Scorecard 2022: The state of gender equality in Australia 2020-21 employer census; KPMG analysis of the Household, Income and Labour Dynamics in Australia Survey, Release 17 20; 5 ABS, Characteristics of Employment, August 2023; Gender pay gap data from ABS, Employee Earnings and Hours, May 2021, unpublished Tablebuilder, total hourly earnings; 6 refer WGEA (2019) Gender Segregation in Australia’s Workforce Fact Sheet; 7 Participation in Housework: ABS How Australians Use Their Time, October 2022; Weekly Hours Worked & Labour Participation: ABS labour force detailed, August 2023.

Employment Services Reform – Workforce Australia Inquiry, CDP and DES

Why do employment services require reform?

- The Government has a vision for a stronger and more inclusive economy, as set out in the Employment White Paper. As part of this vision, the Government committed to reform employment services to better meet the needs of individuals, employers and the economy, framed in the White Paper by 8 Principles of Employment Services Reform.
- The recent House Select Committee on Workforce Australia Employment Services inquiry undertook a first principles review of the employment services system and recommended significant reforms to better recognise the needs of jobseekers, employers and deliver effective support through services. The Inquiry’s Final Report recommends an employment services system which appropriately invests in developing the human capital of Australians, supports the demand side of the labour market and recognises the importance of communities, including community-based organisations, in addressing local labour market issues.
- The current Workforce Australia system effectively supports a large number of people to connect to employment and move off income support. However, it does not adequately address the needs of everyone within the system, particularly those with more complex personal circumstances and the very long term unemployed, and it could be better targeted to meet the needs of employers.

What are the findings of the House Select Committee into Workforce Australia Employment Services?

- The House Select Committee’s final report, *Rebuilding Employment Services*, published on 30 November 2023, outlined 75 recommendations to reform the national employment services system.
- The Australian Government is carefully considering the report and its recommendations in-line with the key principles laid out in the Government’s Employment White Paper, including how best to support different cohorts by ensuring that:
 - reforms are designed in consultation with users of the system,
 - reforms are built on a foundation of strong evidence, such as randomised controlled trials, and
 - the employment services system remains participant-informed and evidence-based into the future, with users able to articulate their service needs and whether they are being met, and by fostering a culture of continuous learning and improvement.
 - the compliance framework and mutual obligation requirements better align to the lived realities of people,
 - the system also meets the needs of Australian businesses,
 - the APS is supported as a steward of the national employment services system.

Key Dates

Date	Details
2 August 2022	House Select Committee on Workforce Australia Employment Services established.
30 November 2023	House Select Committee final report published.

What is the Government doing in response to the Inquiry’s report?

- The Government is considering the report’s recommendations, prioritising its focus on immediate actions to address critical issues identified, such as around payment suspensions.
 - The Government is already progressing initiatives announced through the 2023-24 Budget and MYEFO, and Employment White Paper, such as to improve the Local Jobs Program and commence randomised controlled trials to test different arrangements and supports for users of Workforce Australia Online.
 - The Report recommends the development of a roadmap for reform, recognising that the scale and scope of the proposed reform is complex and will take time. The Government will provide an initial response to the report in coming months outlining a roadmap to achieve future reform of the employment services system.
- Reform of the Community Development Program and Disability Employment Services are priorities for the Government. These programs were out of scope of the inquiry, however in considering reform to broader employment services system, the Government will seek to ensure that there is a coherent and joined up approach and that all reforms are guided by the principles laid out in the Employment White Paper.

The 8 Principles of Employment Services Reform

The Employment White Paper that was released on 25 September 2023 articulated 8 principles which will guide the Government’s approach to reforming employment services:

- (1) Services are viewed as an investment that unlock individual potential, address employer needs and work with industry to bolster growth.
 - a. the system builds human capital and ensures job placements are appropriate.
 - b. services help businesses and communities to grow by connecting people to jobs.
- (2) There is strong Australian Public Service stewardship in the system and the outcomes it delivers to ensure that individuals are not left behind.
- (3) Services protect the dignity and respect rights of individuals.
 - a. Services help individuals meet their employment and personal development goals.
 - b. Services are designed and delivered in a culturally responsive and inclusive way that meets the community’s needs.
- (4) Services provide a pathway towards decent jobs that provide the flexibility and security that individuals need.
 - a. The Government may need to support the creation of jobs to alleviate entrenched community disadvantage where labour markets are very thin and where individuals face very high barriers to work.
- (5) Employers use employment services to help meet their workforce needs, and can access guidance on innovative job design, recruitment practices and inclusive approaches to workforce development.
- (6) Employment services are designed through collaboration with individuals, employers, and the community.
 - a. the participation of Indigenous Community Controlled Organisations, and community-based organisations, is boosted in the delivery of employment services.
- (7) Services help people at the earliest opportunity, informed by fit-for-purpose assessment processes.
- (8) Reforms are grounded in evidence, evaluation and continuous learning and improvement.

Targeted Compliance Framework

Select Committee Recommendations and Future Reforms

- The department is carefully considering the Select Committee's report and its 75 recommendations, including Recommendations 61 and 62:

Recommendation 61

- The Committee recommends that, consistent with the Interim Report's recommendations, the Australian Government introduce legislation to provide an additional compliance tool of a Partial Payment Withholding (a 'holdback') as a less onerous alternative to full payment suspensions providing strong incentive to re-engage with services but without leaving people (and their children and families) with insufficient funds to meet basic needs. 'Holdbacks' should be repaid to the participant on re-engagement.

Recommendation 62

- The Committee recommends that the Australian Government implement a new Shared Accountability Framework. This should replace the current Targeted Compliance Framework and should include the following key elements:
 - Frontline discretion is restored so that case managers can educate and counsel people regarding their obligations for a limited number of minor or initial compliance breaches each year.
 - After counselling options are exhausted, a number of warnings be recorded which could result in a partial payment withholding (holdback) until non-compliance is remedied.
 - People who accrue the maximum number of warnings by persistently failing to meet mutual obligation requirements are referred to Employment Services Australia for a capability assessment.
 - Should there be barriers to participation or engagement, the client is referred back to their provider or offered the option to transfer to a different provider or service.
 - If there are no barriers to participation, the client may elect to be referred back to their provider and made aware of the risk of more serious compliance measures including payment suspensions, penalties, or cancellations. Alternatively, the client would be transferred to intensive case management by Employment Services Australia.
 - All decisions that affect income support payments must be made by a public servant in Services Australia, and not automatically by the IT system.
 - Guidelines and training for staff should be developed in consultation with stakeholders and subject to periodic review by the new Client Councils and the Employment Services Coordinating Council.
- The department is considering a range of short term and longer-term reforms to the future of employment services that will ensure individuals receive the support and encouragement they need to assist them to find sustained employment whilst maintaining the core concept of Mutual Obligations in return for receiving an income support payment.

TCF Zones – Participants by Zones as at 31 December 2023

Program	Green Zone	Warning Zone	Penalty Zone
Workforce Australia Online	73,495	26,130	5*
Workforce Australia Services	159,235	121,975	1,810
Workforce Australia Total	232,730	148,105	1,815

*Workforce Australia Online clients are referred to Services when they enter the Penalty Zone. These 5 clients are pending referral to Workforce Australia Services

- A TCF Workforce Australia datasheet including detailed cohort breakdowns is at [Attachment A](#).

Payment suspensions

- Between 1 October 2023 and 31 December 2023 (previous quarter):

Payment Suspensions By Event Type – 1 October 2023 to 31 December 2023				
	Non-Compliance Type	Payment Suspensions	% of total Payment Suspensions	Participants
Workforce Australia Online	PBAS	31,345	78.4%	26,170
	Provider Appointment	1,905	4.8%	1,875
	Job Plan	6,155	15.4%	6,095
	Activity	575	1.4%	565
	TOTAL Online	39,985	100.0%	31,805
Workforce Australia Services	Provider Appointment	168,010	59.4%	112,450
	PBAS	109,850	38.9%	89,165
	Activity	3,330	1.2%	1,885
	Job Interview	520	0.2%	505
	Job Referral	510	0.2%	495
	Job Plan	490	0.2%	490
TOTAL Services	282,710	100.0%	163,095	
Total Workforce Australia	322,695			194,900

Key Issues – Payment Suspensions

- The primary purpose of a Payment Suspensions is to encourage the client to remain engaged in Employment Services and to participate in activities and support services that will assist them in obtaining employment.
- A Payment Suspension under the TCF is a temporary hold on a person's ability to report to Centrelink (as part of their regular fortnightly reporting) due to failing to meet a Mutual Obligation Requirement. Most Payment Suspensions are usually resolved before a person's regular payment day.
- In most cases, **there is generally no financial loss or delay to payment** for a client as a result of a notification that their payment may be suspended OR notification that their payment has been suspended. More than **90 per cent** of clients resolve their non-compliance before a payment suspension occurs (based DSS Data for the 2022/2023 FY).
- A detailed breakdown of the payment suspension process is provided as [Attachment B](#).
- When a client fails to complete a Mutual Obligation Requirement, they will receive notifications advising them that their payment may be suspended, and they need to resolve the issue. These notifications advise the client to contact their provider or the DSCC to resolve the matter.
- If the client does not make contact within the 2-business day Resolution Time, they will receive additional notifications that their payment has been suspended. NOTE: at this stage, this is only a hold on their ability to report to Centrelink, their payment will not be impacted if they resolve the non-compliance before their regular Centrelink reporting date.
- If payment is delayed, the client's full payment is restored and the client will be back-paid any missed payment:
 - when they give a reasonable excuse for not meeting their requirement or
 - when they meet their re-engagement requirement
- In Workforce Australia Services participants who are homeless, ex-offender, Indigenous and/or have drug and alcohol issues typically have a substantially higher likelihood of being notified of a payment suspension than the broader caseload.

Duration of Payment Suspensions

Duration of Applied Payment Suspensions in Business Days - 1 October 2023 to 31 December 2023			
Business Days	Notification	Payment Suspensions	Percentages
0-2	(Avoided warning of possible payment suspension)	121,985	38.4%
3-4	(Warned that payment is on hold)	74,470	23.5%
5-10	(Warned that payment is on hold)	99,555	31.4%
>10 - 27	(Warned that payment is on hold)	17,080	5.4%
28+	Payment Cancellation (did not reengage within 28 days)	4,270	1.3%
Total Applied excluding Immediate Payment Suspensions		317,360	100.0%

- If a person has a valid reason for not meeting their requirements, or re-engages within two business days, their payment is not suspended.
- Between 1 October 2023 and 31 December 2023:
 - Over one third (38.1 per cent) of Workforce Australia clients re-engaged in the two-business day resolution time, and therefore avoid receiving a payment suspension.
 - The median suspension duration is 4 business days and over 93.4 per cent of clients re-engage and had their payment suspension lifted in under 10 days.
 - Approximately 99 per cent of payment suspensions were resolved within 28 days.

Example Workflow – Non-Compliance and Payment Suspension

Failure to Attend a Provider Appointment

- Missed Appointment:** If a client were to miss a compulsory provider appointment 11am on a Thursday without having previously notified their provider and given a reasonable excuse for not attending.
- Provider Attempt to Contact:** A provider must attempt to contact the client to determine if they had a valid reason for not attending. In this example, the provider attempts to contact the client at 11:30am to discuss the reason for them not attending. If the provider cannot contact the client, they must enter a result of *Did Not Attend – Invalid* in the department’s IT system by close of business on the day the requirement was missed.
 - If the client contacted the provider later that day and gave a valid reason for not attending, the provider would enter a result of *Did Not Attend – Valid* into the IT system -no compliance action would be raised.
 - If the client contacted the provider and did not give a valid reason, the provider may accept this later contact as meeting the reengagement requirement for missing the earlier appoint. The client would accrue a demerit, but no payment suspension would be applied.
- Entering the Result:** As this provider attempted and failed to contact the client at 11:30am, they would generally enter the result at this time. Existing departmental guidance to providers is that if contact cannot be made with the client, they must enter a *Did Not Attend – Invalid* result. The department’s IT system will then commence the resolution time process and generate client notifications:
 - A *Resolution Time* notification informing the client that they missed a requirement, and they need to contact their provider, or their payment may be put on hold.
 - A reminder notification is sent the next day.
- Payment Suspension:** If the client fails to contact their provider to either give a valid reason for not attending or to arrange a re-engagement appointment within the two business days (for this example, Thursday afternoon, Friday and Monday morning), their payment will be put on hold at approximately 11:30am on Monday.
 - A notification advising the client that their payment has been suspended and they must contact their provider is sent at this point.
 - Reminder notifications are sent after 2 days and continue until the client re-engages.
- Re-engaging or resolving the non-compliance:** Their payment will remain on hold until they contact their provider and either give a valid reason for not attending or attend a re-engagement appointment. If they fail to re-engage within 28 days, their payment is cancelled.

Demerits

Demerits – Workforce Australia Services and Workforce Australia Online

- Between 1 October 2023 and 31 December 2023, there were 249,480 applied demerits. 36.4 per cent of all Workforce Australia Services compellable participants (compulsory mutual obligation requirements) who were commenced during the period had a demerit applied. While 21.2 per cent of Workforce Australia Online compellable participants who were commenced had a demerit applied.

Applied Demerits by Contract and Reason (1 October 2023 and 31 December 2023)				
	Non-Compliance Type	Number of Demerits	Percentage of demerits	Participants
Workforce Australia Online	PBAS	34,005	81.9 %	28,590
	Job plan	7,200	17.3 %	7,040
	Provider Appointment	175	0.4 %	175
	Activity	145	0.3 %	110
	Total	41,525	100 %	32,860
	Workforce Australia Services	PBAS	140,805	67.7%
Provider appointment		64,795	31.2 %	49,745
Activity		1,560	0.8%	795
Job Referral		430	0.2%	415
Job plan		270	0.1 per cent	270
Job Interview		100	0.0%	95
Total	207,955	100.0%	136,735	

- Demerits are different to payment suspensions. Demerits are applied if the participant does not have a valid reason for missing their requirement. Payment suspensions are used to engage participants with their requirements.

TCF Program Assurance Activities

- The department undertakes a range of program assurance activities to monitor key aspects of the TCF, including ongoing monitoring of payment suspensions, reviewing and removing applied demerits where these have been applied in error and reviewing applied financial penalties to ensure that these have been applied correctly.
- This work includes monitoring compliance action raised by providers and system raised compliance for PBAS and those in Workforce Australia Online.
- The department also monitors the IT system to ensure functions relating to the TCF are working as intended. When critical system issues that impact on a person’s payment are discovered, these are fixed as quickly as possible.
- Where incorrect application of the TCF is identified, the department rectifies any issues, including lifting payment suspensions, removing demerits, and revoking financial penalties and advises providers of these actions where appropriate.
- When the department identifies specific issues with provider application of the TCF, the department will directly contact those providers to educate them on the correct application of the TCF as well as requiring them to rectify the identified issues. This may include:
 - requiring the provider to explain why the TCF was incorrectly applied,
 - remove any incorrectly applied Demerits, and/ or
 - detail training on the TCF that they will provide to their staff to prevent future occurrences of incorrect application of the TCF.

Last Cleared By **s 22(1)**
 Date Last Cleared 05 February 2024

OFFICIAL

SB24-000093
 Data for: 1 October 2023 to 31 December 2023

- One key assurance activity undertaken by the department is reviewing incorrectly booked or resulted provider appointments (*retrospective provider appointments*). Since the commencement of this activity in August 2023, there has been a 47% reduction (from approx. 1200 per month in August 2023 to around 600 per month in December 2023) in the number of incorrectly booked or resulted provider appointments since the department first engaged with providers and required them to remove identified demerits and explain why these appointments had been booked or resulted incorrectly.

Vulnerable Cohorts

- The department is analysing the application of the TCF for a number of vulnerable cohorts who are overrepresented in the Warning and Penalty zones, particularly Indigenous clients, but also parents and people with disabilities.
- This work will underpin future thinking for requirements and compliance models, with a focus on vulnerable cohorts in employment services particularly Indigenous clients, parents and people with disabilities.

Financial Penalties

Penalty Zone- Financial Penalties: as at 31 December 2023

Financial Penalties	0	1 st FP	2 nd FP	3 rd FP	Total PZ
As at 30 September	1,640	690	380	41	3,070
As at 31 December	1,450	280	110	16	1,856

Penalty Zone IT Issue

- The department became aware of system issues impacting participants in the Penalty Zone in August 2023. These issues incorrectly extended a person’s time in the Penalty Zone and resulted in Financial Penalties being applied incorrectly.
- There were **1165** individuals impacted.
- Additional detail on background, rectification and remediation is attached as [Attachment C](#).
- Recent Media the Penalty Zone IT issue is attached as [Attachment D](#)

Resolution Appeals and Complaints Processes

- If a client has concerns about a payment suspension, they can contact their provider or the DSCC for online clients to discuss the circumstances relating to the payment suspension. If a Workforce Australia client is dissatisfied with the outcome following discussion with their provider, they can contact the National Customer Service Line to discuss the issue and, if appropriate, lodge a complaint. Some compliance related decisions are also appealable through Services Australia’s internal review process, the Administrative Appeals Tribunal and court system.
- The department continues to review material available to clients on Mutual Obligation Requirements and the TCF to ensure the clarity of information relating to their rights and responsibilities under the TCF. This work expands on the information available to clients regarding the available channels for reviews and appeals.

Attachments

Attachment A: Targeted Compliance Framework Datasheet – Workforce Australia Clients as at 31 December 2023

Attachment B: Payment Suspension Process

Attachment C: Penalty Zone IT Issue

Attachment D: Recent Media

Attachment E: ACOSS Correspondence on Payment Suspensions

Targeted Compliance Framework Datasheet – Workforce Australia Participants as at 31 December 2023

Targeted Compliance Framework - Zones ^{1,2,3,4}																
December 2023	Green Zone	Warning Zone	Penalty Zone	Participants												
				All Zones		Green Zone		Warning Zone					Penalty Zone			
				Participants	Participants	Participants By Demerit Count					Participants By Penalty Count					
				1	2	3'	4	5'	All	0	1	2	All			
Workforce Australia Online	All Participants	73.8%	26.2%	0.0%	99,635	73,495	16,190	9,410	425	105	5	26,130	5	0	0	5
	Female	75.8%	24.2%	0.0%	44,675	33,855	6,890	3,780	125	25	0	10,820	5	0	0	5
	Female: Age Under 25 Years	74.6%	25.4%	0.0%	12,385	9,245	1,935	1,155	45	10	0	3,140	5	0	0	5
	Female: Age 25-34 Years	71.7%	28.3%	0.0%	13,295	9,535	2,305	1,400	50	10	0	3,760	0	0	0	0
	Female: Age 35-44 Years	74.5%	25.5%	0.0%	7,635	5,685	1,240	680	25	5	0	1,950	0	0	0	0
	Female: Age 45-54 Years	78.1%	21.9%	0.0%	5,985	4,675	910	385	10	5	0	1,310	0	0	0	0
	Female: Age 55+ Years	87.7%	12.3%	0.0%	5,375	4,715	495	160	0	5	0	660	0	0	0	0
	Male	72.1%	27.9%	0.0%	54,900	39,590	9,300	5,630	300	75	5	15,305	5	0	0	5
	Male: Age Under 25 Years	71.4%	28.6%	0.0%	12,425	8,875	2,185	1,280	70	15	0	3,550	5	0	0	5
	Male: Age 25-34 Years	68.1%	31.8%	0.0%	20,165	13,740	3,740	2,495	145	45	5	6,420	5	0	0	5
	Male: Age 35-44 Years	70.1%	29.8%	0.0%	10,630	7,455	1,920	1,180	60	10	5	3,170	0	0	0	0
	Male: Age 45-54 Years	77.5%	22.5%	0.0%	6,635	5,145	955	510	20	5	0	1,490	0	0	0	0
	Male: Age 55+ Years	86.7%	13.3%	0.0%	5,045	4,375	500	165	5	5	0	670	0	0	0	0
	Indigenous	63.4%	36.6%	0.1%	7,290	4,625	1,585	1,020	50	10	5	2,665	5	0	0	5
	CALD	77.3%	22.7%	0.0%	15,375	11,880	2,285	1,135	65	10	0	3,495	0	0	0	0
	PWD	75.3%	24.7%	0.0%	5,155	3,880	780	480	10	5	0	1,275	0	0	0	0
	Homeless	66.8%	33.2%	0.1%	4,755	3,175	895	650	35	5	0	1,580	5	0	0	5
	Ex-Offender	61.4%	38.5%	0.1%	4,830	2,965	1,070	745	35	10	5	1,860	5	0	0	5
	Refugee	68.2%	31.8%	0.0%	1,905	1,300	370	220	15	5	0	605	0	0	0	0
	Parent	72.8%	27.2%	0.0%	9,235	6,720	1,625	870	20	5	0	2,515	0	0	0	0
	High JSICI	71.4%	28.6%	0.0%	140	100	20	20	5	0	0	40	0	0	0	0
	Mental Health	72.8%	27.2%	0.1%	5,105	3,715	855	505	20	5	5	1,390	5	0	0	5
	Drug and Alcohol	63.6%	36.2%	0.2%	2,240	1,425	480	315	15	0	0	810	5	0	0	5
	Allowance Group: JobSeeker Payment	74.0%	26.0%	0.0%	84,910	62,825	13,615	8,000	375	95	5	22,080	5	0	0	5
	Allowance Group: Youth Allowance	71.8%	28.2%	0.1%	7,595	5,450	1,330	770	35	10	0	2,145	5	0	0	5
	Allowance Group: Other	73.2%	26.8%	0.0%	7,130	5,220	1,245	645	15	5	5	1,910	0	0	0	0
Partial Capacity to Work	74.3%	25.7%	0.1%	6,475	4,810	1,015	620	25	5	5	1,665	5	0	0	5	
Education: less than year 12	69.4%	30.6%	0.0%	16,025	11,120	2,985	1,820	80	20	5	4,910	0	0	0	0	
Education: Completed Year 12	71.6%	28.3%	0.0%	20,565	14,730	3,560	2,125	115	35	0	5,830	5	0	0	5	
Education: Non-School qualification	75.6%	24.4%	0.0%	63,040	47,645	9,645	5,465	230	50	5	15,390	5	0	0	5	
Workforce Australia Services	All Participants	56.3%	43.1%	0.6%	283,020	159,235	65,950	44,135	8,145	3,550	195	121,975	1,425	280	110	1,810
	Female	60.6%	39.0%	0.4%	132,855	80,520	29,275	18,240	2,965	1,280	70	51,825	405	70	30	505
	Female: Age Under 25 Years	51.1%	48.2%	0.7%	17,320	8,845	4,355	3,145	570	270	15	8,355	90	15	10	115
	Female: Age 25-34 Years	52.4%	47.1%	0.5%	29,415	15,410	7,360	5,190	915	370	20	13,850	125	25	5	155
	Female: Age 35-44 Years	56.9%	42.7%	0.4%	32,660	18,580	7,685	5,010	845	380	25	13,950	115	15	5	135
	Female: Age 45-54 Years	63.6%	36.2%	0.3%	29,920	19,015	6,495	3,610	495	210	10	10,820	60	15	5	85
	Female: Age 55+ Years	79.3%	20.6%	0.1%	23,540	18,670	3,370	1,290	140	50	0	4,855	15	5	5	20
	Male	52.4%	46.7%	0.9%	150,140	78,695	36,675	25,895	5,185	2,270	120	70,140	1,020	210	80	1,305
	Male: Age Under 25 Years	46.6%	52.1%	1.3%	20,640	9,610	5,205	4,125	960	440	20	10,750	200	55	20	275
	Male: Age 25-34 Years	44.9%	53.8%	1.2%	42,410	19,060	11,260	8,845	1,895	800	35	22,830	400	85	30	515
	Male: Age 35-44 Years	47.7%	51.4%	0.9%	35,025	16,705	9,305	6,655	1,355	640	45	18,000	250	40	25	320
	Male: Age 45-54 Years	55.8%	43.7%	0.6%	28,540	15,920	6,910	4,450	775	310	20	12,465	135	15	10	160
	Male: Age 55+ Years	73.9%	25.9%	0.1%	23,530	17,400	3,995	1,820	205	75	5	6,095	30	5	0	35
	Indigenous	44.1%	54.8%	1.0%	53,530	23,625	15,020	11,115	2,200	960	55	29,350	425	95	40	555
	CALD	66.3%	33.3%	0.4%	51,295	34,025	10,065	5,630	930	415	20	17,065	155	35	15	205
	PWD	57.2%	42.3%	0.5%	85,545	48,935	19,710	13,000	2,385	1,020	60	36,180	340	70	15	430
	Homeless	45.1%	53.9%	1.0%	39,565	17,835	10,850	8,120	1,580	745	40	21,335	320	55	20	395
	Ex-Offender	42.2%	56.6%	1.2%	53,150	22,440	14,770	11,695	2,480	1,065	85	30,995	490	90	40	620
	Refugee	63.4%	36.1%	0.5%	15,905	10,085	3,415	1,865	305	155	5	5,745	55	15	10	75
	Parent	61.0%	38.6%	0.3%	45,970	28,060	10,260	6,150	945	380	20	17,755	130	20	5	155
	High JSICI	52.1%	47.1%	0.8%	91,020	47,420	22,520	15,775	3,100	1,425	70	42,890	560	115	40	710
	Mental Health	54.4%	45.1%	0.5%	40,435	21,995	9,850	6,575	1,205	565	30	18,225	175	25	15	215
	Drug and Alcohol	44.0%	55.0%	1.0%	27,290	12,020	7,575	5,675	1,205	505	40	15,000	225	30	15	270
	Allowance Group: JobSeeker Payment	56.0%	43.4%	0.7%	229,620	128,530	53,675	36,150	6,685	2,900	160	99,565	1,200	235	85	1,520
	Allowance Group: Youth Allowance	49.5%	49.5%	1.0%	18,290	9,060	4,570	3,370	745	355	15	9,060	125	30	15	175
	Allowance Group: Other	61.6%	38.0%	0.3%	35,110	21,645	7,705	4,615	715	295	20	13,350	95	15	5	115
Partial Capacity to Work	58.0%	41.5%	0.5%	54,660	31,690	12,535	8,055	1,420	665	35	22,710	215	35	10	260	
Education: less than year 12	52.6%	46.6%	0.8%	112,925	59,355	27,700	19,310	3,830	1,715	95	52,645	715	150	60	925	
Education: Completed Year 12	58.2%	41.3%	0.5%	41,595	24,190	9,275	6,230	1,145	505	20	17,180	180	35	10	225	
Education: Non-School qualification	58.9%	40.6%	0.5%	128,395	75,645	28,945	18,585	3,165	1,325	75	52,095	530	90	40	660	

Notes:

- To protect individuals' privacy, all cells (including totals) within the table have been rounded to the nearest 5. This may result in non-additivity for some totals. Zero cells are actual zeros. Caution should be taken in re-calculating totals from rounded data, as this may compound the effects of rounding.
- Participants can belong to more than one demographic cohort.
- Participants with a Demerit Count of 5 have had a Capability Assessment triggered which had yet to be finalised as at Report Date.
- Participants in the Penalty Zone with a Penalty Count of 0 have either not received a financial penalty since entering the Penalty Zone, or have recommended in the Penalty Zone after serving a preclusion period (3rd Financial Penalty).

Events for the period 1 October 2023 to 31 December 2023

Payment Suspensions and Resolution Time for the Period 1 October 2023 to 31 December 2023 ^{1,2,5,6,7,8}							
	Resolution Time					Immediate Payment Suspension	All Payment Suspensions
	All Resolution Time Events	Avoided Payment Suspension		Payment Suspension			
Workforce Australia Online	64,095	24,110	37.6%	39,985	62.4%	0	39,985
Workforce Australia Services	449,020	171,645	38.2%	277,375	61.8%	5,335	282,710
Total	513,110	195,750	38.1%	317,360	61.9%	5,335	322,695

Capability Interviews for the period 1 October 2023 and 31 December 2023 ^{1,4}													
	Total Completed Interviews	Capable		Not Capable - All		Reasons for Not Capable Outcome							
						Errors in Requirements		Ongoing Circumstances		Disclosed new information		Eligibility change	
Workforce Australia Online	1,095	510	46.6%	585	53.4%	55	9.4%	45	7.7%	400	68.4%	85	14.5%
Workforce Australia Services	18,200	11,045	60.7%	7,155	39.3%	1,245	17.4%	890	12.4%	2,795	39.1%	2,225	31.1%
Total	19,295	11,560	59.9%	7,740	40.1%	1,300	16.8%	935	12.1%	3,190	41.2%	2,310	29.8%

Capability Assessments for the period 1 October 2023 and 31 December 2023 ^{1,3,4}													
	Total Completed Assessments	Capable		Not Capable - All		Reasons for Not Capable Outcome							
						Errors in Requirements		Ongoing Circumstances		Disclosed new information		Eligibility change	
Workforce Australia Online	25	15	60.0%	10	40.0%	0	-	5	-	5	50.0%	5	50.0%
Workforce Australia Services	4,050	2,170	53.6%	1,880	46.4%	15	0.8%	155	8.2%	860	45.7%	850	45.2%
Total	4,075	2,190	53.7%	1,890	46.4%	15	0.8%	155	8.2%	865	45.8%	855	45.2%

Participants with exemptions from Mutual Obligations as at 29 December 2023 ^{1,9,10,11}

	Workforce Australia Online		Workforce Australia Services		Transition To Work	
	Number Applied	Percentage	Number Applied	Percentage	Number Applied	Percentage
INP: Incapacitated (excluding serious illness)	6,535	50.6%	39,415	65.0%	0	0.0%
AOA: Customer Overseas	2,895	22.4%	5,625	9.3%	135	48.2%
PHS: Home Schooling	370	2.9%	2,510	4.1%	0	0.0%
LF4: Large Family	220	1.7%	2,355	3.9%	0	0.0%
DSP: Claiming DSP	900	7.0%	2,340	3.9%	0	0.0%
MPC: Major personal crisis	330	2.6%	2,190	3.6%	80	28.6%
ISI: Temporary Incapacity - Serious illness	615	4.8%	1,395	2.3%	0	0.0%
CAR: Caring responsibilities	330	2.6%	1,230	2.0%	15	5.4%
FCR: Foster Carer	145	1.1%	1,175	1.9%	0	0.0%
OSC: Other Special Circumstances	235	1.8%	860	1.4%	35	12.5%
Other	345	2.7%	1,570	2.6%	10	3.6%
Total	12,915	100.0%	60,665	100.0%	280	100.0%

Notes:

- To protect individuals' privacy, all cells (including totals) within the table have been rounded to the nearest 5. This may result in non-additivity for some totals. Zero cells are actual zeros. Caution should be taken in re-calculating totals from rounded data, as this may compound the effects of rounding.
- Resolution Time is only available to participants who are not in the Penalty Zone. Non-compliance events raised for participants in the Penalty Zone result in an immediate Payment Suspension.
- Participants with a Demerit Count of 5 have had a Capability Assessment triggered which had yet to be finalised as at Report Date.
- Where a Capability Interview or Assessment has more than one reason for the participant being found Not Capable, only the primary reason is reported here.
- Immediate Payment Suspension refers to those participants who have had non compliance raised whilst in the penalty zone. In this scenario, the non compliance event is not subject to the '2 day resolution time' rule and suspension occurs immediately.
- Figures are of non-compliance events that have been finalised as at the report date.
- Job seekers whose income support payment is put on hold often reengage before they miss a payment and are back paid any missed payments once they do reengage. Some participants who receive payment suspensions have stopped needing employment services but have not informed their provider.
- Participants in the Penalty Zone with a Penalty Count of 0 have either not received a financial penalty since entering the Penalty Zone, or have recommenced in the Penalty Zone after serving a preclusion period (3rd Financial Penalty).
- The exemptions data is not fully comparable to those previously provided due to a change to the reporting populations for income support recipients, which now include all current (such as those on zero rate of payment) and suspended recipients.
- Where multiple exemptions exist, the first recorded exemption is reported.
- All Other Combined Exemption Type includes for example Distance Education Child, Dependant Child Exemption TPP, Carer Exemption Non-Parent relative.

Participants and Events for the period 1 October 2023 to 31 December 2023

Applied Demerits and Payment Suspensions By Cohort for the period 1 October 2023 to 31 December 2023 ^{1,2,3}								
	Cohort Flow Caseload	Applied Demerits			Payment Suspensions			
		Events	Participants	Percentage of Cohort	Events	Participants	Percentage of Cohort	
Workforce Australia Online	All Participants	154,980	41,525	32,860	21.2%	39,985	31,805	20.5%
	Female	69,815	17,465	14,055	20.1%	16,200	13,160	18.8%
	Female: Age Under 25 Years	18,925	4,705	3,765	19.9%	4,390	3,550	18.8%
	Female: Age 25-34 Years	19,775	5,585	4,515	22.8%	5,130	4,140	20.9%
	Female: Age 35-44 Years	11,985	3,380	2,690	22.4%	3,145	2,535	21.2%
	Female: Age 45-54 Years	9,820	2,410	1,960	20.0%	2,200	1,815	18.5%
	Female: Age 55+ Years	9,310	1,385	1,145	12.3%	1,330	1,145	12.3%
	Male	85,070	24,050	18,795	22.1%	23,775	18,640	21.9%
	Male: Age Under 25 Years	19,205	5,315	4,225	22.0%	5,180	4,120	21.5%
	Male: Age 25-34 Years	29,885	9,535	7,420	24.8%	9,235	7,135	23.9%
	Male: Age 35-44 Years	16,480	5,125	3,960	24.0%	5,100	3,930	23.8%
	Male: Age 45-54 Years	10,835	2,735	2,140	19.8%	2,810	2,230	20.6%
	Male: Age 55+ Years	8,665	1,340	1,090	12.6%	1,450	1,265	14.6%
	Indigenous	10,975	4,055	3,150	28.7%	4,135	3,155	28.7%
	CALD	25,500	5,965	4,760	18.7%	6,080	4,945	19.4%
	PWD	8,990	2,285	1,820	20.2%	2,495	2,040	22.7%
	Homeless	7,370	2,610	1,985	26.9%	2,715	2,050	27.8%
	Ex-Offender	7,515	3,020	2,280	30.3%	3,070	2,300	30.6%
	Refugee	3,140	970	765	24.4%	1,085	860	27.4%
	Parent	12,160	4,480	3,550	29.2%	4,210	3,385	27.8%
	High JSCI	705	50	45	6.4%	55	50	7.1%
	Mental Health	8,110	2,345	1,830	22.6%	2,300	1,815	22.4%
	Drug and Alcohol	3,555	1,380	1,045	29.4%	1,435	1,065	30.0%
	Allowance Group: JobSeeker Pay	97,960	35,105	27,750	28.3%	33,840	26,905	27.5%
	Allowance Group: Youth Allowance	10,300	3,460	2,765	26.8%	3,540	2,840	27.6%
	Allowance Group: Other	46,720	2,965	2,395	5.1%	2,605	2,090	4.5%
	Partial Capacity to Work	10,410	2,820	2,220	21.3%	2,840	2,260	21.7%
	Education: less than year 12	25,305	7,915	6,165	24.4%	8,025	6,265	24.8%
	Education: Completed Year 12	31,635	8,880	7,005	22.1%	8,570	6,845	21.6%
	Education: Non-School qualified	98,040	24,725	19,690	20.1%	23,390	18,695	19.1%
Workforce Australia Services	All Participants	376,095	207,955	136,735	36.4%	282,710	163,095	43.4%
	Female	178,185	85,850	58,425	32.8%	115,405	69,195	38.8%
	Female: Age Under 25 Years	23,435	14,300	9,375	40.0%	19,715	11,400	48.6%
	Female: Age 25-34 Years	38,255	22,630	15,040	39.3%	31,780	18,185	47.5%
	Female: Age 35-44 Years	42,900	23,295	15,710	36.6%	32,645	19,060	44.4%
	Female: Age 45-54 Years	40,225	17,495	12,295	30.6%	22,345	14,180	35.3%
	Female: Age 55+ Years	33,370	8,135	6,170	18.5%	8,915	6,650	19.9%
	Male	197,865	122,095	78,310	39.6%	167,295	93,895	47.5%
	Male: Age Under 25 Years	27,685	19,670	12,210	44.1%	27,595	15,100	54.5%
	Male: Age 25-34 Years	54,020	38,310	24,310	45.0%	53,940	29,400	54.4%
	Male: Age 35-44 Years	45,825	32,065	20,280	44.3%	45,775	25,080	54.7%
	Male: Age 45-54 Years	37,770	21,775	14,320	37.9%	28,445	16,760	44.4%
	Male: Age 55+ Years	32,565	10,275	7,440	22.8%	11,535	7,990	24.5%
	Indigenous	68,805	54,660	33,790	49.1%	82,430	43,160	62.7%
	CALD	71,645	28,995	20,115	28.1%	36,660	23,795	33.2%
	PWD	117,765	62,645	41,695	35.4%	84,425	50,045	42.5%
	Homeless	52,045	40,200	25,050	48.1%	59,775	31,805	61.1%
	Ex-Offender	69,955	58,330	35,585	50.9%	86,485	45,165	64.6%
	Refugee	21,725	10,155	6,970	32.1%	12,725	8,275	38.1%
	Parent	60,190	28,230	19,995	33.2%	37,760	23,480	39.0%
	High JSCI	124,730	75,605	48,740	39.1%	105,125	58,890	47.2%
	Mental Health	56,710	31,650	21,055	37.1%	44,425	26,085	46.0%
	Drug and Alcohol	36,380	28,520	17,665	48.6%	41,105	21,920	60.3%
	Allowance Group: JobSeeker Pay	296,220	170,015	111,365	37.6%	230,340	132,455	44.7%
	Allowance Group: Youth Allowance	23,935	17,315	10,940	45.7%	24,640	13,850	57.9%
	Allowance Group: Other	55,940	20,625	14,700	26.3%	27,735	17,255	30.8%
	Partial Capacity to Work	77,690	39,575	26,630	34.3%	55,175	33,045	42.5%
	Education: less than year 12	151,565	95,870	61,130	40.3%	135,015	75,275	49.7%
	Education: Completed Year 12	55,595	27,420	18,535	33.3%	35,965	21,735	39.1%
	Education: Non-School qualified	168,760	84,565	57,145	33.9%	111,410	66,195	39.2%
Total	480,265	249,485	169,360	35.3%	322,695	193,560	40.30%	

Notes:

- To protect individuals' privacy, all cells (including totals) within the table have been rounded to the nearest 5. This may result in non-additivity for some totals. Zero cells are actual zeros. Caution should be taken in re-calculating totals from rounded data, as this may compound the effects of rounding.
- Cohort Flow Caseload captures any participant that was commenced and compellable at any stage during the reporting period. Demographic data is as at the participant's first commencement date in the period or the start of the period if they commenced prior.
- Participants can belong to more than one demographic cohort.

Participants and Events for the period 1 October 2022 to 31 December 2023

Transition To Work Payment Suspensions By Cohort for the period 1 October 2023 to 31 December 2023 ^{1,2}			
		Events	Participants
Transition to Work	All Participants	695	635
	Female	290	265
	Female: Age Under 22 Years	205	190
	Female: Age 22+ Years	85	75
	Male	405	365
	Male: Age Under 22 Years	205	190
	Male: Age 22+ Years	125	120
	Indigenous	320	320
	CALD	45	45
	PWD	165	165
	Homeless	215	190
	Ex-Offender	145	125
	Refugee	25	20
	Parent	5	5
	High JSCI	75	65
	Mental Health	80	70
	Drug and Alcohol	20	20
	Allowance Group: JobSeeker Payment	210	195
	Allowance Group: Youth Allowance	485	440
	Allowance Group: Other	0	0
Partial Capacity to Work	100	90	
Education: less than year 12	540	490	
Education: Completed Year 12	65	65	
Education: Non-School qualification	90	80	

Applied Demerits and Payment Suspensions By Event Type for the period 1 October 2023 to 31 December 2023 ¹							
		Applied Demerits			Payment Suspensions		
		Events	Percentage of Event Total	Participants	Events	Percentage of Event Total	Participants
Workforce Australia Online	All Participants	41,525	100.0%	32,860	39,985	100.0%	31,805
	Provider Appointment	175	0.4%	175	1,905	4.8%	1,875
	Points Based Period	34,005	81.9%	28,590	31,345	78.4%	26,170
	Job Plan / Participation Plan	7,200	17.3%	7,040	6,155	15.4%	6,095
	Job Referral	0	-	0	0	0.0%	0
	Job Interview	0	-	0	0	0.0%	0
	Activity	145	0.3%	110	575	1.4%	565
Third Party Appointment	0	-	0	0	0.0%	0	
Workforce Australia Services	All Participants	207,955	100.0%	136,735	282,710	100.0%	163,095
	Provider Appointment	64,795	31.2%	49,745	168,010	59.4%	112,450
	Points Based Period	140,805	67.7%	109,425	109,850	38.9%	89,165
	Job Plan / Participation Plan	270	0.1%	270	490	0.2%	490
	Job Referral	430	0.2%	415	510	0.2%	495
	Job Interview	100	0.0%	95	520	0.2%	505
	Activity	1,560	0.8%	795	3,330	1.2%	1,885
Third Party Appointment	0	-	0	0	0.0%	0	
Transition to Work	All Participants				695	100.0%	635
	Provider Appointment				695	100.0%	635
Workforce Australia Total	All Participants	249,485	100.0%	160,360	323,390	100.0%	194,195
	Provider Appointment	64,975	26.0%	49,920	170,605	52.8%	114,865
	Points Based Period	174,810	70.1%	137,895	141,200	43.7%	115,250
	Job Plan / Participation Plan	7,470	3.0%	7,305	6,650	2.1%	6,580
	Job Referral	430	0.2%	415	510	0.2%	495
	Job Interview	100	0.0%	95	520	0.2%	505
	Activity	1,705	0.7%	905	3,905	1.2%	2,450
Third Party Appointment	0	-	0	0	-	0	

Notes:
 1. To protect individuals' privacy, all cells (including totals) within the table have been rounded to the nearest 5. This may result in non-additivity for some totals. Zero cells are actual zeros. Caution should be taken in re-calculating totals from rounded data, as this may compound the effects of rounding.
 2. Participants can belong to more than one demographic cohort.



Payment Suspension Process

1. A Payment Suspension under the Targeted Compliance Framework (TCF) is a temporary hold on a person's ability to report to Centrelink (as part of their regular fortnightly reporting) due to failing to meet a Mutual Obligation Requirement. If the person does not reengage before their regular Centrelink reporting date, their payment may be delayed. The Centrelink IT system recognises that the person has outstanding non-compliance that must be rectified before payment can be made.
2. **For most people (over 90% on the 2022/2023 FY), a Payment Suspension under the TCF will mean no delay or reduction to their regular payment.**
3. When a person fails to meet a Mutual Obligation Requirement, such as not attending a provider appointment or meeting their PBAS target, they will receive a notification stating they did not meet a requirement and they must contact their provider. They have a 2 day Resolution Time period to contact their provider and provide a valid reason for not meeting the requirement or to meet a reengagement requirement.
4. During this 2-day resolution time they will receive a notification advising them that their payment **may be suspended** and they need to contact their provider or the DSCC to discuss.

Hi XXXX

It seems you didn't meet a requirement. Contact your provider straightaway on 136123 to fix this issue or your payment may be put on hold in the next 2 business days.

Regards

(Provider Name) (provider contact number)

5. If they contact their provider or the provider contacts them during the 2-day resolution Time and provide a valid reason for not meeting the requirement, the non-compliance is finalised in the system and the person will not receive a Payment Suspension or a demerit.
6. If they do not have a valid reason a demerit will be applied. Their provider should also explain to them the need to meet the requirement and the consequences for not doing so. The provider generally will set a reengagement requirement, which in most cases, will be to meet the requirement they previously missed.
7. If the person does not contact their provider within the 2-day Resolution Time, a demerit is automatically applied. The person will need to contact their provider and either give a valid reason for not meeting the requirement or meet a reengagement requirement.
8. The person will receive a number of notifications telling them their payment is on hold and they need to contact their provider or the DSCC to rectify their non-compliance. Whilst the notification states that their payment is on hold, this is actually only a hold on their ability to report to Centrelink as part of their regular fortnightly reporting requirement.



Hi XXXX

Your Jobseeker Payment is still on hold.

Why we're contacting you

Our records show you didn't meet a mutual obligation requirement. These are the tasks and activities you agreed to in your Job Plan. Your Jobseeker Payment is still on hold.

How to start getting your Jobseeker Payment again

Contact us to discuss both:

- why you couldn't meet your obligation
- what you need to do to start getting your payment again.

To learn more about your obligations go to [learn about your obligations](#).

If you don't act

Your Jobseeker Payment will stay on hold and may be cancelled after 28 days. To learn more go to [if you don't meet your obligations](#).

Contact us

If you have questions or concerns you can:

- visit us in person at: (provider address)
- call (provider contact number)

Regards

(Provider Name)

9. This hold remains in place until the person contacts their provider of the DSCC to either provide a valid reason for not meeting the requirement (such as being sick, caring responsibilities or being called into casual employment) or meet their Reengagement Requirement. This Reengagement Requirement will usually be to complete the requirement they previously failed to complete (such as attending a provider appointment or meeting the points target).
10. Any delayed payments are back-paid in full when the person meets their reengagement requirement or provides a valid reason for not meeting the requirement.
11. Over 90% of people reengage before their reporting data and therefore do not have any delay to their regular payment.

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Penalty Zone IT Issue

Remediation Payment Progress

- To date, **184** participants have received back payment totalling approximately **\$110,000**. (as at 08/02/2024) .
 - The average amount repaid to date is approximately **\$590**
- The payment process for the remaining **356** clients with a 3rd financial penalty is still under consideration.

Numbers Impacted

- In total, **1165** individuals and resulted in applying **1615** financial penalties that are not consistent with policy or legislation. A breakdown of the type of penalty applied:

Penalty Type	Financial Penalties Applied
1 st Financial Penalty – 50% of their regular fortnightly payment	427
2 nd Financial Penalty – 100% of their regular fortnightly payment	714
3 rd Financial Penalty – Cancelled off payment for a 4 week period, must reapply for payment	474

NOTE: individuals can receive multiple Financial Penalties and multiples of each penalty type where repeated non-compliance places the client in the Penalty Zone on multiple occasions

Remediation Payments

- DEWR does not have access to rates of payment to individual clients, this information is held by Services Australia.
- The amount to be back-paid will differ for each individual. Financial Penalties are applied against the total amount a client receives, based on their Allowance Type (JobSeeker, Youth Allowance or Parenting Payment) and including any allowances or supplements that they may be eligible for, such as:
 - Rent Assistance
 - Energy Supplement
 - Pharmaceutical Allowance
 - Telephone Allowance
 - Carer's Allowance
- For a single participant aged 22-54 on the base rate of JobSeeker Payment without other supplements, the value of the penalties as at 31 August 2023 would be:
 - \$346.55 for a 1st Financial Penalty - a 50% loss of 1 fortnightly payment
 - \$693.10 for a 2nd Financial Penalty - 100% loss of 1 fortnightly payment
 - \$1386.20 for a 3rd Financial Penalty - payment cancellation and 4 week non-payment period.

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Penalty Zone IT Issue

Background

- The department identified a system error in August 2023 that resulted in some clients who are in the Targeted Compliance Framework (TCF) Penalty Zone to have additional Financial Penalties incorrectly applied.
- The system issue extended a person's time in the Penalty Zone beyond the 3 Active Months (91 days) required with no new compliance action, new Financial Penalties were being applied beyond the 3 Active Month period when the person should have moved out of the Penalty Zone.
- Clients who are in the Penalty Zone have been persistently non-complaint and accrued 5 demerits and have had two assessments to determine their capacity to meet their Mutual Obligation Requirements.
- Approximately 1,200 individuals were impacted.
- Action was taken immediately the issue was identified to ensure no one else was impacted and an interim manual correction process was put in place.
- The system issues have now been rectified and back payments have commenced.
- Unfortunately, early identification of this issue did not occur due to a number of compounding circumstances:
 - The introduction of the Targeted Compliance Framework in mid-2018 introduced the new Financial Penalty structure. This new structure meant that a client would accrue 5 demerits over a 6-month period before moving into the Penalty Zone.
 - Widespread bushfires in 2019, COVID in 2020 and 2021, and widespread flooding in 2022 saw lengthy pauses to Mutual Obligation Requirements, meaning that for considerable periods, clients were not subject to compliance action and few individuals entered the Penalty Zone.
 - With the commencement of Workforce Australia in July 2022, all existing compliance for the transitioning caseload was removed and all clients were moved back to the TCF Green Zone ("Green-zoning"). Mutual Obligation Requirements were paused for the first month of Workforce Australia and all clients were not subject to compliance action if they did not meet their target for their first two PBAS periods. Meaning the first clients did not reach the Penalty Zone until November 2022.
 - New program assurance activities analysing critical aspects of the TCF and a 6 month period in 2023 with no lengthy pauses of Mutual Obligation Requirements meant that sufficient continual data was available for the system issues to be identified.

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Penalty Zone IT Issue

TCF Penalty Zone IT System Issues - Timeline

13 July 2023

- Compliance Team, through regular program assurance activities checking the appropriateness of applied Financial Penalties identifies individual who has been in the Penalty Zone for longer than the 3 Active Month period (91 days) with no newly applied non-compliance.
- Client record was immediately sent to IT to investigate.
 - IT initially attributed the fault to a known system issue impacting clients with at least 25 previous non-compliance events.
 - Compliance Team review of this IT response found that the circumstances did not fully match the criteria for this known system issue. Team was directed to check time in the PZ when conducting client record checks.
 - Within the following day another 5 records were identified and sent to IT to check.

17 July 2023

- Issue raised as a new bug in the DEWR IT system – immediately escalated to Priority 1/Severity 1. Work begins on fix and identifying affected clients.
- FAS Minute prepared on issue.

24 July 2023

- Initial impact list provided to Compliance Team, discussions with Services Australia commence to back-payment. List undergoes refinement based on differences between IT Business Rules and Legislative Instrument.
- FAS brief updated with numbers of impacted clients, Dep Sec and Sec briefed.

10 August 2023

- Initial bug fix was released
 - 2 additional bugs identified that caused identical issues as the first bug,

28 August 2023

- Additional bug identified, escalated to Priority 1/severity 1

29 August 2023

- Compliance team send the impact list of participants who still need to be 'green zoned' (85 participants) to Digital Operations. Services Australia is sent the list of participants who are within the 13 week back payment period (87 participants).
- Discussions commence on back payment process for remaining impacted clients

1 September 2023

- Question Time Brief and Talking Points prepared for Minister: **QB23-000088**

4 September 2023

- Services Australia commences back payment for those within the 13 week window for back payment.

8 September 2023

- Ministerial Brief **MB23-000271** sent to Minister seeking agreement on recommended approach to IT fix for newly identified bugs.
- Includes failsafe of hard removal for ALL clients at 91 days in the Penalty Zone regardless of new compliance action.

13 September 2023

- Min Brief **MB23-000271** with agreement to rectify issues and implement fail safe returned and fixes commence.
- Work commences on fix and failsafe.

25 October 2023

- Fix and failsafe released into DEWR IT system.
- Ongoing program assurance activities confirm that fix and failsafe are working correctly.

24 November 2023

- Compliance Team completes assurance activity reviewing complete compliance history of all clients remaining in the Penalty Zone to ensure all demerits and Financial Penalties have been correctly applied.
 - All new entries to the Penalty Zone now have their demerit history and new Financial Penalties assessed to ensure they are correctly applied.

29 January 2024

- Services Australia commences remediation payments for those remaining clients with a 1st or 2nd Financial Penalty that was incorrectly applied.

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Penalty Zone IT Issue

Welfare recipients subject to 'system error' receiving back pay

The Guardian Australia

24 January 2024

Stephanie Convery

An error in the **Department of Employment's** systems has incorrectly penalised some 1200 welfare recipients by classifying them as in breach of their mutual obligations when they weren't.

The error involved what's called the "penalty zone" – a classification that's triggered when a jobseeker accrues a certain number of demerit points by failing to meet the mutual obligations requirements of welfare payments (applying for a certain number of jobs, or participating in training programs, for example).

Failing to perform a mutual obligation requirement while in the penalty zone can result in welfare payments being docked – and that's what happened to these 1200 people.

The error left participants in that "penalty zone" when they should have been removed from it, cutting their payments.

The Department of Employment identified the error in August last year, which they say dates back to 2018.

A government spokesperson told Guardian Australia all the people who were affected had been identified and are being notified about how much money they are owed.

Back payments have also commenced, with 87 people so far receiving a total of \$79,000. More than 700 people are expected to be repaid in the coming weeks.



Minister for employment and workplace relations Tony Burke. Photograph: Toby Zerna/AAP

Tony Burke, minister for employment and workplace relations, blamed the error on the previous [Coalition](#) government. He said:

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Penalty Zone IT Issue

As soon as my department informed me about this system failure I instructed them to start repaying people. That process is now well underway.

Labor supports the concept of mutual obligations but it is critical people are not penalised unfairly.

We know there's more work to do to fix employment services.

That's why this Government established a Select Committee to examine the system. We're working through the Committee's recommendations to ensure we have a system focused on helping people get into work.

**A previous version of this article incorrectly said there had been a Services Australia system error. This has been amended – it was a Department of Employment system error.*

Updated at 13.15 AEDT

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Australian Council of Social Service

23 August 2023

Hon Tony Burke, MP
Minister for Employment and Workplace Relations
Parliament House
Canberra ACT 2600

Via email: tony.burke.mp@aph.gov.au

URGENT

Dear Minister,

URGENT ACTION NEEDED ON INCOME SUPPORT PAYMENT SUSPENSIONS

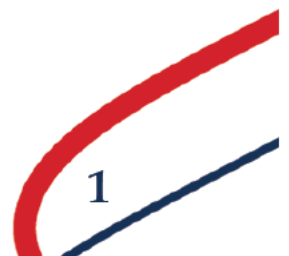
ACOSS writes to set out again our grave concern about the high rates of payment suspensions confirmed by the data for the period 1 April 2023-30 June 2023 published last Friday. As was the case with Robodebt, the widespread use of unfair and automated payment suspensions in employment services is administratively unjust and is causing harm and acute distress to people many of whom are in vulnerable circumstances.

Urgent action is required.

We have previously outlined our major concerns about the high rates of income support payment suspensions and the harm and damage to people to yourself, to the House of Representatives Workforce Australia Select Committee, your advisors and the Department. We have urged Government action be taken and we put forward proposals to finding solutions to reduce their incidence and harmful effects.

We now believe it is necessary to pause the use of all income support payment suspensions until a fair, workable alternative to the present system of unjust and automated suspensions is put into place.

Locked Bag 4777, Strawberry Hills NSW 2012
P: 02 9310 6200 E: info@acoss.org.au W: www.acoss.org.au
ABN: 72 757 927 533





The following features of an alternative system are key:

- Decisions to suspend a person's payment should be made by appropriate personnel at Services Australia;
- Suspensions should not be used as the first resort, especially for minor infractions such as missing a provider appointment, and providers should have more discretion not to apply them;
- Proper administrative law processes including human rights protections, should be adopted to ensure that the suspension is the least restrictive measure necessary, taking into account any personal vulnerabilities and the impact of a suspension on individual and their family financial circumstances (such as the risk of not being able to pay rent) and the seriousness of the breach.

It is intolerable that the widespread use of payment suspensions has brought us to the stage where almost half of all people on unemployment payments in Workforce Australia were impacted over the past three months. From 1 April 2023-30 June 2023 there were:

- 436,635 suspensions that affected 239,805 (45%) of the 538,995 of the participants in Workforce Australia;
- Overall, 44% of the suspensions were for not being able to complete Points under the points-based activation model on time; and
- 52% were for providers reporting people had not attended appointments.

We note that the ALP National Platform includes the following commitment, which we strongly endorse:

Labor also recognises that current aspects of the mutual obligations system can be punitive, cause stress and anxiety, and be a barrier to attaining employment. Therefore, Labor will review the nature and extent of mutual obligations and develop a revised approach that provides the help people need and is based on trust and shared accountabilities for government, service providers and job seekers.

Too much time has already been lost, and too many people have been impacted, to ask people to wait for a comprehensive solution.

You will be aware that people affected by these payment suspensions are trying to deal with the cost-of-living crisis on a grossly inadequate income support payment. We again urge Government to address the inadequate level of JobSeeker and related payments.

In light of this we believe that the responsible action is to pause payment suspensions until a fair and human rights compatible solution is implemented and the Digital Protections Framework is in place and provides access to administrative review.



We seek your urgent response to these concerns.

We also seek a meeting with you to explain further the harm that is being caused to people by the current payment suspensions and the urgency of the need for protective action to be taken.

Yours sincerely,

A handwritten signature in black ink, which appears to read "C Goldie".

Dr Cassandra Goldie
CEO, ACOSS

Wage Subsidies Data on Cohorts and Occupations

- Wage subsidies are a financial incentive Providers can offer to eligible Employers to encourage them to hire eligible Participants into ongoing jobs by contributing to the initial costs of hiring a new employee.
- Individuals participating in provider-led employment services are eligible to attract a wage subsidy when they meet time in service requirements. Time in service requirements for individuals include:
 - a minimum of 6 months in provider-led services, or
 - a minimum of 12 months in online services (prior to commencing with a provider), or
 - from day one in provider led services for Indigenous Participants.
- As at 31 December 2023, there were 27,027 wage subsidy agreements in place with expenditure of \$59.34 million for wage subsidy reimbursements.
- Placements supported by a wage subsidy achieve a 15.1 percentage point higher 26-week Outcome rate than eligible placements not supported with a wage subsidy (56.8% subsidised vs 41.7 % unsubsidised).
- Direct comparisons between jobactive and Workforce Australia wage subsidy take-up and expenditure cannot be made as wage subsidy policy settings and eligibility have changed.
 - Under jobactive, all participants who met the time in service requirements were eligible for wage subsidy support. Under Workforce Australia, wage subsidies are not available to Participants in Workforce Australia Online. Wage subsidies are available for participants in provider-led services only, to support individuals who face higher levels of disadvantage.
 - This policy change was to reduce the rates of wage subsidies being used for job placements that would have occurred anyway (deadweight loss) highlighted in the jobactive evaluation.

Top 10 wage subsidised occupations

Occupation	All job placements						Wage subsidies		% of eligible placements subsidised				
	Number	% of all placements	% Male	% Female	% Indigenous	% Aged 50+	Number	% of subsidies	Total	Male	Female	Indigenous	Aged 50+
Total	318,610	100.0%	55.4%	44.6%	16.3%	18.3%	26,854	100.0%	11.2%	13.0%	9.1%	12.5%	10.1%
Factory Process Workers	29,807	9.4%	73.4%	26.6%	14.4%	14.8%	5,213	19.4%	23.3%	23.5%	23.0%	22.9%	23.3%
Cleaners and Laundry Workers	27,803	8.7%	32.6%	67.4%	20.4%	23.3%	2,514	9.4%	11.1%	14.6%	9.5%	11.3%	11.3%
Sales Assistants and Salespersons	26,946	8.5%	35.1%	64.9%	13.2%	14.1%	1,192	4.4%	6.0%	6.6%	5.6%	6.5%	5.8%
Construction and Mining Labourers	25,003	7.8%	94.0%	6.0%	26.1%	12.1%	2,485	9.3%	13.0%	12.9%	14.5%	15.5%	13.3%
Hospitality Workers	18,962	6.0%	30.5%	69.5%	16.4%	10.5%	1,285	4.8%	9.2%	9.5%	9.0%	10.3%	9.2%
Drivers and Storepersons	18,859	5.9%	84.0%	16.0%	12.3%	26.2%	1,899	7.1%	13.8%	13.8%	13.8%	15.2%	14.5%
General-Inquiry Clerks, Call Centre, Receptionists	16,144	5.1%	26.9%	73.1%	11.4%	21.3%	1,478	5.5%	12.2%	15.0%	11.1%	11.1%	12.5%
Other Labourers	15,950	5.0%	76.7%	23.3%	23.0%	17.7%	1,654	6.2%	13.4%	13.5%	13.2%	14.3%	13.5%
Food Preparation Assistants	14,449	4.5%	42.0%	58.0%	17.1%	15.8%	1,344	5.0%	12.8%	14.0%	11.9%	13.1%	12.8%
Mobile Plant Operators	7,360	2.3%	91.3%	8.7%	18.0%	20.8%	906	3.4%	16.6%	16.5%	17.4%	17.3%	17.1%
<i>Remaining Occupations</i>	<i>117,327</i>	<i>36.8%</i>	<i>52.5%</i>	<i>47.5%</i>	<i>14.7%</i>	<i>20.2%</i>	<i>6,884</i>	<i>25.6%</i>	<i>7.9%</i>	<i>9.3%</i>	<i>6.3%</i>	<i>9.6%</i>	<i>6.8%</i>

Notes:
1. Workforce Australia Services and Transition to Work data only
2. Providers select the occupation from a pre-populated list in the IT system

Colour scaling based on Male and Female split of placements (Green = higher, Yellow = neutral, Red = lower).

- The ten occupations that received the most wage subsidies account for 74.5% of all subsidies and 63.2% of all job placements.
- 11.2% of eligible job placements received a wage subsidy. This was higher for men (13.0%) than women (9.1%). Male-dominated occupations are the most likely to use wage subsidies.
- Job placements for Indigenous participants received wage subsidies at a higher-than-average rate (12.5%), while placements for mature age participants were less likely than average to be subsidised (10.1%).
- The subsidy rate often varies for different cohorts for the same occupation groups; however, this is not universal nor always in the same direction. For example, men are significantly more likely than women to receive a wage subsidy for placements in some large female-dominated occupations (cleaners and laundry workers, general inquiry clerks, call centre workers/receptionists, and food preparation assistants), while women have a higher subsidy rate than men as construction and mining labourers and mobile plant operators, which are heavily male-dominated occupations. This demonstrates that wage subsidies can assist participants into occupations that they may not typically work in, including highly gendered work.

Wage subsidies by cohort

Cohort	% of subsidies	Percent of eligible placements subsidised
Totals	100.0%	11.2%
Male	63.4%	13.0%
Female	36.6%	9.1%
High JSCI	23.7%	12.3%
PWD	23.7%	11.2%
Indigenous	23.0%	12.5%
Ex-Offender	18.2%	13.0%
CALD	16.8%	12.0%
Homeless	14.1%	12.0%
Parent	12.7%	9.6%
Mental Health	12.3%	12.1%
Drug and Alcohol	9.1%	13.9%
Refugee	5.1%	12.6%
Age <25	26.3%	13.2%
Age 25 - 34	27.0%	10.8%
Age 35 - 44	21.7%	10.9%
Age 45 - 54	16.7%	10.6%
55 - 64	7.8%	10.0%
Age 65+	0.5%	7.5%
Registered under 12 Months	11.9%	12.6%
Registered 12 to 23 Months	17.1%	11.6%
Registered 24 to 59 Months	45.8%	10.5%
Registered 60+ Months	25.2%	11.8%

Related Questions received on notice

PDR Link	Submitted By	Subject	Answer Summary
PQ23-000295	Senator Janet Rice	Wage subsidy usage by industry/sector	How data is collected and breakdown by industry
SQ23-000739	Senator Janet Rice	Wage subsidy programs	Number of participants and agreements by subsidy program



MINISTER REPRESENTING THE MINISTER FOR EMPLOYMENT AND WORKPLACE RELATIONS

Senate

Parliamentary Question

Question Number: 1992
Question Date: 12 April 2023
Table Office Due Date: 12 May 2023

Senator Janet Rice asked the Minister representing the Minister for Employment and Workplace Relations in writing, on 12 April 2023:

Does the Department collect data on the industries or sectors in which wage subsidies are used.

Minister representing the Minister for Employment and Workplace Relations has provided the following answer to the Senator's question:

Yes. Industry data is collected by the Workforce Australia Employment Services Provider from the employer when creating the work placement for each wage subsidy agreement. This information is recorded in the Department's IT system. While the industry of the employment is recorded, it may not account for the occupation the participant is placed in. For example, the employer may be in the construction industry, but the participant may be working as a cleaner or in office administration.

Number of wage subsidies approved under Workforce Australia by Employer Industry as at 31 March 2023

Employer Industry	Agreements
Other Services	3,442
Manufacturing	1,701
Accommodation and Food Services	1,478
Construction	1,157
Transport, Postal and Warehousing	979
Retail Trade	964
Health Care and Social Assistance	496
Administrative and Support Services	462
Agriculture, Forestry, Fishing	409
Multiple Industries	283
Wholesale Trade	266
Professional, Scientific, Technical Services	234

Education and Training	163
Rental, Hiring and Real Estate Services	140
Mining	124
Information Media and Telecommunications	77
Electricity, Gas, Water, Waste Services	65
Financial and Insurance Services	49
Arts and Recreation Services	45
Public Administration and Safety	43
Total	12,577

Standing Committees on Education and Employment

QUESTION ON NOTICE Budget Estimates 2023 - 2024

Outcome: Employment and Workforce

Department of Employment and Workplace Relations Question No. SQ23-000739

Senator Janet Rice provided in writing.

Wage subsidy programs

Question

Please provide the following figures:

Total number of participants in the following wage subsidy programs from 2020 to the latest available date:

- a) Long Term Unemployed
- b) Indigenous
- c) Parents
- d) Young People

Answer

Table 1 presents the total number of wage subsidy participants and agreements by wage subsidy program for the period 1 January 2020 to 30 June 2022.

These wage subsidy programs were in place under jobactive. Since 1 July 2022 they have been replaced by Workforce Australia Wage Subsidies and Youth Bonus Wage Subsidies. Under Workforce Australia, there are no longer specific wage subsidies targeting long-term participants, Indigenous and parents.

Table 1: Wage subsidy participants and agreements by wage subsidy program and year, 1 January 2020 to 30 June 2022

Year	Agreement Type	Participants	Agreements
2020	Indigenous	6,569	6,889
	Long Term Unemployed	4,551	4,735
	Parents	2,430	2,503
	Restart	8,336	8,665
	Youth	3,123	3,224
	Youth Bonus	8,875	9,266
2020 Total		33,839	35,282
2021	Indigenous	9,526	10,012
	Long Term Unemployed	9,677	10,104
	Parents	4,160	4,295
	Restart	14,015	14,495
	Youth	5,340	5,510
	Youth Bonus	11,724	12,230
2021 Total		54,373	56,646
2022 (Jan-Jun)	Indigenous	3,021	3,054
	Long Term Unemployed	3,285	3,332
	Parents	1,230	1,237
	Restart	4,929	4,993
	Youth	1,559	1,577
	Youth Bonus	2,789	2,827
2022 (Jan-Jun) Total		16,812	17,020
Grand Total		98,770	108,948

Table 2 presents the total number of participants and wage subsidy agreements for Workforce Australia Wage Subsidies and Youth Bonus Wage Subsidies for the period 1 July 2022 to 31 March 2023.

Table 2: Workforce Australia wage subsidy participants and agreements by wage subsidy program, 1 July 2022 to 31 March 2023

Year	Agreement Type	Unique participants	Wage subsidy agreements
Jul 2022- Mar 2023	Workforce Australia Services	9,044	9,271
	Youth Bonus	3,236	3,306
Grand Total		12,278	12,577

Note: Participants can be supported by wage subsidies across multiple subsidy types and start years. Thus the yearly total participant count may differ from the sum of participants by wage subsidy type, and Grand Total participant count may differ from the sum of the yearly total participant count.

Last Cleared By **s 22(1)**
 Date Last Cleared 06 February 2024

OFFICIAL

SB24-000045
 Data for: 1 July 2022 to 31 December 2023

Campaigns - Fee free TAFE + Engineered Stone

- The department has one campaign currently in market to raise awareness of available Fee-Free TAFE training places. This campaign is scheduled to end on 23 March 2024.
- The department has one campaign currently in development to raise awareness of the prohibition of the use and import of engineered stone. The timing of this campaign is dependent on development and approval processes.

1. Fee-Free TAFE Campaign

Dates in Market	Aim	Audience	Channels
8 Oct 2023 – 23 Mar 2024	Inform target audiences of the availability of Fee-Free TAFE training places available and drive them to the YourCareer website to find out more about courses, eligibility and where to enrol.	Australians aged 25-54 who are looking to gain new skills or change careers their career path including: <ul style="list-style-type: none"> Women First Nations Australians People out of work or receiving income support People with disability Young people aged 17-24 who are eligible for a Fee-Free TAFE course.	Advertising appeared on television for five weeks from 8 October 2023. Digital video, digital search and digital social will be 'always on' throughout the duration of the campaign.*

*While the campaign launched nationally, digital advertising will cease in individual jurisdictions when courses reach capacity. Advertising in South Australia ceased on 1 December 2023.

Funding summary

- Funding of \$7.01 million was received in the October 2022 Budget for the Fee-Free TAFE campaign, comprising \$5.89 million in 2022–23 and \$1.12 million in 2023–24.
- A Movement of Funds request to move \$5.573 million in unspent funding from 2022–23 to the 2023–24 financial year was approved by the Department of Finance. The total budget for 2023-24 to \$6.693 million.

Impact on underlying cash (\$ millions)			
	2022-2023	2023-2024	Total
Total	-0.317	-6.693	-7.01

Expenditure/Budget (\$ millions)

- As at 31 December 2023, **\$7.01 million** has been committed and **\$5.435 million** has been expended.

Item	2022–23 Budget	2023–24 Budget
Media	-	4.801
Advertising	0.137	1.092
Research	0.18	0.11
Public relations	-	0.25
Multicultural community	-	0.22
First Nations	-	0.22
Total	0.317	6.693

*Source: Budget tracker maintained by campaign team

Timeline

Critical date	Event or action
8 Dec 2022	Minister for Finance and Chair of the Government Communications Subcommittee (GCS) approved the Fee-Free TAFE campaign proposal.
24 Jul 2023	GCS Stage 1 considered the campaign and approved the campaign to proceed to development.
14 Aug 2023	Independent Communication Committee (ICC) considered the Fee-Free TAFE campaign and found it capable of complying with Principles 1 to 5 of the Guidelines.
18 Sep 2023	GCS Stage 2 approval of the final advertisements for placement in the media.
8 Oct 2023	Campaign launch.
TBC	The Fee-Free TAFE campaign will be evaluated by the GCS (Q3, 2024).

Related factsheet

PDR Link	Title
SB24-000120	*Fee-Free TAFE delivery

2. Engineered Stone Campaign

Dates in Market	Aim	Audience	Channels
TBC	Inform target audiences of: <ul style="list-style-type: none"> the prohibition of the use and import of engineered stone from 1 July 2024. the rationale underpinning the ban to reduce misinformation. Direct audiences through clear and appropriate channels to information and support that is relevant to them.	Developmental research will be used to confirm and segment target audiences however the department considers the following audience groups to be likely: <ul style="list-style-type: none"> Consumers Workers Businesses Secondary audiences include: <ul style="list-style-type: none"> Trade partners Unions & peak bodies Employer representative bodies 	Appropriate channels TBD by the Australian Government's Master Media Agency following developmental research results.

Campaign status

- Developmental research with consumers and industry to inform the campaign development is underway.
- Findings were delivered to the department on 5 February 2024.
- Creative concepts are currently in development.
- The campaign will be considered for Stage 1 approval by the Government Communications Subcommittee (GCS) on 26 February 2024.

Funding summary

- Funding of \$8.89 million was received in the MYEFO 2023-24 for the Engineered Stone campaign, including \$2.945 million in 2023–24 and \$5.945 million in 2024–25.

Last Cleared By **s 22(1)**
Date Last Cleared 06 February 2024

OFFICIAL

SB24-000045

Data for: 1 July 2022 to 31 December 2023

Expenditure/Budget (\$ millions)

- As at 31 December 2023, \$0.348 million has been committed and \$0.086 million has been expended.

Item	2023–24 Budget	2024–25 Budget
Media	0.35	3.15
Advertising	1.2	0.10
Research	0.27	0.07
Public relations	1.05	2.45
Multicultural community	0.075	0.175
First Nations	-	-
Total	2.945	5.945

*Source: Budget tracker maintained by campaign team.

Timeline

Critical date	Event or action
22 Nov 2023	Minister for Finance and Chair of the Government Communications Subcommittee (GCS) approved the Engineered Stone campaign proposal.

Related factsheet

PDR Link	Title
SB24-000007	Silica and engineered stone

Related Questions received on notice

PDR Link	Submitted By	Subject	Answer Summary
SQ23-000399	Hume, Jane	Total expenditure on advertising and information campaigns	The Department's total expenditure from 1 July 2022 to 28 February 2023 is \$171,362 (ex GST) for the Fee-Free TAFE campaign.
SQ23-000776	Hume, Jane	Total expenditure on advertising and information campaigns	The Department's total expenditure in 2022/23 to 21 June is \$229,884 (ex GST) for the Fee-Free TAFE campaign. (Refer to SQ22-001047)
SQ23-001103	Cash, Michaelia	External advice on the production of advertising material	The Government Communications Campaign Panel (GCCP) is the mandatory whole of government panel. DEWR is required to use this panel for campaigns above the value of \$500,000. Clemenger BBDO tendered for creative services on the advice from the DoF which managed the GCCP.
SQ23-001246	Hume, Jane	Total expenditure on advertising and information campaigns	The Department's total expenditure on advertising and information campaigns for the 2023/2024 financial year to 31 October 2023 is \$3.761 million (GST exclusive) for the Fee-Free TAFE campaign.
SQ23-001265	Hume, Jane	Market Research in relation to Commonwealth Information and Advertising Campaign	Yes. The Minister for Skills and Training on 13 September 2023. (Refer to SQ23-000802)
SQ23-001562	O'Sullivan, Matt	CALD Campaign – Fee-Free TAFE	The Fee-Free TAFE campaign has dedicated CALD expenditure.

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Page 2 of 2

Standing Committees on Education and Employment**QUESTION ON NOTICE
Supplementary Budget Estimates 2022 - 2023****Outcome: Cross Portfolio****Department of Employment and Workplace Relations Question No. SQ23-000399**

Senator Jane Hume provided in writing.

Total expenditure on advertising and information campaigns**Question**

What was the Department's/agency's total expenditure on advertising and information campaigns in financial year 2022/23 to date? Please provide an itemised list of the campaigns with costs.

Answer

Expenditure on information and advertising campaigns from 1 July 2022 to 28 February 2023 is as follows.

Campaign	Expenditure to 28 February 2023 (ex GST)
Fee-Free TAFE	\$171,362

Standing Committees on Education and Employment

QUESTION ON NOTICE Budget Estimates 2023 - 2024

Outcome: Cross Portfolio

Department of Employment and Workplace Relations Question No. SQ23-000776

Senator Jane Hume provided in writing.

Total expenditure on advertising and information campaigns

Question

What was the Department's total expenditure on advertising and information campaigns in financial year 2022/23 to date?

Please provide an itemised list of the campaigns, their purpose, and their expected costs.

Answer

The Department's total expenditure on advertising and information campaigns in financial year 2022/23 to 21 June is \$229,844 (GST exclusive) for the Fee-Free TAFE campaign.

Refer to SQ22-001047 for further details.

Standing Committees on Education and Employment

QUESTION ON NOTICE Budget Estimates 2023 - 2024

Outcome: Cross Portfolio

Department of Employment and Workplace Relations Question No. SQ23-001103

Senator Michaelia Cash provided in writing.

External advice on the production of advertising material

Question

Please provide a list of tenders that were tendered to external organisations to provide external advice on the production of advertising material.

- Please provide the basis by which tenders were undertaken.
- Please provide the number of suppliers that were approached as part of the tender process.
- Please provide quotes provided by other suppliers in the tender process.
- Please provide the reason this particular supplier identified by the Department of Employment and Workplace Relations for this contract.
- Please provide (in monetary terms) the amount incurred by the Department of Employment and Workplace Relations under this contract since it was tendered.

Answer

The Government Communications Campaign Panel (GCCP) is a mandatory whole-of-government panel of communications suppliers who work on Australian Government advertising and information campaigns. Non-corporate Commonwealth entities subject to the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) must use the GCCP where they have a need for external communication expertise, and the campaign is expected to be above the value of \$500,000.

Clemenger BBDO tendered for creative services on advice from the Department of Finance, which manages the GCCP.

As at 23 August 2023, \$691,001 (excl. GST) has been expended on the contract.

Standing Committees on Education and Employment

**QUESTION ON NOTICE
Supplementary Budget Estimates 2023 - 2024**

Outcome: Cross Portfolio

Department of Employment and Workplace Relations Question No. SQ23-001246

Senator Jane Hume provided in writing.

Total expenditure on advertising and information campaigns

Question

What was the Department's total expenditure on advertising and information campaigns in financial year 2023/24 to date?

Please provide an itemised list of the campaigns, their purpose, and their expected costs.

Answer

The department's total expenditure on advertising and information campaigns for the 2023/2024 financial year to 31 October 2023 is \$3.761 million (GST exclusive) for the Fee-Free TAFE campaign.

Refer to SQ23-001247 and SQ22-001047 for further details.

Standing Committees on Education and Employment

**QUESTION ON NOTICE
Supplementary Budget Estimates 2023 - 2024**

Outcome: Cross Portfolio

Department of Employment and Workplace Relations Question No. SQ23-001265

Senator Jane Hume provided in writing.

Also, refer to previous hearing Question No. SQ23-000802

Market research in relation to Commonwealth Information and Advertising Campaign

Question

Has the department/agency provided any Minister's office with market research conducted in relation to a Commonwealth Information and Advertising Campaign?

Please provide a list of the Ministers and the date on which they were provided the research.

Answer

Yes. The Minister for Skills and Training on 13 September 2023.

Refer to SQ23-000802 for further details.

Standing Committees on Education and Employment

QUESTION ON NOTICE Supplementary Budget Estimates 2023 - 2024

Outcome: Cross Portfolio

Department of Employment and Workplace Relations Question No. SQ23-001562

Senator Matt O'Sullivan provided in writing.

CALD Campaign – Fee-Free TAFE

Question

1. Is it the case the Government has launched a new Fee-Free TAFE advertising campaign?
2. What was the cost of developing that campaign?
3. Who was engaged to develop that campaign?
4. Have any of the videos been translated into languages other than English?
5. As part of this campaign, has the Minister issued any in language media release, to connect with Culturally and Linguistically Diverse (CALD) communities?
6. Are CALD communities listed as a 'priority' group for Fee-Free TAFE?
7. Are you aware the Opposition asked similar questions, of the Government, in May of this year?
8. Why has this government, now across two skills advertising campaigns, failed to dedicate advertising expenditure to CALD communities?

Answer

1. Yes
2. Refer to SQ22-001047.
3. This information is available via Austender.
4. Yes
5. No
6. As at 30 September 2023, Fee-Free TAFE has achieved 67,886 enrolments (22.9 per cent of total enrolments) for people who speak a language other than English at home. States and territories have specific inclusion strategies in their TAFEs, including to support and encourage CALD enrolments.
7. No
8. The department has been responsible for one skills campaign since its establishment on 1 July 2022, the Fee-Free TAFE awareness-raising campaign, which has dedicated CALD expenditure.

Travel, rideshare and gifted airline memberships

Official travel

- DEWR staff travel across Australia to meet operational requirements, including between the 15 cities with DEWR offices and to engage with key stakeholders.
- DEWR staff travel internationally to attend our 2 international office locations (Paris & Geneva) and to also represent Australia and meet international obligations such as at the Organisation for Economic Co-operation and Development (OECD) events globally.
- DEWR has travel policies and procedures in place, and all official travel is undertaken in accordance with Accountable Authority Instruction (AAI) 2.18.

Lowest Practical Fare (LPF)

- Domestic air travel must be at the Lowest Practical Fare (LPF), which is the lowest fare available at the time the travel is booked, that meets the practical business needs of the traveller. If LPF is not selected, a reason must be provided.

International Best Fare (IBF)

- International air travel will be at business class or lower and at the International Best Fare (IBF), that suits the practical business needs of the traveller and maximises overall value for money for the total cost of the trip.
- Upgrades to first class are not to be accepted under any circumstances.

LPF and IBF YTD

- DEWR uses CTM as our travel service provider under a whole of Government Contract. The Department of Finance manages the CTM contract.
- Financial year to 31 December 2023, our CTM reporting tool has recorded 3,900 domestic trip booking events. This includes flight amendment and cancellation events.
- The CTM system is configured to inform staff if the best fare of the day has not been selected. A drop-down box requires the reason that the best fare has not been selected.
- The primary reasons for not selecting the best fare of the day are the need for flexibility (42%), unsuitable timing (13%) and traveller permitted to travel in higher fare class (5%).

Secretary Travel

- All official travel undertaken by the Secretary is in accordance with the applicable Remuneration Tribunal Official Travel Determination.

Rideshare

- DEWR's travel policy allows for the use of ridesharing services. This may be by use of a Departmental credit card or through reimbursement. Tips are not allowed to be paid for using Departmental funds.
- DEWR does not separately track regulated rideshare costs.

Gifted airline lounge memberships and upgrades

- Gifts/benefits offered to departmental officials should only be accepted in accordance with the **department's Gifts and Benefits Policy**.
- **Complementary airline lounge memberships or flight upgrades may be accepted by departmental officials** if they will be utilised in the conduct of official duties (para 4.2 (c) DEWR Gifts and Benefits Policy).
- **Upgrades** may be accepted or refused, and ideally should be added to the gift register. There have been no upgrades added to the DEWR gift register to date. Frequent travellers were recently reminded on the need to proactively disclose such upgrades.
- **'Invitation-only' lounge memberships** (Qantas Chairman's Lounge and Virgin Australia's Beyond lounge) are to be registered on the department's 'Gifts and Benefits register' when initially received and on an annual basis thereafter. This Financial Governance team maintain this register and manage the annual declaration process. Based on current policy, these memberships are declared with a zero-dollar value as there is no fee equivalent available but have been noted on the gifts and benefits register available on the DEWR's website.

Gifted Airline Memberships declared by DEWR officials

Name	Airline Membership*	Estimated Value
s 22(1)	Qantas Chairman's Lounge	\$0
	Virgin Australia Beyond Lounge	\$0
	Qantas Chairman's Lounge	\$0
	Virgin Australia Beyond Lounge	\$0
	Qantas Chairman's Lounge	\$0
	Qantas Chairman's Lounge	\$0
	Qantas Chairman's Lounge	\$0
	Virgin Australia Beyond Lounge	\$0
Executive support officer	Virgin Australia Lounge	\$359

- Travellers with membership to standard frequent flyer programs may be entitled to lounge membership if they earn a sufficient number of 'status credits' (from business or private travel).

Last Cleared By **S 22(1)**
Date Last Cleared 06 February 2024

SB23-000050

Data for: 2022-23 Financial Year and 2023-24 as at 31 Dec 2023

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Departmental travel expenditure (GST exclusive)

Description	2022-23	1 Jul to 31 Dec 2023
Total expenditure on domestic travel (incl. flights, accommodation, meals, incidentals, taxis, and other ground transport)	\$5,229,584	\$4,210,459
Total expenditure on international travel (incl. flights, accommodation, meals, incidentals, taxis, and other ground transport)	\$558,053	\$219,417
Total travel expenditure	\$5,787,637	\$4,429,876

Data source: SAP, figures are GST exclusive.

Percentage of international tickets by airline

Airline	2022-23	1 Jul to 31 Dec 2023
Qantas + Qantas airways	47%	35%
Emirates Airlines	16%	15%
Singapore Airline	12%	32%
Air India	12%	-
British Airways	3%	-
KOREAN AIR	3%	-
FIJI Airways	2%	3%
CHINA AIRLINES	2%	-
Virgin Australia	1%	2%
Vietnam Airlines	-	8%
Air Vanuatu	-	4%
Other	2%	1%

Data source: CTM travel bookings data provides details on 'supplier name'. The percentage of airline tickets by airline is in accordance with that report and may include code share arrangements.

Percentage of international airfare travel class

Airfare type	2022-23	1 Jul to 31 Dec 2023
Business class	61%	60%
Economy class	39%	40%

Data source: CTM travel bookings data provides details on 'Cabin Class'. The percentage of airfare type is in accordance with that report.

Booking business class airfares for international travel is acceptable in accordance with *Resource Management Guide No. 405: Official International Travel - Use of the best fare of the day.*

Percentage of domestic tickets by airline

Airline	2022-23	1 Jul to 31 Dec 2023
Qantas	61%	74%
Virgin Australia	33%	22%
Regional Express	3%	1%
Fly corporate	-	2%
Other	3%	1%

Data source: CTM travel bookings data provides details on 'supplier name'. The percentage of airfare tickets by airline is in accordance with that report.

Corporate Travel Management (CTM) flight bookings summary (GST Inclusive)

Domestic flights	2022-23	1 Jul to 31 Dec 2023
Air spend	\$2,325,787	\$1,822,689
Number of tickets	5,301	3,900
Average ticket price	\$439	\$467
International flights		
Air spend	\$281,538	\$150,288
Number of tickets	60	43
Average ticket price	\$4,692	\$3,495

Data source: The CTM Reporting team, figures are GST inclusive as provided by CTM. While primarily departmentally funded, these figures include trips paid by administered funds (non-employee travel) as CTM cannot separate the data by funding source.

Airline lounge memberships expenditure (GST exclusive)

Type	2022-23	1 Jul to 31 Dec 2023
Qantas	\$12,627	\$18,404
Virgin	\$1,169	\$4,552
Total	\$13,797	\$22,956

Data source: SAP, figures are GST exclusive.

- The department purchases 2 types of airline lounge memberships:
 - Qantas Club
 - Virgin Australia 'The Club Lounge'.
- Qantas Club.
 - As at 12 January 2024, there are 129 memberships under the DEWR Qantas corporate scheme program.
 - Qantas cannot provide a breakdown of corporately and individually funded memberships, they are combination of both.
- Virgin Australia 'The Club Lounge'. As at 12 January 2024, there are 16 corporately funded memberships.

Domestic Travel – Secretary (GST Inclusive)

Financial Year	Total number of trips**	Accommodation ***	Flights	Total
2023-24 to 31 Dec 2023	15	\$1,913	\$24,098	\$26,011
2022-23	25*	\$2,700	\$31,266	\$33,966

Data source: CTM and AOT, figures are GST inclusive as provided by CTM

* Includes flight for one official one way relocation trip.

** A single trip may include multiple legs.

*** Accommodation costs are actual hotel costs charged to a departmental credit card. In some instances, personal accommodation may be used that is not charged to the Commonwealth.

OFFICIAL

Page 2 of 5

Last Cleared By **S 22(1)**
Date Last Cleared 06 February 2024

SB23-000050

Data for: 2022-23 Financial Year and 2023-24 as at 31 Dec 2023

OFFICIAL

Domestic Travel – Deputy Secretaries (GST Inclusive)

2023-24 Financial year to 31 Dec 2023

Group	Total number of trips*	Accommodation**	Flights	Total
Deputy Secretary – Corporate and Enabling Services	22	\$4,471	\$9,099	\$13,570
Deputy Secretary – Employment and Workforce	2	\$524	\$1,062	\$1,586
Deputy Secretary – Skills and Training	33	\$5,199	\$18,456	\$23,655
Deputy Secretary – Workplace Relations	20	\$4,261	\$10,966	\$15,227
Total	77	\$14,455	\$39,583	\$54,038

Data source: CTM and AOT, figures are GST inclusive as provided by CTM

*A single trip may include multiple legs.

**Accommodation costs are actual hotel costs charged to a departmental credit card. In some instances, personal accommodation may be used that is not charged to the Commonwealth.

2022-23 Financial year

Group	Total number of trips*	Accommodation**	Flights	Total
Deputy Secretary – Corporate and Enabling Services	18	\$5,499	\$8,699	\$14,198
Deputy Secretary – Employment and Workforce	14	\$3,042	\$19,990	\$23,032
Deputy Secretary – Skills and Training	29	\$3,879	\$25,650	\$29,529
Deputy Secretary – Workplace Relations	20	\$2,740	\$11,555	\$14,295
Total	81	\$15,161	\$65,894	\$81,055

Data source: CTM and AOT, figures are GST inclusive as provided by CTM

*A single trip may include multiple legs.

**Accommodation costs are actual hotel costs charged to a departmental credit card. In some instances, personal accommodation may be used that is not charged to the Commonwealth.

International travel (GST Inclusive)

Financial Year	Group*	Accommodation**	Flights**	Total
2023-24 to 31 Dec 2024	Deputy Secretary – Skills and Training	\$574	\$7,673	\$8,247
2022-23 Financial year	Deputy Secretary – Employment and Workforce	\$475 (1 Night)	\$5,473	\$5,948

Data source: CTM and Expense8, figures are GST exclusive as GST is not applicable to international transactions.

*The Secretary did not have any international travel.

**Accommodation booked with provider directly, therefore expense has been extracted from Expense8.

Media

Date	Source	Reporting
17 November 2023	ABC News	<p><i>“Public servants gifted Qantas charman lounge membership, Coles gift cards, free tickets, Tasmanian investigation finds.”</i></p> <ul style="list-style-type: none"> An Integrity Commission investigation has found Tasmania's public servants registered gifts such as sports tickets, dinners, and supermarket gift cards, with one person receiving membership to the exclusive Qantas Chairman's Lounge. The report found "networking and goodwill" was the top reason given for accepting a gift, and out of those gifts, the majority should not have been accepted. The commission has recommended a 'no gifts' policy, but even if that doesn't happen, it says employees should be required to further explain the benefit to the agency of a 'networking' gift.
13 September 2023	ABC News	<p><i>“Senior public servants responsible for regulating Qantas accepted Chairman's Lounge invitations.”</i></p> <ul style="list-style-type: none"> Senior public servants from the watchdogs regulating Qantas' consumer relations and aviation safety have accepted complimentary membership to the airline's exclusive Chairman's Lounge, despite their role in regulating the national carrier. Five of the seven commissioners of the Australian Competition and Consumer Commission (ACCC) are members of the invite-only Chairman's Lounge, where alcohol, restaurant-quality meals, and luxurious facilities are available free of charge. The agency recently launched legal action against the airline for allegedly selling tickets to already cancelled flights.
13 September 2023	Australian Financial Review	<p><i>“One airline gets 80pc of travel spend for MPs, judges, public servants”</i></p> <ul style="list-style-type: none"> Qantas is receiving more than 80 per cent of domestic flight spending by federal politicians, judges and some government departments.
December 20, 2023	The Sydney Morning Herald	<p><i>“Top spending MPs revealed after government promises to do better on transparency”</i></p> <ul style="list-style-type: none"> Politicians' expenses from July to September 2022 were released. The figures show the prime minister's total expenditure for the July-September 2022 period was \$684,665, with a breakdown showing most of that cost was for employee travel which came to just over \$512,000. The information follows months of criticism by Greens and teal MPs about Deputy Prime Minister Richard Marles' use of special purpose flights which the government said could not be revealed because of security concerns.

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Page 3 of 5

Last Cleared By **S 22(1)**
Date Last Cleared 06 February 2024

SB23-000050

Data for: 2022-23 Financial Year and 2023-24 as at 31 Dec 2023

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Related Questions received on notice

PDR Link	Submitted By	Subject	Answer Summary
SQ23-001554	Senator Matt O'Sullivan	<p>1. Has any travel overseas been undertaken by either Minister Bourke or Minister O'Connor?</p> <p>2. If so, please provide details including type, cost, how many APS and MOPS staff travelled with the Minister etc.</p> <p>3. Please also detail any allowances that were provided to the Minister or staff.</p> <p>4. Can you confirm if any personal activities were undertaken by the Minister or staff during any trips they undertook</p>	<p>The Department of Employment and Workplace Relations does not maintain information for travel undertaken by Ministers. Ministerial travel is covered by the Parliamentary Business Resources Act 2017 with ministerial travel arranged by the Independent Parliamentary Expenses Authority (IPEA). Costs are publicly available on the IPEA website: www.ipea.gov.au/pwe.</p> <p>Details of APS staff who travelled overseas with the Minister are as follows:</p> <ul style="list-style-type: none"> - 1 x APS staff accompanied Minister Burke to United States of America from 11 July to 15 July 2022. - 1 x APS staff undertook portfolio business and accompanied Minister O'Connor to England and Switzerland from 6 June to 17 June 2023. - 1 x APS staff undertook portfolio business and accompanied Minister O'Connor to India from 17 July to 22 July 2023. - 3 x APS staff undertook portfolio business and accompanied Minister O'Connor to India from 17 July to 23 July 2023. <p>Information on allowances provided to APS staff who undertake overseas travel are provided on the Australia Taxation Office website: TD 2023/3 Legal database (ato.gov.au).</p> <p>The department does not maintain information on personal activities of Ministers or staff.</p>
SQ23-001286	Senator Jane Hume	Please provide an itemised list of the Secretary's/agency deputy head's travel for financial year 2023/24 to date, including costs of flights and accommodation.	Please refer to SQ23-001288.
SQ23-001199	Senator Matt O'Sullivan	<p>Are you able to provide all regulated rideshare used by departmental staff and reimbursed by the department for the past three financial years?</p> <p>In doing so, can you provide a breakdown of the average fare, the highest fare and the lowest fare. I'd also like to know which providers, and can you include any trips that were reimbursed, how many trips, the highest tip, the lowest tip and the average tip that was reimbursed for the period for which you can provide.</p>	<p>DEWR does not separately track regulated rideshare costs.</p> <p>DEWR does not generally provide reimbursement for tips for regulated rideshare.</p>
SQ23-001519	Senator Hollie Hughes	<p>1. How much has the department spent on travel this financial year?</p> <p>2. Were they domestic or international?</p> <p>3. Could you please provide a list of the flights undertaken, including; a) Dates of travel b) Nights spent at each location, c) Reason for travel d) Cost of each trip e) Number of staff on each trip and APS level?</p>	<p>1. Total spent on departmental travel this financial year as at 31 October 2023 is \$3,141,148 (GST exclusive). This includes costs that relate to the last financial year.</p> <p>2. This includes both domestic and international travel.</p> <p>3. This level of detail is not captured in the department's financial management information system.</p> <p>3. This level of detail is not captured in the department's financial management information system.</p>
SQ23-001290	Senator Jane Hume	What was the total cost of staff travel for departmental/agency employees in financial year 2023/24 to date?	Please refer to Departmental travel SQ23-001519.

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Page 4 of 5

Last Cleared By **S 22(1)**
 Date Last Cleared 06 February 2024

SB23-000050

Data for: 2022-23 Financial Year and 2023-24 as at 31 Dec 2023

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SQ23-001288	Senator Jane Hume	Please provide an itemised list of each Deputy Secretary's/agency head's travel for financial year 2023/24 to date, including costs of flights and accommodation.	<p>Costs incurred and invoiced for flights and accommodation related to official business travel as at 31 October 2023. All figures are GST inclusive.</p> <p>Secretary</p> <table border="1"> <thead> <tr> <th>Group</th> <th>Total number of trips*</th> <th>Accommodation**</th> <th>Flights</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Secretary</td> <td>12</td> <td>\$1,373</td> <td>\$19,452</td> <td>\$20,825</td> </tr> </tbody> </table> <p>Deputy Secretaries</p> <table border="1"> <thead> <tr> <th>Group</th> <th>Total number of trips*</th> <th>Accommodation**</th> <th>Flights</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Deputy Secretary – Corporate and Enabling Services</td> <td>15</td> <td>\$2,176</td> <td>\$6,300</td> <td>\$8,491</td> </tr> <tr> <td>Deputy Secretary – Employment and Workforce</td> <td>4</td> <td>\$909</td> <td>\$1,767</td> <td>\$2,680</td> </tr> <tr> <td>Deputy Secretary – Skills and Training</td> <td>26</td> <td>\$5,199</td> <td>\$19,519</td> <td>\$24,744</td> </tr> <tr> <td>Deputy Secretary – Workplace Relations</td> <td>13</td> <td>\$3,356</td> <td>\$7,867</td> <td>\$11,237</td> </tr> <tr> <td>Total</td> <td>58</td> <td>\$11,640</td> <td>\$35,453</td> <td>\$47,151</td> </tr> </tbody> </table> <p><small>*A single trip may include multiple legs. **Accommodation costs are actual hotel costs charged to a departmental credit card. In some instances, personal accommodation may be used that is not charged to the Commonwealth.</small></p>	Group	Total number of trips*	Accommodation**	Flights	Total	Secretary	12	\$1,373	\$19,452	\$20,825	Group	Total number of trips*	Accommodation**	Flights	Total	Deputy Secretary – Corporate and Enabling Services	15	\$2,176	\$6,300	\$8,491	Deputy Secretary – Employment and Workforce	4	\$909	\$1,767	\$2,680	Deputy Secretary – Skills and Training	26	\$5,199	\$19,519	\$24,744	Deputy Secretary – Workplace Relations	13	\$3,356	\$7,867	\$11,237	Total	58	\$11,640	\$35,453	\$47,151
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ParentsNext Factsheet

Purpose of the program

- ParentsNext is a voluntary pre-employment program that helps parents plan and prepare for employment before their youngest child starts school. Parents receive assistance from ParentsNext providers to help them identify their education and employment goals, improve their work readiness and arrange activities and services to help them achieve their goals. ParentsNext will terminate on 31 October 2024 and be replaced from 1 November 2024 with a new voluntary pre-employment service for parents.

Expenditure/Budget (\$m)

- The Government will provide an additional \$20.9 million over 4 years (and \$29.4 million per year ongoing) for the New Voluntary Pre-Employment Service.

Table 1 – Ref: Mid-Year Economic and Fiscal Outlook 2023–24. Appendix A: Policy decisions taken since the 2023-24 Budget; Page 240

Item	2022–23 Budget	2023–24 Estimate	2024–25 Estimate	2025–26 Estimate	2026–27 Estimate	Total FEs
New Service (Net Impact)	-	-3.4	23.9	-14.7	15.1	20.9

Note: this is the net impact of the entire measure – including Services Australia costs, Departmental funding, Administered funding (including cessation of ParentsNext and funding for the new service). It does not include Administered funding for the ParentsNext program for 2022-23 to 2024-25 (as outlined in Table 2).

Budgeted Administered Expenses – New Voluntary Pre-Employment Service for Parents

- The government is providing \$294.5 million over the forward estimates in administered funding for the New Voluntary Pre-Employment Service for Parents.

Table 2 – Ref: PAES (to be published in February 2024), Table 2.1.1, Page 32

Item	2022–23 Revised Estimated Expenses	2023–24 Estimate	2024–25 Estimate	2025–26 Estimate	2026–27 Estimate	Total
ParentsNext	116.619	85.309	28.421	-	-	230.349
New Voluntary Pre-Employment Service for Parents	-	-	59.173	98.529	136.834	294.536
Total Administered	116.619	85.309	87.594	98.529	136.834	524.885

Note: this is administered funding only, and does not include the funds for implementation, Services Australia or the APS pilot. This table cannot be directly compared to Table 1 as only the administered funding impact for the new program was included as a subset of the total measure impact included in Table 1.

What has the Government said about the program?

- On 5 May 2023, the Australian Government announced that it will abolish ParentsNext from 1 July 2024. The program’s end date prior to the announcement was 30 June 2024.
- On 7 December 2023, the Australian Government made a further announcement that the program would be extended by 4 months to 31 October 2024, to transition to the new pre-employment support program for parents.

Media Reference:

Albanese Government to scrap ParentsNext program	5 May 2023	Attachment D
New pre-employment support for parents	7 December 2023	SB24-000087 - New Voluntary Program for Parents

How the program operates

- Clients who take part in ParentsNext agree to a Participation Plan with their provider, outlining their pre-employment goals, activities and supports to reach these.
- The Initial Appointment should be face to face and a Participation Plan discussed and progressed within 20 business days.
- To be considered an active client, clients attend quarterly appointments, either face to face or by phone. These provide an opportunity to revisit their goals and update their Participation Plan.
- Providers can access the Participation Fund – a flexible pool of funds to support clients to prepare for employment. Each client attracts \$600 of Participation Fund at commencement to assist with their goals.
- Clients are only required to report income to Centrelink if they or their partner are working. There are no other reporting requirements.

Service Fees for Providers

- There has been no change to the ParentsNext service fee structure.
- ParentsNext providers are paid a \$626.40 service fee for each 6-month period of participant servicing.
- Total upfront payments to providers in January 2024 were down 38% (from \$33.6M to \$20.7M) on the equivalent payments made 12 months earlier.

Eligibility Criteria

Parents are eligible to participate in ParentsNext where they met EACH of the FIVE base criteria:

- reside in an Employment Region (regions where Workforce Australia services are delivered)
- have been receiving Parenting Payment continuously for the last 6 months
- have a youngest child who is between the age of 9 months and 6 years
- not reported any income or hours worked in employment in the past 6 months
- are under 55 years of age.

And one of the following criteria:

- Early School Leaver (ESL) – under the age of 22 and have not completed Year 12 or higher
- 2 years on Income Support (2IS) – 22 years of age or older, have not completed Year 12 or equivalent, and have been receiving income support continuously for more than 2 years
- 4 years on Income Support (4IS) – has been receiving income support continuously for more than 4 years.

Last Cleared By **s 22(1)**
 Date Last Cleared 07 February 2024

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SB24-000086
 Data for: as at 31 December 2023

ParentsNext Caseload Trends

Please see dashboard at [Attachment A](#) for all current program data

Data dates	30 April 2023	30 Sept 2023	31 Dec 2023	% variance from 30 April – 31 December 2023	% variance from 1 October – 31 December ¹ 2023
Total Caseload	96,764	88,580	85,106	- 12%	- 3.5%
Active Caseload²	76,411	53,759	44,076	- 42%	-18%

Referrals

- Between 6 May and 30 September 2023 (5-month period), referrals to the program averaged 544 per month.
- From 1 October to 31 December 2023 (3-month period), referrals to the program averaged 687 per month, reflecting a 24% increase from the previous 5-month period.
- Referrals to the program have decreased since the program changes were announced on 5 May 2023. In the 3 months prior to the announcement (February-April 2023), the program averaged 2,181 referrals per month. Referrals to the program have decreased by 68% (October-December figures) from February-April figures, before the program was deemed non-compulsory.

Caseload Cohort Trends

- Between 30 April 2023 and 31 December 2023 there has been a decrease in the active caseload in the program across all participant cohorts,
 - the **greatest decline** has been for Indigenous clients aged under 25 years (down 50%) and clients whose youngest child is under 24 months (45%)
 - the **smallest decline** has been for clients who are refugees (down 27%), and CALD clients who are not refugees (down 35%).
- Of the 4,959 new referrals since 5 May, 2,990 (60%) clients have actively participated in the program, with an additional 373 (8%) having a future appointment booked in.
- Active participation varied more *between* providers, rather than by geographic factors across Employment Regions.

Participation Fund

- There is currently \$97 million remaining in the Participation Fund to the end the financial year. \$56,449,793 has been expended since the program's inception in 2018.
- Participation Fund expenditure has increased since 5 May, with May and June recording the highest expenditure for 2023.
- The total fund expenditure for May and June 2023 was \$4,006,505, compared to a total of \$2,954,548 for the months of March and April 2023. This reflects an increase of 35%.
- In 2023, the majority of fund expenditure was Participant Support (\$9,089,968) followed by Accredited Training (\$2,953,553).³

Months ⁴ (4 monthly period)	Expenditure Average (compared to pre-5 May)	Percentage change from 5 May
January – April 2023	\$1,297,099	Pre-announcement
May – August 2023	\$1,745,052	34% +
September – December 2023	\$1,341,471	3.4% +

Site Changes

- Between 6 May and 30 September 2023 (5-month period), 80 Site Change Requests have been approved by the department.
 - 59 approved for reduction in hours
 - 15 approved for relocation
 - 6 approved for updating site details
- From 1 October to 31 December 2023 (3-month period):
 - 39 Site Change Requests have been approved by the department.
 - 30 approved for reduction in hours
 - 12 approved for relocation.
- No sites have closed since the program became voluntary on 6 May 2023.
- 2 providers have been approved to deliver services from 5 sites via remote servicing - phone call or meet clients at a mutually convenient location.
 - Accoras – Jimboomba / Hillcrest (Brisbane South East); Boonah (Wivenhoe)
 - SMYL Community Services – Esperance; Kalgoorlie.

** a small number of site request changes constitute relocation/reduction in hours for the 1 site*
- Since the 5 May 2023 announcement, no provider has indicated it wishes to hand its licence back.

Related Questions received on notice

PDR Link	Submitted By	Subject	Answer Summary
SQ23-001548	O'Sullivan, Matt	ParentsNext Contract Extension	Refer to Attachment C

¹ The caseload decrease in the last quarter of 2023 has remained consistent since the 5 May changes to the program.

² Active clients is defined as clients currently commenced in ParentsNext and have undertaken engagement in the last three months. Detailed definition of 'Active' clients is at Attachment 1: MO Dashboard.

³ Detailed Participation Fund expenditure by category can be found in Appendix A

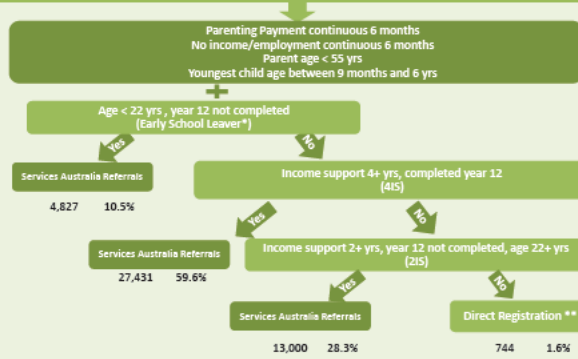
⁴ Participation Fund expenditure has progressively increased since the program's inception in 2018, with the 2022/23 financial year recording the highest expenditure per financial year to date at \$16, 618,672. The 2023/24 financial year is trending to match this, with \$8,339,586 expended to 31 December 2023.



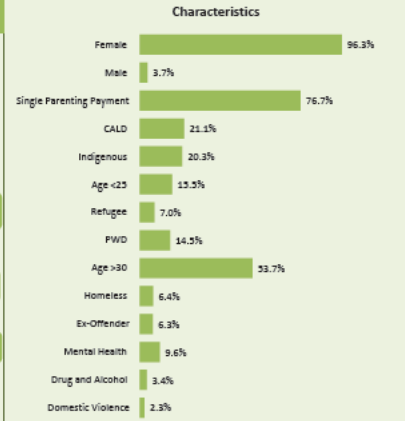
ParentsNext - as at 31 December 2023

Commenced Caseload - as at 31 December 2023

ParentsNext commenced caseload 46,002



* Refers to participants who were under 22 years of age and had not completed the final year of school (or equivalent level of education) at referral. This is not the total number of Early School Leavers (ESL) on the ParentsNext caseload.
 ** Direct registration* includes participants on the caseload who were previously categorised as 'voluntary' prior to the program changes on 5 May 2023.

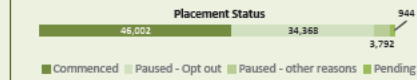


Domestic Violence characteristics was based on participants who self-identified family and domestic violence as a barrier to employment in their JSG (Job Seeker Classification Instrument) responses.

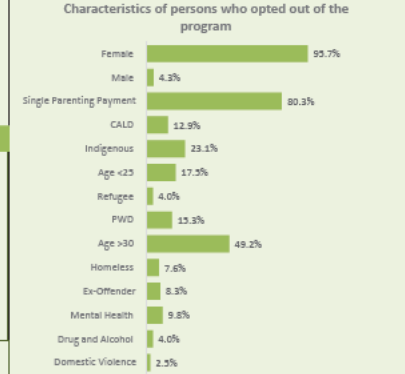
Active Caseload
 The active caseload is defined as participants currently commenced* in ParentsNext who have undertaken one or more of the following types of engagement in the last three months:
 1 - newly commenced in the program
 2 - agreed to a Participation Plan
 3 - attended an appointment with the provider
 4 - commenced a new activity
 5 - participated in an activity
 6 - utilised the Participation Fund
 *this measure previously included participants who had not commenced or paused



A participant may be counted in more than one of the above types of engagement, however is only counted once when determining the active caseload. The figure for participants in an activity may be under reported since participants are no longer compelled to log participation in activities in the system.

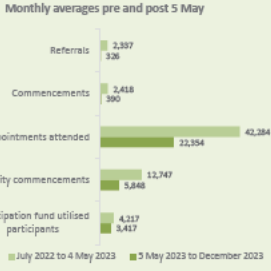
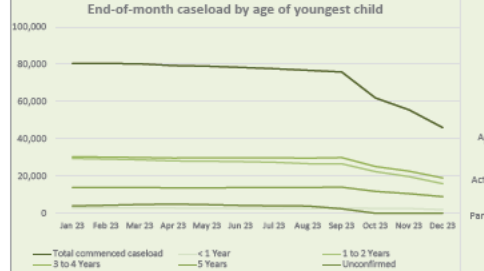


Participants who have opted out of the program 34,368*



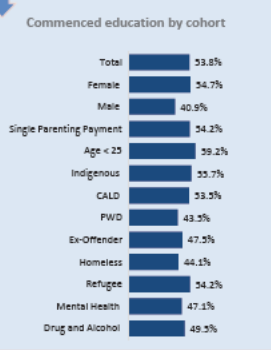
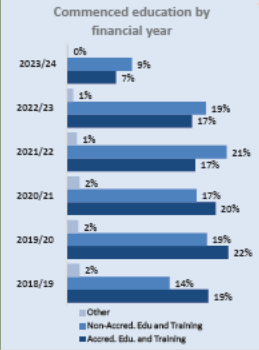
* After 1 October 2023 an exemption was granted to all new participants prior to referral. Participants who do not wish to participate in the program are reported as "paused opt out" in this report. This category also includes a small number of participants that are paused due to caring for a child not eligible for career payments.

Commenced Caseload Trends - rolling 12 months as at 31 December 2023

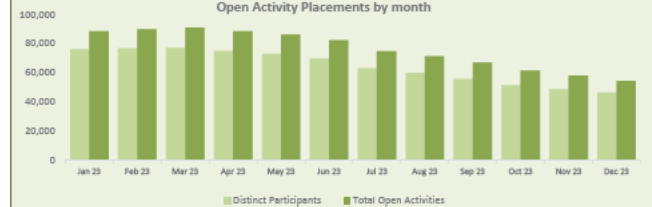


Education & Employment

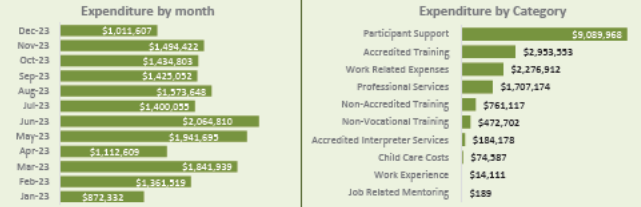
Commenced education - 1 July 2018 to 31 December 2023



Activity Placements - rolling 12 months as at 31 December 2023

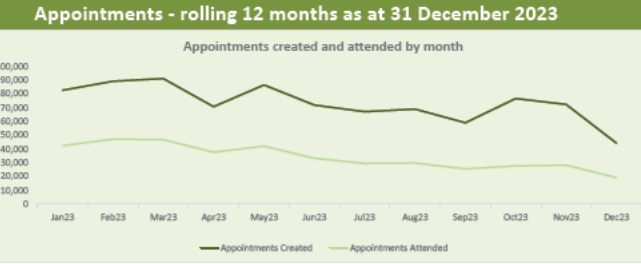
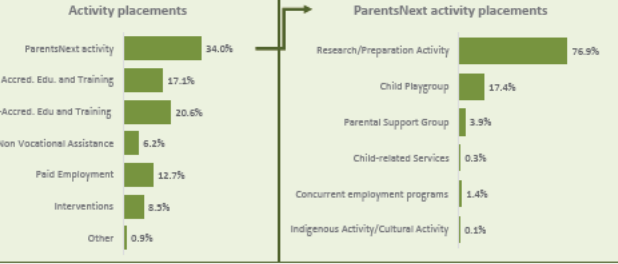
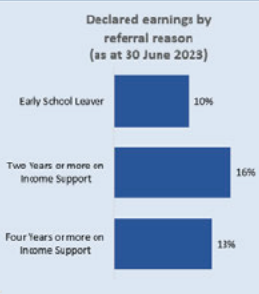


Participation Fund - rolling 12 months as at 31 December 2023



Current commenced caseload with declared earnings in the last 28 days

Please note that updated declared earnings data is unavailable this month due to the loss of access to data from Services Australia.
 The Department is in discussions with Services Australia to reinstate this access as soon as possible.



ParentsNext Provider Analysis as at 31 December 2023

53 ParentsNext Providers delivering across
51 Employment Regions



Data by Provider

Provider	Org Code	Regions	Sites	Total Caseload	Com-menced Caseload	Active Caseload	For Profit	Delivering Workforce Australia Services	Indigenous Org
Access Community Services Limited*	ACOL	3	12	1,349	609	590			
Accoras*	OOET	4	21	3,047	1,164	1,122			
APM Employment Services	BBXY	4	23	2,250	1,713	1,680	Yes	Yes	
ASURIA PEOPLE SERVICES PTY LIMITED	VVCH	6	25	4,289	2,862	2,843	Yes	Yes	
ATWORK AUSTRALIA PTY LTD	WKFC	1	11	552	256	255	Yes	Yes	
Axis Employment	CAXI	4	29	1,779	971	940			
Bamara	UUEK	5	35	2,681	2,039	1,775	Yes		Yes
Bridging the Gap Inc.*	BROC	1	5	912	491	489			
CAMPBELL PAGE LIMITED*	OASI	1	12	741	288	277			
CatholicCare*	OODO	1	6	725	375	368			
CATHOLICCARE VICTORIA*	CCKD	3	12	1,410	802	764			
CHESS Connect*	CCWN	1	15	549	265	264			
Communicare Inc (Communicare Group Limited)*	EVOF	3	15	1,780	863	838			
Community Solutions*	CINC	2	12	1,266	596	578			
Complete Personnel*	MARA	1	3	439	200	184	Yes		Yes
CVGT Employment	CNTG	4	29	4,252	1,941	1,844		Yes	
Djerrirarrh Employment & Education Services	FFLT	1	11	1,480	1,401	1,401			
G-Force Employment Solutions*	UUDN	1	3	809	537	531			
Jobfind Centres	HOST	1	6	683	276	271	Yes	Yes	
JOBLINK PLUS LIMITED	VCAF	4	54	2,598	1,472	1,403		Yes	
JOBS QUEENSLAND LIMITED	QJOB	1	3	269	259	212			
KornarWinmil Yunti Aboriginal Corporation*	VVEB	1	1	118	103	46			Yes
Kuditj Pty Ltd*	PPTY	2	12	1,134	548	542			Yes
Kullarri Regional Communities Indigenous Corporation	KKAM	1	1	149	82	79			Yes
Luma for Her Health and Wellbeing (formerly known as Women's Health and Family Services)*	VVEE	1	5	674	269	253			
Max Employment	LEON	2	11	1,038	614	613	Yes	Yes	
Mission Australia	MISN	11	70	8,407	4,648	4,487			
Multicultural Australia Ltd*	MULT	3	14	1,909	1,029	1,019			
My Pathway	MMEG	3	14	1,839	1,263	1,172	Yes		
Northern Joblink Limited	OOEO	4	24	2,022	1,248	1,203			
OCTEC LIMITED	FORB	10	83	6,860	2,119	2,051			
Olympus Solutions Limited*	NNEX	4	29	3,200	1,923	1,904			
Roseberry Qld*	OOEY	1	6	345	158	142			
Sarina Russo Job Access	THEO	2	9	1,300	568	537	Yes	Yes	
SETTLEMENT SERVICES INTERNATIONAL LIMITED	OOEX	2	17	1,703	1,292	1,221			
SMYL Community Services	STHM	5	75	2,697	1,748	1,598	Yes		
SYC Ltd	STYC	6	13	2,652	1,535	1,490		Yes	
The Personnel Group Ltd*	PEAW	1	13	769	96	92			
The Salvation Army Employment Plus	SALV	1	5	771	500	474		Yes	
The Trustee for Designer Life (Queensland) Trust	RRYQ	2	15	1,638	679	514	Yes	Yes	
Training Alliance Group Australia Pty Ltd	QQNR	1	7	1,072	226	225	Yes	Yes	
Uniting (Victoria and Tasmania) Limited*	WUAC	1	4	442	276	271			
UnitingSA*	NPNT	2	16	1,084	733	692			
VERTO LTD	CNTC	2	16	1,009	340	328		Yes	
Wesley Employment & Training*	WEMI	7	38	3,622	2,111	2,061			
Wesley Mission Queensland*	HHCO	1	4	890	595	555			
Worklinks Qld Ltd	WWLK	1	3	459	100	98			
WORKSKIL AUSTRALIA LTD.	VVEC	2	8	971	541	523		Yes	
Workskills Tasmania	ZTPS	1	12	668	359	358		Yes	
WORKWAYS AUSTRALIA LIMITED	WRKW	1	5	577	352	347		Yes	
Wugu Nyambil	UUFL	1	1	96	82	78		Yes	Yes
YFS Ltd*	MMRN	1	8	699	304	296			
youtown	BOYT	1	9	432	181	178			
Total		51	890	85,106	46,002	44,076	12	17	6

Note:

- The Commenced caseload represents participants on the caseload who have not opted-out of servicing since 5 May. Not all have explicitly opted-in, but providers must confirm whether a participant wishes to continue receiving service by the end of 2023. Participants that opt-out of servicing move to the Paused caseload (not shown in this table).
- The Active caseload is defined as participants who are commenced in the program as at the data date, who have commenced in the program, agreed to a Participation Plan, attended an appointment with a provider, commenced a new activity, participated in an activity or utilised the Participation Fund in the previous three months.

* 23 Providers exclusively deliver the ParentsNext program (i.e. Providers do not deliver any other services on behalf of DEWR)



Data by Region

Region	State	No. of Providers	No. of Sites	Region with 1 provider	Total Caseload	Commenced Caseload	Active Caseload
Adelaide North	SA	5	24		3,505	2,199	2,135
Adelaide South	SA	2	7		1,388	853	829
Ballarat	VIC	1	3	CatholicCare Victoria	714	435	426
Barwon	VIC	1	3	G-Force Employment Solutions	809	537	531
Bendigo	VIC	1	4	Axis Employment	569	358	352
Brisbane South East	QLD	8	42		4,122	2,087	2,017
Broome	WA	1	1	Kullarri Regional Communities Indigenous Corporation	149	82	79
Cairns	QLD	4	19		1,867	1,318	1,214
Capital Region	ACT/NSW	2	18		1,209	253	241
Central West	NSW	2	23		1,171	486	469
Darling Downs	QLD	2	12		1,704	649	641
Darwin (includes Alice Springs)	NT	2	6		679	489	437
Esperance	WA	1	1	SMYL Community Services	58	27	27
Far West Orana (includes Broken Hill)	NSW	2	26		940	491	468
Fitzroy	QLD	3	20		1,549	826	801
Geraldton	WA	1	1	Communicare Inc	365	112	106
Gippsland	VIC	2	13		1,200	788	771
Gold Coast	NSW/QLD	3	16		1,590	727	716
Goulburn/Murray	NSW/VIC	2	22		1,541	762	720
Great Southern - Wheatbelt	WA	1	50	SMYL Community Services	673	402	376
Hobart and Southern Tasmania	TAS	2	19		1,252	714	690
Hunter	NSW	4	28		2,681	1,594	1,530
Illawarra South Coast	NSW	3	21		1,855	920	901
Inner Metropolitan Melbourne	VIC	2	11		1,133	522	510
Kalgoorlie	WA	1	1	SMYL Community Services	188	123	101
Mackay	QLD	2	8		735	556	505
Mid North Coast	NSW	4	38		1,779	987	906
Mid North SA	SA	1	9	yournown	432	181	178
Murray and South East	SA	2	15		703	457	434
Murray Riverina	NSW	1	9	Mission Australia	1,052	493	477
New England and North West	NSW	3	37		1,409	790	735
North and North Western Tasmania	TAS	2	13		1,412	853	821
North Coast	NSW	3	18		1,140	471	461
North Eastern Melbourne	VIC	2	7		1,968	933	882
North West Country SA	SA	2	4		557	303	230
North Western Melbourne	VIC	4	12		1,956	1,226	1,202
Perth - North	WA	4	23		2,654	928	905
Perth - South	WA	5	41		4,131	2,240	2,143
Somerset	QLD	4	23		2,844	997	868
South Coast of Victoria	VIC	1	5	Axis Employment	377	172	166
South Eastern Melbourne and Peninsula	VIC	3	15		3,285	1,704	1,570
South West WA	WA	1	13	SMYL Community Services	752	569	542
Sydney East Metro	NSW	4	21		1,887	1,278	1,231
Sydney Greater West	NSW	5	40		5,004	2,823	2,780
Sydney North and West	NSW	4	35		1,868	1,063	1,054
Sydney South West	NSW	6	32		5,350	3,361	3,296
Townsville (includes Mt Isa)	QLD	3	8		1,639	969	902
Western Melbourne	VIC	4	23		3,333	2,667	2,641
Wide Bay and Sunshine Coast	QLD	3	19		2,624	1,056	958
Wimmera Mallee	NSW/VIC	2	17		836	428	405
Wivenhoe	QLD	3	14		2,468	743	696
Total		53	890	12 ERs, 8 providers	85,106	46,002	44,076

Standing Committees on Education and Employment

QUESTION ON NOTICE Supplementary Budget Estimates 2023 - 2024

Outcome: Employment and Workforce

Department of Employment and Workplace Relations Question No. SQ23-001548

Senator Matt O'Sullivan provided in writing.

ParentsNext

Question

1. Can the Department provide a report on the consultation outcomes for the new program, which according to a response to SQ23-001144, was conducted from July to September? Can you please include a list of the meetings held, attendees, and the main trends in discussion?
2. Can you provide the Committee with a timeline leading up to the commencement of the ParentsNext replacement program, including: when the new design model will be released; and when it is expected that tenders for the replacement program will be announced.
3. Will the funding model for the replacement program likely to be outcomes based or block funding?
4. Has there be any discussions about the possibility of providing contract extensions to ensure continuity for current ParentsNext program participants?
5. How many ParentsNext participants have remained in the program voluntarily since the recent changes?
6. How many participants do you anticipate will volunteer to participate annually moving forward?
7. What discussions has the Department had in regards to the contribution that 'local community specialist not-for-profit entities' can provide to the delivery of employment services?

Answer

1. The outcomes and trends of the consultations and meetings is at Attachment A. The list of meetings and the attendees are at Attachment B.
2. This is a matter for Government and the department is unable to provide any further information, including on potential future procurement activities, at this time.
3. These are matters for Government and the department is unable to provide any further information at this time.
4. These are matters for Government and the department is unable to provide any further information at this time.
5. At 30 September 2023, there were 53,761 participants commenced in ParentsNext who had engaged in the program over the previous three months (i.e. either commenced on the program, agreed to a Participation Plan, attended an appointment with the provider, commenced a new activity, participated in an activity or utilised the Participation Fund).
6. Details of the new program are a matter for Government and the department is unable to provide any further information at this time.
7. Service delivery was one of the topics discussed during the consultations with parents and other stakeholders. Most parents did not express a strong preference for who should deliver the service, although many favoured community-led services. What mattered most to parents was that the staff who deliver the service are respectful, qualified, empathetic, and have lived experience to help parents connect with the supports they need to reach their goals.



Australian Government
Department of Employment
and Workplace Relations



New voluntary service for parents

What we've heard from parents

Thank you to all the parents who have joined in the consultations between June 2023 and September 2023 and shared their knowledge and insights. This advice will help shape the design of the new voluntary pre-employment service to support parents with young children to meet their education and employment goals.

We'll keep talking with parents as we design the new service together. In the meantime, here's what parents from across Australia have told us so far, both directly and through partnering organisations.

Please let us know if we've missed anything important, misunderstood what we've heard, or placed the wrong emphasis on what you told us.

You can share your comments with us directly or through the organisation that contacted you. Email us at ParentsConsultation@dewr.gov.au or visit <https://www.dewr.gov.au/consultation-new-voluntary-parent-support-service> to use the online form.

What parents told us

Parents' priorities

The consultations confirmed the **priority for parents is raising their children**. Parents aspire to pursue education and employment goals when they're ready and able. Their immediate focus is to provide a **safe, loving, healthy, stable and financially secure environment** for their children and family.

Parents' needs

Parents spoke of the **complex and varied challenges** they need to navigate before they can focus on education and employment goals.

- Parents said that **childcare costs and availability** is a key challenge. This includes short-term childcare, like for 2 to 3 hours in an emergency or to go to an appointment. Parents, particularly

young parents and those from culturally and linguistically diverse backgrounds said a significant barrier was trust in the quality and cultural appropriateness of care being provided.

- Parents spoke of their **many challenges**, including insecure housing, financial distress, domestic violence, language barriers, illness, complex caring roles, and lack of access to transport. Other significant challenges for young parents related to poor mental health, social isolation, the stigma associated with being a young parent and the fear of children being removed.
- Parents told us travelling to appointments or engaging in work was a challenge **if they don't have a driver licence**. The cost and time to get their full licence, and to gain experience to drive with confidence in high-traffic areas, is a barrier.
- Parents talked about the **costs and difficulties of using public transport**. Especially if there are limited options and they need to get somewhere quickly in an emergency. Parents with more than one child, or children with a disability, often found public transport even more challenging.
- Some parents – especially migrant and refugee parents – spoke of their challenges to learn **language and computer skills**. They need these skills to access study and other supports, or set up their own business. They need someone to help them navigate systems and online services.

Access to the service

Parents spoke about the new voluntary service being **accessible to all parents** who need help to plan for their future education and employment goals.

- Many parents felt the service should **prioritise** parents who have higher needs for support. Like parents who are young (14 to 24 years of age), single, first-time parents, living in poverty or experiencing domestic and family violence. Also, parents who care for a child or children with disability, First Nations parents and migrant or refugee parents.
- Parents agree the service **should not be limited to parents receiving Parenting Payment**.
- Feedback **varied** on when the best time to access the service would be. Many parents mentioned **this should be based on the individual**. Some parents said it would be **when their youngest child was about 3 years of age**.
- Many parents noted there were **differences in children's development** which must be considered, such as children with disability or neurodiversity. Some parents also noted that people have different capabilities and ability to manage both their work and personal lives.

Supportive and knowledgeable staff

Most parents did not express a strong preference for who should deliver the service. Although, many favoured community-led services. What mattered most to parents was that the staff who deliver the service are **respectful, qualified, empathetic, and have lived experience** to help parents connect

with the supports they need to reach their goals. Parents said that the nature of the support provided was key in the outcomes that they were able to achieve.

- Parents would like **one key contact at the service**. This would mean they don't have to retell their personal – and often traumatic – stories.
- Parents wanted staff who were reliable and followed through on doing things that they said they would do, and in agreed timelines. This was important given this was the expectation on them.
- Parents would like this relationship with staff to be one of a **mentor or life coach**.
- Parents may feel embarrassed or judged when they need to ask for support. They'd appreciate staff **offering services proactively**. It's important these services are offered in a way that is empathetic and non-judgemental.
- Parents want to build a **trust-based relationship** with staff. They want staff who walk alongside them to **guide, encourage and support** them on their journey to achieve their goals.
- Parents recommended staff be **available when they need them** through an easily accessible channel. They want staff to persist with checking-in with them in a gentle and compassionate way to remind them about what support is available.
- It is important to parents that services are **culturally appropriate**. This includes services for First Nations, refugee and migrant parents.
- Some parents **feel more comfortable accessing a service delivered by a First Nations organisation**. However, they emphasised that there **should not be a separate service** for First Nations people.

Choice of how to engage

Parents want to be able to **make informed choices** and need to **know what they're committing to**. They want to know what the service offers, how it's offered, what it requires of them and how it will help them.

- Parents told us the service should use a **mix of delivery methods**. They'd like a choice of in-person, online, virtual and over the phone (with the caller ID clearly identifiable, not a hidden private number).
- Some parents pointed out that the department's **free-call phone numbers are not free from mobile phones**. This means extra costs for parents who don't have a landline. These parents would appreciate other ways to make contact when they don't have phone credit. Parents note long waiting times to speak to someone (as long as 3 hours).
- Parents wanted to **choose how to engage** based on their circumstances at the time. This includes being able to negotiate for suitable appointment times, as opposed to being told of an appointment time.

- The service should meet parents where they already are: playgroups, schools, health services, community hubs and the like.
- Parents find it **difficult to keep their children entertained for long periods when attending appointments**. They would welcome shorter appointments.
- Spaces where parents come to should be welcoming and culturally safe – not fluoro-lit offices with big tables and hard plastic chairs.
- Parents want support services to **offer privacy** (not open plan offices), have **child friendly spaces** and give parents the **option to bring their children to appointments**
- Parents want to have **access to community and peer support groups** with people like themselves or who have similar experiences. Don't forget single dads in this.
- Parents acknowledged that there is a **lack of services and a lack of acknowledgement of dads** and that the new service needs to support all parents.
- Parents would like the **ability to provide feedback**. They want a trusted and confidential path to raise concerns and advise opportunities for improvement, which would not compromise their payment.

Financial supports

Parents had differing views about the types of incentives that would encourage them to engage in the new voluntary service.

- Parents saw their **children and family as the main reason to participate**. This is the inherent incentive to create a positive environment and future for their children and families.
- Parents commonly suggested that **financial and other supports** would be useful incentives to help them attend initial and ongoing appointments. These included assistance with childcare availability and cost, transport costs (including petrol), rent, groceries and study fees.
- Parents also said a good incentive would be **helping to pay costs related to achieving their goals**. For example, a driver licence (including driving lessons), a laptop, mobile phones and data bundles, appropriate clothes for interviews or work, training courses and kids' school needs.
- Parents proposed **incentives for achieving milestones** along the way to achieving their goal.
- Parents told us that there is a **disincentive to working** when small changes in their income from paid employment can affect other forms of support. For example, housing, Centrelink payments, access to a Health Care Card and more. This can also increase costs like childcare, leading to more financial hardship.

Flexibility

Parents said **the service must be flexible**. It must allow them to engage when the time is right for them and their children. This means being able to opt in and out, or to pause participation to suit unpredictable family life.

- Parents pointed out that **caring responsibilities and priorities can change quickly**. They want to be able to communicate about and negotiate changes, like appointment times, in **reasonable and flexible timeframes**.
- The service should **meet parents 'where they are at'**. Their ability to participate varies. It can also change from day to day, depending on their circumstances and responsibilities.
- Parents said they had difficulty finding employers who are **flexible in accommodating certain hours for parents**, like between 9:00 am and 2:00 pm.
- Parents said they see a need to **promote the benefits of hiring parents to employers**. This includes hiring staff with practical, cultural knowledge relevant to the business' clients.
- Parents were concerned that employers may see them as unreliable for sometimes having to unexpectedly leave work to take care of their children. They want employers to be **flexible and understanding**. This includes **supporting cultural needs** and responsibilities.

Location of services

Parents need the service, especially in-person services, to consider **location-based challenges**.

- Parents' **experiences differed depending on their location**, whether rural, regional or metro. Location-based challenges included limited availability of services and training courses in some towns, accessibility issues in busy city areas, and different employment opportunities and public transport options depending on locations.
- Many parents said they had **difficulties finding meaningful employment**, with jobs only becoming available when someone leaves. Apart from online study, there were also **limited local training and education** opportunities aligned to their aspirations.
- Parents saw benefits in **multiple services provided at the same location**, like in a community hub. This has the benefit of offering anonymity, so not everyone in town knows what services a parent is there for, which can cause embarrassment.
- Parents stressed the importance of the service being able to make **intentional, place-based connections** to ensure referrals to services are accessible and helpful.

Awareness and promotion of services

Parents want **transparency, and clear communication** about the services that are available.

- Parents want to know about **available supports** as early as possible, even if they come back to it later.
- Some parents want **promotional information** in a written format they can refer to, like a brochure, while others want to **access information online**. Promotion via different social media platforms was seen to be particularly important to 'reach'.
- Parents want information to be accessible and available through channels that will reach them. This should also consider parents from culturally and linguistically diverse (CALD) backgrounds.
- Parents want to hear about **the benefits and expectations** of the new service throughout the wider community to increase awareness and engagement.
- Before they try the new service, parents want to hear **success stories** and **reviews from other parents** who have engaged with the service.
- Parents saw an **online hub** of relevant services and supports as helpful, with help from someone to navigate it available where needed.

Contact for more information

Contact the Department of Employment and Workplace Relations to share your views about this document.

- Email ParentsConsultation@dewr.gov.au
- Use the online form on our website's consultation page.

For more information, visit <https://www.dewr.gov.au/consultation-new-voluntary-parent-support-service>



Australian Government
Department of Employment and Workplace Relations

Attachment B

List of organisations consulted and attendees.

Name of organisation	Attendees
<p>Australian Council of Social Service</p>	<p>Facilitated three Roundtables</p> <ul style="list-style-type: none"> • First Assistant Secretary, Planning for My Future Taskforce, DEWR • Assistant Secretary, Planning for My Future Taskforce, DEWR • Australian National University • Brave Foundation • Brotherhood of St. Laurence • Centre for Excellence in Child and Family Welfare • Community Colleges Australia • Council of Single Mothers and their Children • Economic Justice Australia • Family Care • Global Sisters • Jobs Tasmania • Jobs Victoria • Kiama Community College • Mid north coast community college • Settlement Council of Australia • Settlement Services International • Single Mother Families Australia, • Swinburne University, Tafe NSW • TLK Community College • UnitingCare Australia • University of New South Wales • University of Tasmania • Wesley Mission • Western Australian Council of Social Service
<p>Antipoverty Centre</p>	<ul style="list-style-type: none"> • Facilitated two workshops with disadvantaged parents • Three meetings held <ul style="list-style-type: none"> ○ First Assistant Secretary, Planning for My Future Taskforce, DEWR ○ Assistant Secretary, Planning for My Future Taskforce, DEWR ○ Assistant Director, Stakeholder Team, Planning for My Future Taskforce, DEWR ○ Coordinator, Antipoverty Centre ○ Spokesperson, Antipoverty Centre.

Name of organisation	Attendees
Anti-Poverty Network SA	<ul style="list-style-type: none"> • One meeting held. <ul style="list-style-type: none"> ○ First Assistant Secretary, Planning for My Future Taskforce, DEWR ○ Assistant Secretary, Planning for My Future Taskforce, DEWR ○ Campaigns Coordinator, Antipoverty Network, SA
Brave Foundation	<ul style="list-style-type: none"> • Facilitated ten workshops with young parents. • Two meetings held. <ul style="list-style-type: none"> ○ First Assistant Secretary, Planning for My Future Taskforce, DEWR ○ Assistant Secretary, Planning for My Future Taskforce. ○ Chief Executive Officer, Brave Foundation.
Brotherhood of St Laurence (BSL)	<ul style="list-style-type: none"> • Two meetings held. <ul style="list-style-type: none"> ○ First Assistant Secretary, Planning for My Future Taskforce, DEWR ○ Assistant Secretary, Planning for My Future Taskforce, DEWR ○ Chief Executive Officer, BSL. ○ Senior Manager, BSL.
Corporate Culcha	<ul style="list-style-type: none"> • Facilitated seven workshops with First Nations parents
Council of Single Mothers and their Children (CSMC)	<ul style="list-style-type: none"> • Three meetings held <ul style="list-style-type: none"> ○ First Assistant Secretary, Planning for My Future Taskforce, DEWR ○ Assistant Secretary, Planning for My Future Taskforce, DEWR ○ Chief Executive Officer, CSMC.
Early Years Advisory Panel	<ul style="list-style-type: none"> • One meeting held <ul style="list-style-type: none"> ○ Secretary, DEWR ○ First Assistant Secretary, Planning for My Future Taskforce, DEWR ○ Director, Centre for Community Child Health. ○ National Children’s Commissioner. ○ Chief Executive Officer, SNAICC. ○ Executive Director, Parenthood. ○ Founding Director, Telethon Kids Institute. ○ Chief Executive Officer, Australian Research Alliance for Children and Youth. ○ Chief Executive Officer, Plumtree ○ Director of Public Affairs, Minderoo Foundation. ○ Director, Western Australian Centre for Aboriginal Medical and Dental Health. ○ Chief Executive Officer, Families Australia ○ Australian Children’s Entertainer ○ Chief Executive Officer, Playgroup Australia

Name of organisation	Attendees
Economic Justice Australia (EJA)	<ul style="list-style-type: none"> • One meeting held. <ul style="list-style-type: none"> ○ Law Reform, Policy and Communications Officer, EJA. ○ First Assistant Secretary, Planning for My Future Taskforce ○ Assistant Secretary, Planning for My Future Taskforce, DEWR
Equality Rights Alliance (ERA)	<ul style="list-style-type: none"> • One meeting held. <ul style="list-style-type: none"> ○ ERA Convenor, Equality Rights Alliance ○ First Assistant Secretary, Planning for My Future Taskforce ○ Assistant Secretary, Planning for My Future Taskforce, DEWR
FamilyCare Shepparton	<ul style="list-style-type: none"> • Two meetings held. <ul style="list-style-type: none"> ○ First Assistant Secretary, Planning for My Future Taskforce ○ Assistant Secretary, Planning for My Future Taskforce, DEWR ○ Director, Stakeholder Team, Planning for My Future Taskforce, DEWR ○ Chief Executive Officer, FamilyCare, Shepparton
Global Sisters	<ul style="list-style-type: none"> • One meeting held. <ul style="list-style-type: none"> ○ Assistant Secretary, Planning for My Future Taskforce, DEWR ○ Director, Self Employment Services, DEWR ○ Chief Executive Officer, Global Sisters ○ Chief Operating Officer, Global Sisters ○ Administration Coordinator, Global Sisters ○ Membership Services Officer, Global Sisters
Harmony Alliance	<ul style="list-style-type: none"> • One meeting held. <ul style="list-style-type: none"> ○ First Assistant Secretary, Planning for My Future Taskforce, DEWR ○ Assistant Secretary, Planning for My Future Taskforce, DEWR ○ Senior Manager – Gender, Harmony Alliance
Jobs Australia	<ul style="list-style-type: none"> • One roundtable <ul style="list-style-type: none"> ○ First Assistant Secretary, Planning for My Future Taskforce, DEWR ○ Director, Planning for My Future Taskforce, DEWR ○ Employment Service Providers • Two meetings held. <ul style="list-style-type: none"> ○ First Assistant Secretary, Planning for My Future Taskforce, DEWR ○ Assistant Secretary, Planning for My Future Taskforce, DEWR ○ Chief Executive Officer, Jobs Australia ○ Senior Adviser, Government and Policy, Jobs Australia ○ Representation and Engagement Coordinator, Jobs Australia
National Aboriginal and Torres Strait Islander Women’s Alliance	<ul style="list-style-type: none"> • One meeting held. <ul style="list-style-type: none"> ○ Assistant Secretary, Planning for My Future Taskforce, DEWR ○ Assistant Director, Stakeholder Team, Planning for My Future Taskforce, DEWR ○ Administrative Assistant to the leadership team, National Aboriginal and Torres Strait Islander Women’s Alliance

Name of organisation	Attendees
National Employment Services Association (NESA)	<ul style="list-style-type: none"> • One Roundtable <ul style="list-style-type: none"> ○ First Assistant Secretary, Planning for My Future Taskforce, DEWR ○ Assistant Secretary, Planning for My Future Taskforce, DEWR ○ Employment Service Providers • Two meetings held. <ul style="list-style-type: none"> ○ First Assistant Secretary, Planning for My Future Taskforce, DEWR ○ Assistant Secretary, Planning for My Future Taskforce, DEWR ○ Chief Executive Officer, NESA ○ Senior Policy Advisor/Project Officer, NESA ○ Chief Executive Officer, National Self-Employment Association
NESA ParentsNext Interest Group	<ul style="list-style-type: none"> • One roundtable held <ul style="list-style-type: none"> ○ First Assistant Secretary, Planning for My Future Taskforce, DEWR ○ Assistant Secretary, Planning for My Future Taskforce, DEWR ○ Parents Next providers.
National Self-Employment Association (NSEA)	<ul style="list-style-type: none"> • Three meetings held <ul style="list-style-type: none"> ○ First Assistant Secretary, Planning for My Future Taskforce, DEWR ○ Assistant Secretary, Planning for My Future Taskforce, DEWR ○ Chief Executive Officer, National Self- Employment Association ○ Vice Chairperson, National Self- Employment Association ○ Chairperson, National Self- Employment Association
National Indigenous Employment and Training Alliance (NIETA)	<ul style="list-style-type: none"> • One meeting <ul style="list-style-type: none"> ○ First Assistant Secretary, Planning for My Future Taskforce, DEWR ○ Assistant Secretary, Planning for My Future Taskforce, DEWR ○ Director, Planning for My Future Taskforce, DEWR ○ Director, Indigenous and CALD Employment Policy, DEWR ○ Senior Policy Advisor, Minderoo Foundation, NIETA
National Women’s Alliances	<ul style="list-style-type: none"> • One meeting <ul style="list-style-type: none"> ○ Assistant Secretary, Planning for My Future Taskforce, DEWR ○ Assistant Director, Planning for My Future Taskforce, DEWR ○ Senior Advisor, Department of Prime Minister and Cabinet ○ Chief Executive Officer, National Aboriginal and Torres Strait Islander Women’s Alliance ○ Director, National Women’s Safety Alliance ○ Director of Policy and Advocacy, YWCA
Recruitment, Consulting and Staffing Association (RCSA)	<ul style="list-style-type: none"> • One meeting <ul style="list-style-type: none"> ○ Assistant Secretary, Planning for My Future Taskforce, DEWR ○ Assistant Director, Stakeholder Team, Planning for My Future Taskforce, DEWR ○ Advocacy and Industry Standards Manager, RCSA

Name of organisation	Attendees
	<ul style="list-style-type: none"> ○ Head of Advocacy, RCSA
Secretariat of National and Islander Child Care (SNAICC)	<ul style="list-style-type: none"> ● Facilitated two workshops with First Nations parents. ● Two meetings held. <ul style="list-style-type: none"> ○ First Assistant Secretary, Planning for My Future Taskforce, DEWR ○ Assistant Secretary, Planning for My Future Taskforce, DEWR ○ Chief Executive Officer, SNAICC ○ Social Policy and Research Manager, SNAICC
Settlement Council of Australia (SCOA)	<ul style="list-style-type: none"> ● Facilitated six workshops with migrant and refugee parents. ● Two meetings held <ul style="list-style-type: none"> ○ First Assistant Secretary, Planning for My Future Taskforce, DEWR ○ Assistant Secretary, Planning for My Future Taskforce, DEWR ○ Chief Executive Officer, SCOA.
Single Mother Families Australia (SMFA)	<ul style="list-style-type: none"> ● Conducted seventeen one-on-one consultations with single parents ● Three meetings held <ul style="list-style-type: none"> ○ First Assistant Secretary, Planning for My Future Taskforce, DEWR ○ Assistant Secretary, Planning for My Future Taskforce, DEWR ○ Chief Executive Officer, SMFA ○ Researcher, SMFA
Social Economic Empowerment Department (SEED)	<ul style="list-style-type: none"> ● One meeting held <ul style="list-style-type: none"> ○ Assistant Secretary, Planning for My Future Taskforce, DEWR ○ Social Economic Ambassador, SEED
UN Women Australia	<ul style="list-style-type: none"> ● One meeting held <ul style="list-style-type: none"> ○ CEO, UN Women Australia ○ Assistant Secretary, Planning for My Future Taskforce, DEWR
Workforce Australia National Forum	<ul style="list-style-type: none"> ● One workshop held <ul style="list-style-type: none"> ○ First Assistant Secretary, Planning for My Future Taskforce, DEWR ○ Providers ○ Employment Peak Bodies.



MINISTERS' MEDIA CENTRE

Ministers of the Employment and Workplace Relations
Portfolio

Joint Media Release

5 May 2023

Albanese Government to scrap ParentsNext program

Senator the Hon Katy Gallagher
Minister for Finance
Minister for Women
Minister for the Public Service

The Hon Tony Burke MP
Minister for Employment and Workplace Relations
Minister for the Arts

Women around the country have been telling us that the former Government's [ParentsNext](https://www.servicesaustralia.gov.au/parentsnext) (<https://www.servicesaustralia.gov.au/parentsnext>) program is punitive, counterproductive and causes harm.

At the election we committed to listen to women's experiences and make decisions that make their lives better and fairer.

That's why we will abolish ParentsNext from 1 July 2024.

As a first step, from 5 May 2023, we will immediately pause all compulsory requirements for participants in ParentsNext.

More information here: www.dewr.gov.au/changes-parentsnext
(<https://www.dewr.gov.au/parentsnext/announcements/changes-parentsnext>)

Employment White Paper Factsheet (whole department)

Key Updates

- The White Paper was released on 25 September 2023, announcing immediate and future reforms.
- The White Paper Roadmap sets out 31 future reform directions to support the Government's vision for a dynamic and inclusive labour market. Actions are underway to progress these reform directions.
 - Of the 83 **actions announced as underway**, the **department is leading 12** (four are complete - see Table 1) and is supporting other agencies to address 9 actions.
 - Of the 64 future reform actions, the department has commenced work on 12 of these (see Table 2). As future actions, the lead agencies are still being finalised with Treasury.
- The most notable updates since the release of the White Paper are:
 - The Select Committee on Workforce Australia tabled its final report on 30 November 2023.
 - The design of the new voluntary pre-employment service for parents, informed by stakeholder consultation, is underway and will replace the ParentsNext program on 1 November 2024.
 - The redesigned Skills for Education and Employment Program has been announced and will commence on 1 July 2024.
 - The *Fair Work Legislation Amendment (Closing Loopholes) Act 2023* received Royal Assent on 14 December 2023, while the Fair Work Legislation Amendment (Closing Loopholes) Bill 2023 contains measures that are still before parliament.

White paper objectives and DEWR levers

Objective 1: Delivering sustained and inclusive full employment

- The department supports this objective through employment services that **help jobseekers become work ready and match to employers, to promote inclusive full employment**. Employment services and other departmental programs also help **reduce the risk of long-term unemployment** by broadening job and training opportunities to jobseekers.
- Employment programs, such as the Local Jobs Program, **promote workforce participation** through addressing structural barriers to employment.

Objective 2: Promoting job security and strong, sustainable wage growth

- The department supports people to find and keep local, safe, and secure jobs.
- The workplace relations system promotes job security and wage growth through workplace environments underpinned by a **safety net of pay, conditions, safety and workplace rights and responsibilities**.

Objective 3: Reigniting productivity growth

- Employment services support productivity growth by **reducing all forms of unemployment, particularly structural and frictional unemployment**, including by helping jobseekers to **develop their skills and access the labour market**.
- Foundation skills programs, such as the Skills for Education and Employment Program, support people to **improve their employment and training pathways to increase workforce productivity**.

Objective 4: Filling skills needs and building our future workforce

- The department is addressing skills gaps by working with industry to identify and address shortages through **increasing access to quality skills and training**.
- Jobs and Skills Australia is also leading research and analysis into **workforce forecasting and capacity studies for emerging and growing industries** to help prepare future our workforce.

- Employment services can promote access to training and education to **meet skills needs, match jobseekers to relevant employers, and assist those at risk of displacement to encourage re-employment**.

Objective 5: Overcoming barriers to employment and broadening opportunity

- The **employment services and skills** system help to reduce barriers to employment by supporting people to become job-ready, including by upskilling and reskilling.
- Workplace relations and employment services broaden opportunity by promoting fair, inclusive workplaces.

Definition of full employment

- The White Paper describes the Government's objective as sustained and inclusive full employment, which **is where everyone who wants a job should be able to find one without having to search for too long**.
- Economic commentary has typically focused on concepts of full employment based on statistical estimates of cyclical spare capacity – such as the non-accelerating inflation rate of employment (NAIRU). As noted in the Employment White Paper, the Government's view of full employment is broader, aimed at increasing the maximum level of employment we can sustain over time, by reducing structural underutilisation.
- The full employment objective and its approach is consistent with the key frameworks Treasury uses to understand the macroeconomy and labour market.

Government's jobs objectives

- The White Paper describes the Government's jobs objective as a **good, secure, fairly paid job for everyone who wants one, without having to look for too long**. This is a broader and longer-term objective that recognises that having a high quality job with enough hours of work matters.
- The Government's objective has two components:
 - Sustained full employment** is about keeping unemployment as close as possible to the current maximum sustainable level of employment consistent with low and stable inflation.
 - Inclusive full employment** is about broadening labour market opportunities, lowering barriers to work, and reducing structural underutilisation to increase the level of employment that can be sustained over time.
- The White Paper sets out reform principles for employment services (see Table 3).

Government's skills objectives

- The White Paper supports the key role that **Australia's training system plays in supporting labour market outcomes** for priority cohorts such as First Nations people, women, and students with disability, by reducing barriers to workforce participation.
- For Australia's national training system, the White Paper highlights the importance of:
 - An adaptable VET system that responds to emerging skills needs,
 - Ensuring that the VET, higher education and migration systems are working together to tackle skills challenges in a coordinated way,
 - The critical role of Jobs and Skills Australia in providing labour market forecasting to support education and training policy for the future, and
 - The importance of foundation skills, high quality careers advice, and breaking down barriers to lifelong learning.

Government's workplace relations objectives

- The White Paper describes the Government's workplace relations objective to promote a **more inclusive, fair and productive labour market with jobs that are safe, secure, fairly paid and provide mutually beneficial flexibility**. This is supported by the Government's legislated reforms to reflect the changing nature of work, provide greater certainty, fairness and a level playing field for both workers and businesses

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Date Last Cleared 07 February 2024

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SB24-000079
Data for: 31 December 2023

Table 1: In-progress initiatives in the White Paper that DEWR is leading or supporting

White Paper Item	Relevant departmental contact and corresponding brief (in progress, significant progress, complete)
DEWR lead initiatives (12)	
<i>Employment & Workforce Group</i>	
1. Reforming Local Jobs Program to align with place-based best practice, and expanding program eligibility	FAS, s 22(1), Workforce Australia for Business (SB24-000084)
2. Conducting a first principles review of Workforce Australia	FAS, s 22(1), Employment Policy and Analytics (SB24-000109)
3. Designing a new program to replace ParentsNext in consultation with parents and stakeholders	FAS, s 22(1), Workforce Australia Provider Support (SB24-000087)
<i>Skills Group</i>	
4. Turbocharging TAFE Centres of Excellence and Advancing Higher Apprenticeships	A/g FAS, s 22(1), Apprenticeships and Foundation Skills (SB24-000145)
5. Delivering a further 300,000 Fee-Free TAFE places in areas of skills shortages from 2024	A/g FAS, s 22(1), Apprenticeships and Foundation Skills (SB24-000120)
6. Redesigning and broadening eligibility for the Skills for Education and Employment Program	A/g FAS, s 22(1), Apprenticeships and Foundation Skills (SB24-000129)
7. Including foundation skills as a focus area for National Skills Agreement negotiations	A/g FAS, s 22(1), Apprenticeships and Foundation Skills (SB24-000135)
8. Investing an additional \$3.7 billion in a new National Skills Agreement with states and territories	FAS, s 22(1), NSA Taskforce (SB24-000135)
9. Building diversity in apprenticeships and driving completions	A/g FAS, s 22(1), Apprenticeships and Foundation Skills (SB24-000119)
10. Undertaking a VET Workforce Blueprint	AS, s 22(1), VET Quality and Regulation (SB24-000134)
11. Introducing the Australian Skills Guarantee, with targets for women on major Government projects	A/g AS, s 22(1), Multilateral Policy (SB24-000133)
<i>Workplace Relations Group</i>	
12. Legislating reforms to close loopholes that undercut wages and conditions, and to criminalise intentional wage theft	A/g FAS, s 22(1), WR Legal (SB24-000003)
DEWR supported initiatives (9)	
<i>Employment & Workforce Group</i>	
13. Identifying ways to back the social enterprise sector and provide opportunities for those facing disadvantage	AS, s 22(1), Employment Policy and Analytics
<i>Skills Group</i>	
14. Developing a South Australian Defence Industry Workforce and Skills Plan	A/g AS, s 22(1), Defence, Industry, Policy and Data
15. Undertaking a National Study of Adult Literacy, Numeracy and Digital Skills	AS, s 22(1), Foundation and Transition Programs
16. Defining the scope, outcomes, and benefits of a National Skills Passport in consultation with stakeholders and across government	Director, s 22(1), Careers Digital and Data Analytics, National Careers Institute
17. Responding to the 2023 Review of the Migration System	Director, s 22(1), Migrant Skills Assessments
18. Strengthening integrity in international education	AS, s 22(1), VET Quality and Regulation
19. Working across portfolios to realise productivity growth opportunities – e.g. Competition Review, Migration Strategy	A/g AS, s 22(1), Skills System and International (all DEWR initiatives contribute to this item)

20. Consulting with stakeholders on whistleblower protections for temporary visa holders	A/g AS, s 22(1), Workforce Exploitation
21. Designing the firewall between the Fair Work Ombudsman and the Department of Home Affairs	A/g AS, s 22(1), Workforce Exploitation

Table 2: Future reforms in the White Paper that DEWR is leading

White Paper item	Relevant departmental contact (in progress, significant progress, complete)
DEWR lead initiatives (12)	
<i>Employment & Workforce Group</i>	
1. Better integrate foundation skills with employment services	FAS, s 22(1), Employment Policy and Analytics
2. Embed robust evaluation into policy design, especially for employment services	A/g FAS, s 22(1), Evidence and Assurance
3. Reform employment services to better support employers' recruitment needs	FAS, s 22(1), Workforce Australia for Business
4. Co-develop work experience principles for job seekers who are disadvantaged	FAS, s 22(1), Employment Policy and Analytics
<i>Skills Group</i>	
5. Build a skilled and adaptable workforce	A/g FAS, s 22(1), Apprenticeships and Foundation Skills
6. Establish new coordinated efforts to lift foundation skills	A/g FAS, s 22(1), Apprenticeships and Foundation Skills
7. Introduce a single consolidated occupation list for temporary skilled migration	FAS, s 22(1), Industry Engagement and Quality
8. Embed joint stewardship of the VET sector with states and territories to better identify and train students in areas of national priorities	FAS, s 22(1), NSA Taskforce
9. Partner with industry to improve pathways into tech careers	FAS, s 22(1), Industry Engagement and Quality
10. Develop targeted strategies for priority areas, including AI, robotics and cyber security	FAS, s 22(1), Industry Engagement and Quality
11. Develop collaborative institutions including TAFE Centres of Excellence, with focuses on priority areas	FAS, s 22(1), NSA Taskforce
12. Develop new innovative qualifications, which combine the best of the tertiary education system, like higher apprenticeships	FAS, s 22(1), Industry Engagement and Quality

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07 February 2024

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Table 3: Employment services reform principles

Employment services principles
<ul style="list-style-type: none"> • 8 high-level principles to guide the direction of future reforms to employment services. • The principles highlight the need for a system that focuses on investing in people to support Australians to access secure and fairly paid job opportunities, address structural barriers to employment including skills, training and entrenched disadvantage, and assist employers to plan for and meet their labour and skill needs. • The 8 principles are: <ol style="list-style-type: none"> (1) Services are viewed as an investment that unlock individual potential, address employer needs and work with industry to bolster growth. <ol style="list-style-type: none"> (a) The system builds human capital and ensures job placements are appropriate. (b) Services help businesses and communities to grow by connecting people to jobs. (2) There is strong Australian Public Service stewardship in the system and the outcomes it delivers to ensure that individuals are not left behind. (3) Services protect the dignity and respect rights of individuals. <ol style="list-style-type: none"> (a) Services help individuals meet their employment and personal development goals. (b) Services are designed and delivered in a culturally responsive and inclusive way that meets communities' needs. (4) Services provide a pathway towards decent jobs that provide the flexibility and security that individuals need. <ol style="list-style-type: none"> (a) The Government may need to promote the creation of jobs to alleviate entrenched community disadvantage where labour markets are very thin and where individuals face very high barriers to work. (5) Employers use employment services to help meet their workforce needs, and can access guidance on innovative job design, recruitment practices and inclusive approaches to workforce development. (6) Employment services are designed through collaboration with individuals, employers and the community. <ol style="list-style-type: none"> (a) the participation of Indigenous Community Controlled Organisations, and community-based organisations, is boosted in the delivery of employment services. (7) Services help people at the earliest opportunity, informed by fit-for-purpose assessment processes. (8) Reforms are grounded in evidence, high quality evaluation and continuous learning and improvement.

DEWR Closing the Gap

Key points

- The department is committed to the National Agreement on Closing the Gap (National Agreement) and to working in genuine partnership with First Nations people to achieve both the education and training, and employment targets it contributes toward.
- The department is taking a ground up approach to establishing partnerships and engagement arrangements and embedding priority reforms into the way we work.
- Engagement with the Coalition of the Peaks, Aboriginal and Torres Strait Islander peoples and organisations, and stakeholders at a range of levels is informing new programs and policies, and there will be stronger and deeper engagement progressively built into established programs.
- The department is working closely with the Department of the Treasury as it explores opportunities with the Coalition of Peaks to develop a Policy Partnership on economic participation – a key outcome of the Jobs and Skills Summit.

DEWR's key corporate activities



Recent Announcements

EMPLOYMENT AND WORKFORCE

Partnerships and shared decision-making

- The department is [supporting the newly established National Indigenous Employment and Training Alliance](#), which is a peak body for First Nations peoples' employment and training matters. This engagement will enable formal partnerships to be established on policy development.

Time to Work Employment Services

- In the 2023–24 Budget the Government announced that the Time to Work Employment Service will be extended for a further year until 30 June 2024 to [better service First Nations prisoners to connect with employment services](#) and assist them to move from prison to work.
- The department has been undertaking extensive engagement and collaboration with stakeholders nationwide to inform future servicing arrangements. This included engagement with people with lived experience of prison, justice advocates, and local community organisations and social enterprises.

ParentsNext – New voluntary parents' program (SB24-000087)

- The government announced during the 2023-24 Budget the decision to end the ParentsNext program and replace it with a new voluntary service. From 5 May 2023, compulsory requirements for clients in ParentsNext were paused. As at 31 December 2023, First Nations parents comprised 21.6 per cent of the ParentsNext caseload (or 18,388 parents). [The new service is informed by extensive consultation](#) with parents, community groups, service providers and others with an interest in supporting First Nations parents to achieve their education and employment goals.
- As compulsory requirements have been paused, ParentsNext providers are encouraged to actively engage with eligible parents to promote the benefits of participating in the program, such as the financial support available through the Participation Fund.
- The Department of Employment and Workplace Relations has engaged Supply Nation to assist with delivering a capacity building webinar for First Nations providers which will commence delivery in February 2024.

Continuity of employment services in Broome

- The Government is providing \$5.6 million over five years to establish new employment servicing arrangements in the Broome employment region. DEWR has been working collaboratively with First Nations people and organisations to develop a service that better suits the local context and complex needs of the local community.
- This measure is supporting of all clients to re-engage and transition to [new arrangements with a First Nations provider, supported by Australian Public Service personnel](#).

SKILLS AND TRAINING

Remote Training Hubs Network (SB24-000131)

- The Remote Training Hubs Network announced on 13 February 2024 makes up \$30.2 million of the \$250 million *A Better, Safer Future for Central Australia Plan* announced by the Prime Minister on 6 February 2023. Funding will be used to design and establish a network of up to seven remote training hubs to connect and enable communities to access training in the skills they need on-Country, linking training to job opportunities.

Foundation Skills

- In the 2023-24 Budget, the Government committed \$3.5 million to extend the **Foundation Skills for Your Future Remote Community Pilots** for a further 12 months while reforms to the foundation skills programs are implemented.
 - The pilots are underway in 4 locations including NT, SA, WA and northern Queensland, and have been designed with, and are being [delivered in, cooperation with communities and Aboriginal Controlled Community Organisations](#).
- As part of the 2023-24 Budget, the Government committed to providing \$436.4 million over 4 years to a redesigned **Skills for Education and Employment (SEE)** program.
 - The SEE program provides ongoing language, literacy, numeracy, and digital skills training for a range of participants. Indigenous participation in the SEE program increased to around 9% of all SEE participants in 2022-23, up from approximately 6% for the three previous years.
 - Commencing on 1 July 2024, the redesigned SEE program will be delivered through a mix of national and local place-based solutions to improve access and delivery.
 - This will include [a specific focus on First Nations people with approximately \\$46.0 million being set aside to support up to 2,000 First Nations people per year to access tailored LLND training](#). Training will be [delivered through First Nations organisations](#) in partnership with TAFE's and other RTOs or Adult and Community Education sector providers to better support Indigenous Australians to get the outcomes they need to achieve their goals in work, education, and life.

National Skills Agreement

- Closing the Gap is identified as a national priority in the new 5-year National Skills Agreement.
 - This means that all governments will deliver publicly available national and jurisdictional skills plans that set out how they will meet Closing the Gap outcomes in the vocational education and training (VET) system. These plans will be developed in partnership with First Nations peoples.
- The Australian Government has committed up to \$214 million over the life of the NSA to fund Closing the Gap initiatives, including:
 - around \$35.9 million to progress a nationally networked policy partnership arrangement in VET.
 - around \$166.4 million to support state and territory governments to progress priority reforms and targets in the VET system in partnership with First Nations peoples.
 - around \$11.4 million to support the delivery of Closing the Gap activities delivered by the Commonwealth.

Last Cleared By **s 22(1)**
Date Last Cleared 07 February 2024

Key facts and statistics

Vocational Education and Training (VET)																									
Proportion of VET students (2022)	<ul style="list-style-type: none"> The proportion of First Nations students in VET increased slightly between 2018 and 2022. 																								
	<table border="1"> <thead> <tr> <th></th> <th>2018</th> <th>2019</th> <th>2020</th> <th>2021</th> <th>2022</th> </tr> </thead> <tbody> <tr> <td>Number ('000s)</td> <td>138.4</td> <td>148.6</td> <td>143.8</td> <td>155.9</td> <td>161.7</td> </tr> <tr> <td>% of all VET students</td> <td>3.4%</td> <td>3.5%</td> <td>3.6%</td> <td>3.6%</td> <td>3.6%</td> </tr> <tr> <td>% of VET students aged 25-34</td> <td>3.2%</td> <td>3.4%</td> <td>3.4%</td> <td>3.6%</td> <td>3.6%</td> </tr> </tbody> </table>		2018	2019	2020	2021	2022	Number ('000s)	138.4	148.6	143.8	155.9	161.7	% of all VET students	3.4%	3.5%	3.6%	3.6%	3.6%	% of VET students aged 25-34	3.2%	3.4%	3.4%	3.6%	3.6%
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Qualification completion rates (2017-2018 reported and 2019-2020 projected)	<ul style="list-style-type: none"> The gap between First Nation completion rates and the national average is expected to increase for learners who enrolled in 2019 and 2020. <table border="1"> <thead> <tr> <th rowspan="2"></th> <th colspan="2">Observed</th> <th colspan="2">Projected</th> </tr> <tr> <th>2017</th> <th>2018</th> <th>2019</th> <th>2020</th> </tr> </thead> <tbody> <tr> <td>First Nations</td> <td>33.6%</td> <td>34.5%</td> <td>33.8%</td> <td>35.8%</td> </tr> <tr> <td>National</td> <td>46.1%</td> <td>47.6%</td> <td>48.4%</td> <td>50.5%</td> </tr> <tr> <td>Gap</td> <td>12.5%</td> <td>13.1%</td> <td>14.6%</td> <td>14.7%</td> </tr> </tbody> </table>		Observed		Projected		2017	2018	2019	2020	First Nations	33.6%	34.5%	33.8%	35.8%	National	46.1%	47.6%	48.4%	50.5%	Gap	12.5%	13.1%	14.6%	14.7%
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Apprenticeships in-training (30 June 2023)	<ul style="list-style-type: none"> The completion rate for First Nations apprentices in the 2018 commencing cohort is 48.7% (NCVER Completion and attrition rates for apprentices and trainees 2022), which is 7.1 percentage points below the national average. <table border="1"> <thead> <tr> <th></th> <th>All apprentices and trainees</th> <th>Trade apprentices</th> <th>Non-trade apprentices</th> </tr> </thead> <tbody> <tr> <td>Number ('000s)</td> <td>22.4</td> <td>12.2</td> <td>10.2</td> </tr> <tr> <td>% of all students</td> <td>5.9%</td> <td>5.1%</td> <td>7.4%</td> </tr> </tbody> </table>		All apprentices and trainees	Trade apprentices	Non-trade apprentices	Number ('000s)	22.4	12.2	10.2	% of all students	5.9%	5.1%	7.4%												
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Fee-Free TAFE (30 September 2023)	<ul style="list-style-type: none"> To 30 September 2023, Fee-Free TAFE has supported over 296,000 student enrolments and almost 254,000 students to commence training nationally. In the same period, over 14,000 First Nations Australians enrolled in a Fee-Free TAFE course, with First Nations learners making up almost 4.9% of the 296,107 Fee-Free TAFE enrolments up to 30 September 2023 nationally. <table border="1"> <thead> <tr> <th>Fee-Free TAFE Priority Group</th> <th>Total</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>First Nations</td> <td>14,391</td> <td>4.9</td> </tr> </tbody> </table>	Fee-Free TAFE Priority Group	Total	Percentage	First Nations	14,391	4.9																		
Fee-Free TAFE Priority Group	Total	Percentage																							
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Employment, unemployment, and labour force participation rates (2021 Census)	<ul style="list-style-type: none"> 253,644 people First Nations people aged 15-64 were employed. <table border="1"> <thead> <tr> <th></th> <th>Employment to population ratio</th> <th>Unemployment rate</th> <th>Labour force participation</th> </tr> </thead> <tbody> <tr> <td>First Nations</td> <td>52.2%</td> <td>7.4%</td> <td>59.7%</td> </tr> <tr> <td>Non-First Nations</td> <td>74.6%</td> <td>3.9%</td> <td>78.6%</td> </tr> <tr> <td>Gap</td> <td>22.4%p</td> <td>3.5%p</td> <td>18.9%p</td> </tr> </tbody> </table>		Employment to population ratio	Unemployment rate	Labour force participation	First Nations	52.2%	7.4%	59.7%	Non-First Nations	74.6%	3.9%	78.6%	Gap	22.4%p	3.5%p	18.9%p								
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Gap	22.4%p	3.5%p	18.9%p																						

DEWR Staff

First Nations employee headcount (31 December 2023)	Level	Number (proportion of all DEWR)	Target proportion
	APS1 – APS3	3 (2.1%)	N/A
	APS4 – APS6	55 (2.9%)	5% by 2024
	EL1 – EL2	22 (1.3%)	5% by 2024
	SES	2 (1.4%)	3% by 2024
	Total headcount	82 (2.1%)	5% by 2030

*Target of 5 per cent for Total Headcount reflects a commitment by Government to increase First Nations representation in the APS by 2030, in alignment with Closing the Gap Priority Reform 3.

DEWR's Closing the Gap Targets

- DEWR shares responsibility for Targets 5, 6 and 7 with department of Education, which is responsible for schools, youth and higher education actions.
- DEWR shares responsibility for Target 8 with the National Indigenous Australians Agency, which administers Indigenous-specific employment programs and remote area employment services. The Productivity Commission (PC)'s Closing the Gap dashboard update on 8 March 2023 indicates that while Target 8 is on track to be met by 2031, Targets 5, 6 and 7 are not on track.

	Target 5	Target 6	Target 7	Target 8
Action	Increase the proportion of First Nations people aged 20-24 years who have attained a year 12 or equivalent qualification (i.e. Cert III or above qualification)	Increase proportion of First Nations people aged 25-34 years who have completed a Certificate III and above qualification	Increase the proportion of First Nations people aged 15-24 years who are in employment, education or training	Increase the proportion of First Nations people aged 25-64 years who are employed
2031 Target	96%	70%	67%	62%
2016 Baseline (ABS Census)	63.2%	42.3%	57.2%	51%
Status as at 2021 Census (published by PC)	68.1%	47.0%	58.0%	55.7%
Estimated 2021 trajectory needed to achieve 2031 target (published by PC)	74.1%	51.5%	60.5%	54.7%

Closing the Gap Priority actions for 2024 as outlined in the 2024 Commonwealth Closing the Gap Implementation Plan

Targets 5, 6 and 7
<ul style="list-style-type: none"> Implement the new Australian Apprenticeships service delivery model by July 2024. A key focus of the model is to increase the diversity of the apprentice workforce and the type of services delivered, to ensure tailored support to specific cohorts is delivered by Specialist Providers. Implement the redesigned Skills for Education and Employment program from 1 July 2024. The redesigned SEE program will be delivered through a mix of national and local solutions to improve access and delivery, including providing specific place-based First Nations-led support for First Nations people. Establish an interim First Nations Partnership Committee, networked with state and territory partnership arrangements, which will contribute to Skills and Training policy and guide the establishment of formal partnership arrangements as part of a staged approach across the new 5-year National Skills Agreement. Scope development of a Skills and Training Sector Strengthening Plan. First Nations Australians are one of nine priority groups under the Fee-Free TAFE initiative that commenced in 2023. A further 300,000 Fee-Free TAFE places became available on 1 January 2024 to be delivered over the following 3 years. States and Territories have flexibility to engage Aboriginal Community Controlled RTOs to deliver this training.
Targets 7 and 8
<ul style="list-style-type: none"> Workforce Australia is supported by bespoke programs (Self Employment Assistance, Time to Work Employment Service). <ul style="list-style-type: none"> The Workforce Australia Inquiry Report was delivered in November 2023. The Government is considering the report findings. The Employment White Paper (being led by Treasury), released on 25 September 2023, included a key economic outcome to examine options for a Closing the Gap Policy Partnership on economic participation (building on the outcome of the Jobs and Skills Summit). The Commonwealth (led by Treasury) is working with the Coalition of Peaks and the community-controlled sector experts they represent, to develop governance, membership and initial policy priorities for a potential partnership on economic participation. The department is supporting the newly established National Indigenous Employment and Training Alliance, which is a peak body for First Nations peoples' employment and training matters. The department will continue the delivery of the Launch Into Work program, including supporting the design and delivery of projects with First Nations owned businesses and those seeking to increase representation of First Nations employees in their workforce.

Enterprise bargaining

Current status

- A draft enterprise agreement has been sent to all bargaining representatives and we are currently working through the feedback received.
- Subject to finalising bargaining and getting all the necessary approvals (ie. internal and APS Commissioner), we anticipate being in a position to put the agreement out to staff for consideration in the coming weeks.

APS-wide bargaining

- APS-wide bargaining commenced on **30 March 2023** and concluded on **30 November 2023**, with the APSC publishing a Statement of Common Terms and Conditions.
- On **30 November 2023**, the CPSU announced that more than 16,000 of its members had voted in support of the APS-wide package (67.5% support).
- The Commonwealth's final pay offer was tabled on 23 November 2023. This includes headline salary increases of:
 - 4% from March 2024
 - 3.8% from March 2025, and
 - 3.4% from March 2026.
- Under the Commonwealth's pay offer, the access period for the EA must commence before 14 March 2024 and result in a successful ballot, for employees to receive their first pay rise (4%) from 14 March 2024 and a one-off payment equal to 0.92% of salary.
- If employees vote down the proposed EA, the first salary increase would apply from the date that an EA later commences and, the one-off payment will not be made.
- Questions about APS-wide bargaining are to be directed to the APSC.

Agency-level bargaining

- Discussions commenced on **7 September 2023**. Sixteen (16) meetings have been held to date.
- On **12 January 2024**, the CPSU lodged a bargaining dispute with the FWC regarding contact centre arrangements, a right to disconnect, and disability leave. We participated in two conferences at the Fair Work Commission on **23 and 25 January**, respectively. This resulted in the department:
 - proposing a revised clause regarding the development of a rostering policy for our Contact Centre Branch (which the CPSU has agreed to),
 - reaffirming our commitment to adopt common clauses on **workloads** (negotiated in APS-wide bargaining) and looking at ways of addressing the core issues that the CPSU sought to resolve through its proposed right to disconnect clause (*see below for further detail*), and
 - reaffirming our commitment to review our **Leave Policy** in consultation with our Dis/Ability and Carers' Network and through agreed consultation mechanisms.
- On the **right to disconnect**, the department **did not agree** to the CPSU's proposed **right to disconnect** clauses. The clauses would conflict with other provisions in the EA, have the potential to reduce flexibility in working arrangements and constrain our ability to direct employees to work reasonable additional hours (*see below for further detail*).
- On **disability leave**, the CPSU proposed **10 days' paid disability leave** in APS-wide bargaining. The claim was **rejected** by the APS Chief Negotiator, Peter Riordan. The Bargaining Policy precludes further negotiations on this matter.

Right to disconnect

- We will comply with any right to disconnect provisions in legislation, once they come into effect.

During bargaining

- Under the headline of a "**right to disconnect**," the CPSU proposed clauses that included the following key tenets:
 - an employee is not expected to perform work outside of their agreed work hours
 - management will not pressure employees to work outside their agreed work hours
 - an employee may disengage from any technology that has a connection to the workplace and
 - an employee is not obligated to respond to contact [*presumably from management*] until they are next at work, unless amongst two other scenarios, the contact includes an offer of additional hours.
- We **did not agree** to adopt these clauses because they:
 - **lack clarity** as to the nature of a right to disconnect
 - are in **conflict with other provisions** in the proposed agreement, such as:
 - varying ordinary hours
 - overtime
 - restriction allowance
 - management of workloads (new APS-wide clause – see below).
 - **seek to restrict our right** as an employer to direct employees to work **reasonable** additional hours and
 - relate to a **contested workplace relations policy issue** that, at the time, was under debate in the Commonwealth Parliament.
- **Workloads:** The CPSU's rationale for its proposed clauses centred around **managing workloads**. Issues relating to workloads were considered in APS-wide bargaining and will be addressed in our enterprise agreement, including through the following clauses:
 - The department recognises the importance of employees balancing their work and personal life. While it is acknowledged that at times it may be necessary for some extra hours being worked by some employees, this should be regarded as the exception rather than the rule.
 - When determining workloads for an employee or group of employees, the department will consider the need for employees to strike a balance between their work and personal life.
 - Where an employee or group of employees raise that they have experienced significant workload pressures over a prolonged period of time, the department and employee/s together must **review the employee or group of employees' workloads and priorities** and determine appropriate strategies to manage the impact on the employee or group of employees.
- **Flexible working arrangements:** We know that our employees value flexible working arrangements that support them to balance their work and personal lives and our enterprise agreement will also include the following clauses:
 - The department, employees and their union recognise:
 - the importance of an appropriate balance between employees' personal and working lives, and the role flexible working arrangements can play in helping to achieve this balance
 - access to flexible work can support strategies to improve diversity in employment and leadership in the APS
 - access to flexible work supports APS capability, and can assist in attracting and retaining the employees needed to deliver for the Australian community, including employees located at a wider range of locations
 - that flexibility applies to all roles in the department, and different types of flexible working arrangements may be suitable for different types of roles or circumstances and
 - requests for flexible working arrangements are to be considered on a case-by-case basis, with a bias towards approving requests.

- o Flexible working arrangements include, but are not limited to, changes in hours of work, changes in patterns of work and changes in location of work.

Separate to bargaining

- Once the enterprise agreement comes into effect, **we will prioritise the development of policies and procedures** to support the implementation of our new terms and conditions of employment.
- In addition, we are currently developing a range of **strategies and tools** that will go a long way to addressing the feedback from the CPSU and supporting our employees:
 - o **work health and safety guidance** to support managers and employees to have conversations about boundaries supporting work-life balance
 - o an approach to **review job design** to ensure jobs optimise work processes, create value and improve productivity – and are also fulfilling and motivating, with sustainable workloads.
 - o continuing to **build organisational capability** through key initiatives like our Strategic Workforce Plan and driving our efforts to recruit to fill vacant positions.

Protected industrial action

Date	Number of participants	Percentage of total employees	Percentage of CPSU members	Form of action
2 November 2023	190	5.07%	36.54%	1 hour work stoppage
14 November 2023	149	3.98%	28.65%	2 hour work stoppage
24 November 2023	8	0.21%	1.54%	24 hour work stoppage

Note: Based on 3,746 department employees and 520 CPSU members (as reported in the protected action ballot orders).

- There were no significant disruptions to our operations.

Recent media

- On 30 October 2023, *The Canberra Times* published 'Two more APS agencies ready to strike'. This article reports CPSU members in the department voted in favour of pursuing protected industrial action.
- On 2 November 2023, *The Canberra Times* published 'CPSU members in two more APS agencies to strike'. The article reports CPSU members in the department will stop work for one hour on 2 November.
- On 24 November 2023, *The Australian* published 'Bonus offer to 150,000 public servants to vote for pay deal'. The article reports the Government has agreed to make a one-off payment to APS employees if proposed agreements are finalised by March next year and endorsed by a majority of employees.
- On 30 November 2023, the CPSU issued a media release 'CPSU members vote to endorse APS wide package' noting that 67.5% of their members support the APS-wide package.
- On 6 December 2023, *The Canberra Times* published 'DEWR staff say they're denied breaks, pay. The article reports allegations that the department's call centre employees claim they are denied eye breaks and paid set up and pack down time each day.

Two more APS agencies ready to strike

By Miriam Webber

The Canberra Times

Monday 30th October 2023

447 words

Page 3 | Section: NEWS

234cm on the page



Two more APS agencies ready to strike

Miriam Webber

THE main public sector union has mobilised staff across two more departments to strike, dragging out a stalemate over a pay rise for federal public servants.

Community and Public Sector Union members in the Agriculture and Employment departments voted overwhelmingly in favour of protected industrial action, the union announced on Sunday.

It has not yet announced whether the agencies will strike.

The CPSU lodged protection action ballots with the Fair Work Commission on behalf of the two departments and the Fair Work Ombudsman, after rejecting a second APS-wide pay offer of 11.2 per cent over three years.

All three agencies have supported work stoppages between one and 24 hours in favour of pushing for a better pay deal.

Services Australia is the only agency which has already undertaken action over the pay offer.

National secretary Melissa Donnelly called on the government "to do better on pay" in the midst of a cost-of-living crisis.

"We are urging the government to do better on pay because their workforce needs financial relief, and they need it now," Ms Donnelly said in a statement on Sunday.

"We must not allow the bargaining process to delay workers getting their pay rise or having access to the raft of new conditions that

have been negotiated. There is a clear fix here for the government."

The government's pay offer would increase the salaries of staff at 102 APS agencies by 4 per cent in the first year, then 3.8 per cent, followed by 3.4 per cent. It is not due to come into effect until March 2024, but agencies need to vote on their enterprise agreements before they can receive the increase.

The government has also proposed a pay equity model, which would lift the salaries of the lowest paid public servants across 83 agencies, and reached broad support on more than 50 common conditions, such as increased paid parental leave, and flexible work.

Public Service Minister Katy Gallagher told a Senate estimates hearing last week that the union had not provided a counter-offer to the 11.2 per cent.

"I'm very keen to get this finalised so that we can ensure people get those pay rises as soon as possible," she said.

"But we have revised our offer, we have significantly improved conditions in response to feedback from unions, we haven't had a counter-proposal put to us, other than the original claim which was 20 per cent.

"And so, you know, it's got a little way to go yet."

Senator Gallagher has previously dismissed the union's claim of 20 per cent, front-loaded with a 9 per cent increase in the first year, as "impossible".

CPSU members in two more APS agencies to strike

By Miriam Webber, Karen Barlow

The Canberra Times

Thursday 2nd November 2023

499 words

Page 6 | Section: NEWS

234cm on the page



CPSU members in two more APS agencies to strike

Miriam Webber, Karen Barlow

THE main public sector union has warned of potential delays to pay rises if the government doesn't revise its APS-wide pay deal soon, as it announced strikes in two more agencies.

Community and Public Sector Union members in the Fair Work Ombudsman and the Department of Employment and Workplace Relations will stop work for an hour on Thursday, in a bid to pressure the federal government to improve its pay deal of 11.2 per cent over three years.

Industrial action has already taken place in Services Australia over pay, but the

latest action expands the main public sector union's action to other agencies.

CPSU national secretary Melissa Donnelly said in a statement she wanted to see the Albanese government "come back to the bargaining table with a revised pay offer so that we can continue to move forward in the bargaining process".

"Our members have been clear from the beginning - they want to see this round of bargaining deliver a decent pay rise without any delays.

"Right now, we aren't risking delays to pay rises. But if the government doesn't come back to the bargaining table with a revised pay offer soon, there is a risk

that timelines could begin to blow out."

The pay deal was revised up from 10.5 per cent in August, but the union knocked it back, declaring it had not received clear support from its membership.

In a poll of about 15,000 CPSU members, 48.1 per cent rejected the deal while 51.9 per cent of members voted in support of it.

The first pay rise of 4 per cent is not due to come into effect until March next year. The proposal states that public servants would then receive a 3.8 per cent lift in 2025, followed by 3.4 per cent in 2026.

Enterprise bargaining talks have progressed to agencies, where management and staff are discussing conditions specific to their workplaces.

Staff across the APS agencies will then vote on the pay deal and more than 50 common conditions agreed on in the service-wide talks

when they consider their enterprise agreements.

But Public Service Minister Katy Gallagher on Wednesday showed no signs the government planned to revise the offer again, though she has not yet called it a final offer.

She also hinted at letting public servants vote on the pay deal without backing from the union.

"It's not our preferred way of doing of bargaining, but ... we can put the offer to the APS staff," she said.

"We want to work through the union, but they've had their vote, more than half of their membership agreed with the offer that was being put, we know from the representations we're getting from APS employees that they are wanting to settle this deal.

"And so that remains an option, it's not our preferred way of doing things, but I don't want to see people not getting their pay rises in March either."

Bonus offer to 150,000 public servants to vote for...

By EWIN HANNAN

The Australian

Friday 24th November 2023

580 words

Page 5 | Section: THE NATION

259cm on the page



Bonus offer to 150,000 public servants to vote for pay deal

EWIN HANNAN

The Albanese government has agreed to pay a one-off bonus ranging from \$500 to \$1500 to 150,000 federal public servants if they vote to accept Labor's three year wage offer of 11.2 per cent

The proposed sign-on bonus, a first for federal public servants in a decade, will be payable to workers if proposed agreements are finalised by March next year and endorsed by a majority of workers.

Under the deal, which has been endorsed by the Community and Public Sector Union, a proposed 4 per cent pay rise from March 14 next year will be brought forward by 12 weeks to December 21.

It is understood this would represent a one-off bonus equating to an extra \$500 for the lowest-paid public servants and around \$1500 for those earning \$150,000.

APS Bargaining chief negotiator Peter Riordan said by bringing forward the year one pay increase by 12 weeks, "employees now have the opportunity to get an additional payment in their pockets after a successful vote on an agency's enterprise agreement".

"While we do not have comprehensive data, we do not believe any 'sign-on bonuses' have been pro-

vided in the past decade," he said.

The Community and Public Sector Union said it would recommend members accept the offer which the government described as final.

CPSU national secretary Melissa Donnelly said the union "recommends the overall package, noting it will deliver strong conditions and improved pay without delays".

"The CPSU has been able to negotiate an improved pay deal for APS employees, without losing any negotiated conditions or delaying pay rises," she said

"Together, CPSU members demanded more from the Albanese government and together they have secured more. This is a package that will deliver APS employees strong, industry-leading conditions, improved pay and a financial boost without delay".

In August, the government marginally increased its pay offer to federal public servants to 11.2 per cent over three years, a rise of 0.7 per cent and well below the union claim of 20 per cent.

Community and Public Sector Union members had voted down the government's initial offer of a 4 per cent pay rise in the first year, 3.5 per cent in the second year and

3 per cent in the third year.

As well as the one-off bonus and the 4 per cent rise from March, the government is proposing increases of 3.8 per cent in March 2025 and 3.4 per cent in March 2026.

The CPSU's original pay claim sought 9 per cent in the first year, 6 per cent in the second year and 5 per cent in the third year.

In an open letter to employees on Thursday, the APSC said the offer still included a proposed realignment offer for workers scheduled to get a pay increase before March 14 next year.

The government is also proposing base salary increases for nearly 8000 employees in more than 80 agencies that moves towards greater commonality of pay scales across the APS.

"You could get a one-off payment shortly after the successful yes vote," the APSC told employees. "Your 4 per cent increase in salary would apply from 14 March 2024.

"Under this pay offer, an APS6 employee on the minimum salary range at Services Australia could get an 11.2 per cent pay increase over three years, a 1.8 per cent base salary lift over three years, and a one-off payment of \$807."

WORKPLACE EDITOR

30 November 2023

CPSU members vote to endorse APS wide package

Community and Public Sector Union (CPSU) members have today voted to endorse the proposed APS wide pay and conditions package.

After rejecting the government's revised offer of 11.2% over three years, sharp industrial escalation from the union pushed the government to come back to the table offering an additional payment to employees that is the equivalent of 0.92% of an employee's salary.

More than 16,000 CPSU members have voted in the union's membership poll on the APS wide package, with 67.5% supporting it.

Service-wide bargaining, which the CPSU fought to secure for almost two decades, has delivered significant progress on workers' pay and conditions in one fell swoop, including:

- Genuinely negotiated pay outcomes, instead of service wide caps on pay and the previous government's ban on conditions improvements restrictions.
- A mechanism that moves Agency pay rates towards pay equity and a significant rise in salaries for those at the bottom.
- Strong and consistent flexible work and working from home rights that apply right across the APS.
- Job security protections, including 25% casual loading and measures to ensure ongoing employment is the usual form of employment.
- Conditions protected, with more generous entitlements maintained where they already exceed newly negotiated common conditions, and a "green light" from the APSC for agencies to return conditions from policy to the enterprise agreement.
- Strong, clear, and enforceable consultation rights, and for the first time, an APS consultative committee so that CPSU members have a say on the big issues affecting the APS.
- Significant improvements to paid parental leave, including 18 weeks' paid leave for the primary carer, and over the life of the agreement, transitioning to 18 weeks' paid leave for the secondary carer.
- Clear representation rights, delegates' rights, Respect@Work protections, and a dispute procedure that will help ensure enterprise agreements are followed in practice, with the help of the Fair Work Commission where necessary.

- Support for First Nations employees, including ceremonial leave, NAIDOC leave, and a definition of family that includes kinship.
- Uncapped, paid Family and Domestic Violence leave, 3 days' paid cultural leave, emergency services leave, and disaster support.
- Measures to support integrity in the APS, to ensure Robodebt never happens again.
- Workload reviews, and EL TOIL established across the APS for the first time.

These common terms will now be included in all APS agency Enterprise Agreements along with any agency specific matters negotiated before being put to staff ballots at the agency level.

Quotes attributable to Melissa Donnelly, CPSU National Secretary:

“The endorsed APS wide package is one that CPSU members can and should be proud of.

“In just one round of service-wide bargaining we have secured industry leading conditions, an 11.2% pay rise with back pay, a considerable lump sum payment at sign on, no cuts to existing conditions, and no delays.

“Our members entered this process prepared to fight for improvements to their pay and conditions, and that is what they have done.

“While there have been mixed views on pay throughout the process, we have shifted government’s position twice without delaying bargaining outcomes or sacrificing conditions.

“I’d like to acknowledge those CPSU members who took industrial action throughout the course of this bargain. From overtime and work bans, through to 1 hour, 2 hour and full day strikes - every action played its part in creating an APS wide package that can now go on to improve the working lives of APS employees.

“Service wide bargaining presented CPSU members with a historic opportunity to work together across the APS to secure new conditions, achieve greater commonality and work towards equity of pay conditions across the APS.

“This has delivered improvements to a wide range of members’ pay and conditions that would never have been achieved had we still been bargaining agency-by-agency.

“Of particular note, is the progress that has been made on pay equity. A fragmented and divided APS has seen pay equity blow out, with Aboriginal and Torres Strait Islander employees and those working in our cultural institutions suffering the most.

“CPSU members fought not only for their own pay rises, but for those of their colleagues in lower paid agencies. As a result, this package will see some of the lowest paid APS employees receiving up to 25% pay rises over the next 3 years.

“There is still much more to be done as we continue rebuilding the APS, but this package will form a vital part of the foundation of that work as we move forward.

Media contact: Tori McGregor 0429 000 620

Source:

https://www.cpsu.org.au/CPSU/Content/Media_releases/CPSU_members_vote_to_endorse_APS_wi_de_package.aspx

DEWR staff say they're denied breaks, pay

By Justine Landis-Hanley

The Canberra Times

Wednesday 6th December 2023

262 words

Page 7 | Section: NEWS

104cm on the page



DEWR staff say they're denied breaks, pay

Justine Landis-Hanley

CALL centre staff at the Department of Employment and Workplace Relations have claimed the agency is denying them eye-breaks

and refusing to pay for the time it takes to set up and pack down each day.

A Contact Centre Branch staff member, in comments provided via the main public sector union, said that staff were "burnt out" and taken to task if they left their desk for more than five minutes.

"Management often request that toilet breaks be deducted from their allocated tea breaks which makes it difficult to get fresh air [or] go for a walk because there's no time left," they said.

The Community and Public Sector Union said that it has tried to raise concerns in bargaining, but accused the department of refusing to move on the issues.

A DEWR spokesperson told *The Canberra Times* that the department "continues to negotiate in good faith with bargaining representatives, including the CPSU".

Staff at the contact centre are required to log into four different programs by 8.30am, after which every action, keystroke and mouse

click on the computer is tracked.

The CPSU said that staff had been advised that they wouldn't be paid for the time it takes to get set up before 8.30am and pack down.

"Their entire day is not only tracked in a way that denies adequate breaks for staff, but also in a way that denies them pay for the time it takes to set up and pack down each day," CPSU deputy secretary Beth Vincent-Pietsch said.

Non-ongoing workforce

Non-ongoing APS employees

- As at 31 December 2023, the department had 224 non-ongoing (NOG) employees.
- There was a net increase of 19 (9.2% growth) in non-ongoing employees between 31 July 2023 and 31 December 2023. The percentage of non-ongoing employees has increased at a similar rate to the increase in overall APS headcount during the same period (9.6%).

Table 1: Total workforce by status and classification

Classification	Ongoing	NOG	Total Cohort	% NOG
APS1-3	99	47	146	32.2%
APS4	301	57	358	15.9%
APS5	518	47	565	8.3%
APS6	941	37	978	3.8%
EL1	1201	29	1230	2.4%
EL2	487	5	492	1.0%
SES	145	2*	147	1.4%
Total	3,692	224	3916	5.7%

*2 non-ongoing employees have annual salary above the high-income threshold
Source: Departmental HR Information System (SAP)

- The majority of non-ongoing employees are in administration and service delivery roles such as Program Support Officer (25), Program Delivery Officer (21), Program Manager (16) and Policy Officer (13). There are also 23 non-ongoing employees in short term Executive Assistant roles pending permanent recruitment.
- Areas which employ the most non-ongoing employees include Migrant Skills Assessment Branch (26), PALM delivery Branch (12) and People Branch (11).

Use of non-ongoing employment arrangements

- There are limited instances where the department uses non-ongoing employment arrangements, such as:
 - where there is a temporary increase in workload
 - where there is a temporary demand for employees with particular skills
 - where duties of a role have irregular or intermittent requirements and
 - where there is a short-term requirement for an employee to undertake the duties of an ongoing APS employee who is on leave or on a temporary assignment.

Secure Jobs, Better Pay fixed term employment limits

- The fixed term contracting provisions of the Fair Work Legislation Amendment (Secure Jobs, Better Pay) Act 2022 (FW Act) commenced on 6 December 2023 and limit the use of fixed term employment contracts.
- As of 6 December 2023, the FW Act limits the use of fixed term contracts for the same role beyond two years (including renewals), and only allows a maximum of one contract extension/renewal, unless exemptions apply, including where an employee:
 - is engaged to perform only a distinct and identifiable task involving specialised skills
 - is engaged to perform essential work during a peak demand period, emergency, or a temporary absence of another employee
 - is engaged under a training arrangement or government funding arrangement, for no more than 2 years

- earns above the high-income threshold (\$167,500) for the year in which the contract is entered into.
- The changes to fixed term contracts only apply to new contracts/renewals entered into on or after the commencement of the legislation. This means that where an employee has an existing fixed term contract for a period greater than 2 years, their existing contract will remain unchanged. However, any contract that was in place prior to 6 December 2023 will be subject to these requirements if it is renewed.

APS non-ongoing employment limits

- The Public Service Act 1999 (PS Act) and the Public Service Regulations 2022 (PS Regs) provide for an individual to be engaged on a non-ongoing or temporary basis, provided that entering into the contract would not contravene the FW Act, for:
 - a specified term of 18 months, which must not exceed 3 years for APS or EL employees, or 5 years for SES employees, including any extensions
 - the duration of a specified task
 - irregular or intermittent (casual) duties.
- However, through the Commissioner's Directions 2023 (the Directions) effective from 6 December 2023, new non-ongoing employees are limited to an initial employment period of 12 months or less, which may be extended up to a total period of 18 months without a merit-based selection process. Where a merit-based selection process has been undertaken, the maximum term is 2 years.
- Some of the FW Act exemptions may apply in relation to certain DEWR employees engaged under non-ongoing employment contracts who provide specialist skills, are contracted to work during the temporary absence of another employee or are paid above the high-income threshold (\$167,500).
- For example, SES employees are exempt from the new FW Act limitations as they are paid above the high-income threshold (\$167,500). However, the restrictions in the PS Regulations and the Commissioner's Directions do apply. As such, without a merit selection process, the 12-18 month limits apply to non-ongoing SES employees. With a merit selection process, the maximum term for a non-ongoing SES employee is 5 years.
- Although both the FW Act and PS Act contain provisions limiting the length of fixed-term contracts, the FW Act provisions apply where there is conflict between the two.

Actions to ensure compliance with legislative changes

We have, through our People and Organisation Design Branches:

- issued guidance to managers on legislative changes
- amended recruitment processes to comply with non-ongoing (fixed term) contract limits
- implemented regular reporting to managers to monitor non-ongoing employment contracts.

Graph 1: Growth in workforce by month



Last Cleared By **s 22(1)**
Date Last Cleared 08 February 2024

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SB24-000046
Data for: 1 July 2023 to 31 Dec 2023

Related Questions received on notice

PDR Link	Submitted By	Subject	Answer Summary
SQ22-001046	Michaelia Cash	Non-ongoing Contractors	<i>The department does not consistently capture information on the most recent/previous employer for staff engaged as non-ongoing APS employees.</i>
SQ22-001236	Michaelia Cash	Contractors	<i>Total 1,214 contractors and 109 non-ongoing (NoG). Contractor breakdown hourly rate and NoG classifications by salary range</i>
SQ23-000243	Jacqui Lambie	Non-ongoing employees between 1 July 22 -17 February 2023	<i>Employment detail including FT, PT status and recruitment activity</i>
SQ23-000629	Michaelia Cash	Non-ongoing Employees	<i>202 non-ongoing employees engaged between 1 July 2022 and 31 May 2023.</i>
SQ23-000630	Michaelia Cash	Difference between a non-ongoing role that is secure vs not secure	<i>The department engages contractors through a range of arrangements. None of these provide for ongoing work.</i>
SQ23-001025	Jacqui Lambie	Non-ongoing Employees between 18 February 2023 – 2 June 2023	<i>Employment detail including FT, PT status and recruitment activity</i>
SQ23-001138	Michaelia Cash	DEWR Employee Breakdown	<i>Employment detail broken down by classification including FT, PT status, ongoing, non-ongoing and casual, commencements and employees on leave, as well as numbers of secondees.</i>

OFFICIAL

Page 2 of 2

DEWR at a Glance

PURPOSE

The Department of Employment and Workplace Relations supports people to have safe, secure and well-paid work with the skills for a sustainable future. (Page 13, PBS digital version)

Outcome 1: Foster a productive and competitive labour market through policies and programs that assist job seekers into work, including secure work, and meet employer and industry needs.

Outcome 2: Promote growth in economic productivity and social wellbeing through access to quality skills and training.

Outcome 3: Facilitate jobs growth, including secure work, through policies and programs that promote fair, productive and safe workplaces.

ASL

- ASL Estimate: 2023-24 – 3,714 (p17 PAES)
 - 2023-24 (May PBS): 3,557
 - 2022-23 (Oct PBS): 2,915
- ASL Movements: 2023-24 PAES includes approx. 157 new ASL from 2023-24 Budget (at May)

PEOPLE PROFILE 1 Jul – 31 Dec 2023

Source: SAP for APS, SES data locally maintained spreadsheet - SES unit. Data excludes Secretary, inactive, casuals, POH, committee and board members and locally engaged staff

Headcount (APS employees only)

- 3,916 people
- 3,692 ongoing (94%) / 224 non-ongoing (6%)
- 3,377 full-time (86.2%) / 539 part-time (13.8%)

Senior Executive Service (SES)

Includes positions active in the agency structure, whether filled by a substantive or acting employee, ongoing or non-ongoing.

- 114 (positions)
 - Band 1 – 86 (positions)
 - Band 2 – 24 (positions)
 - Band 3 – 4 (positions)

Full-time Equivalent (FTE less LWOP>90 days)

- 3,749.8 FTE
- 3,545.4 ongoing (94.5%) / 204.4 non-ongoing (5.5%)
- 3,355 full-time (89.5%) / 394.8 part-time (10.5%)
- Executive Group – 25.8 (0.7%)
- Employment and Workforce – 1,372.2 (36.6%)
- Skills and Training (incl. USI) – 772.1 (20.6%)
- Jobs and Skills Australia – 183.8 (4.9%)
- Workplace Relations – 336.1 (9.0%)
- Corporate and Enabling Services – 1,059.9 (28.3%)
 - Corporate Services – 352.1 (9.4%)
 - Corporate IT – 707.8 (TSD and DSD) (18.9%)

Minister for Employment and Workplace Relations, the Hon Tony Burke MP (Cabinet Minister) – 1 June 2022

FINANCES

Department finances 2023-24 (as at 2023-24 PAES)

- \$667.9 million (2022-23), \$723.5 million (2023-24) in departmental appropriations (to run the department and to manage programs, p46 PAES)
- \$88.0 million (2022-23), \$121.7 million (2023-24) in departmental revenue* (rental income, resources received free of charge, rendering of services, p46 PAES)
 - *INCLUDES revenue related to machinery of government changes
- \$840.2 million (2022-23), \$930.3 million (2023-24) in departmental expenses (p46 PAES)

CASUALS/CONTRACTORS 1 Jul – 31 Dec 2023

Source: SAP for APS, SAP via Non-ICT Contractor team for contractor data

Casual workforce by Group (Total 4)

Casual staff engaged for irregular or intermittent duties

- Employment and Workforce: 2 (Data analyst, Communication Officer)
- Jobs and Skills Australia: 1 (Admin Support)
- Workplace Relations: 1 (Lawyer)

Contractors

- 786 contractors (93 decrease from 30 June 2023)
 - 537 ICT (68%)
 - 249 Non-ICT (32%) (163 in Employment and Workforce 65%)

PEOPLE MOVEMENTS 1 Jul – 31 Dec 2023

Source: SAP, VRs - HR Policy team, eRecruit

- Commencements: 745
- Separations: 300
- 12-month separation rate: 16.3%
- Voluntary redundancies: 0
- Advertised employment opportunities: 352 (140 internal 212 external)

WELLBEING 1 Jul – 31 Dec 2023

Source: Case management system - DAVIS, COVID Register locally maintained.

- COVID-19 cases – 35 confirmed (29 APS and 6 contractors)
- Harassment complaints – 11 (4 investigations, 7 informal)
- Sexual harassment – 1 substantiated

Minister for Skills and Training, the Hon Brendan O'Connor MP (Cabinet Minister) – 1 June 2022

INVOICING

DEWR Departmental supplier payments

- Policy is to pay on time or pay interest
- 94.1% paid on time 2023-24 Financial YTD
- 97.3% paid on time 2022-23 Financial year
- 100% of e-invoices have been paid on time
- E-invoicing delivered by SDO in Dec 2020

EFFICIENCY

Efficiency dividend (as at October Budget)

- 2020-21 – 2% (pre DEWR)
- 2021-22 – 1.5% (pre DEWR)
- 2022-23 – 1%
- 2023-24 – 1%

REMOTE WORK

Source: FormsCentral and ServiceOne – Remote working form – DEWR; remote working overseas is maintained by HR Policy team

- 1,298 APS staff (33.1%) have an approved regular working remotely arrangement. An average of 1.9 days per week. Excludes 4 APS employees with an international remote work arrangement.

PEOPLE BY LOCATION

Source: Corporate directory, Remote working overseas is maintained by HR Policy team. Data excludes Secretary, inactive, casuals, POH, committee and board members and locally engaged staff.

Domestic locations (3910 headcount)

- Adelaide (348)
- Bendigo (32)
- Brisbane (335)
- Cairns (1)
- Canberra (2,586)
- Darwin (15)
- Hobart (62)
- Melbourne (217)
- Newcastle (47)
- Orange (3)
- Perth (78)
- Rockhampton (5)
- Sydney, CBD (97)
- Sydney, Ryde (64)
- Townsville (20)

International locations (2 headcount)

- Paris (1)
- Geneva (1)

Domestic offices by State

- ACT (2,586)
- NSW (211)
- NT (15)
- QLD (361)
- SA (348)
- TAS (62)
- VIC (249)
- WA (78)

International remote workers (4):

- India, ^{5,47F}(CES Group
- Italy, ^{5,47F}, WR Group
- Solomon Islands, ^{5,47F}, EW Group
- USA, ^{5,47F}, WR Group

Assistant Minister for Employment, the Hon Dr Andrew Leigh MP – 31 May 2023

PROGRAMS

Administered program expenditure 2023-24 – \$5.3 billion (as at 2023-24 PAES)

- \$1.9 billion for employment (p32 PAES)
- \$2.9 billion for skills and training (p35 PAES)*
- \$0.6 billion for workplace relations (p42 PAES)
 - *EXCLUDES payments through Treasury to National Partnership

DIVERSITY

Source: SAP.

Data excludes Secretary, inactive, casuals, POH, committee and board members and locally engaged staff.

Diversity Profile

- First Nations: 2.1% (82 incl. 2 SES)
- People with disability: 5.3% (208 incl. 2 SES)
- Employees born overseas: 21.5% (843 incl. 20 SES)
- Born overseas, first language not English (NESB1): 8.4% (329 incl. 3 SES)
- Mature age (>55): 15.0% (587 incl. 26 SES)
- Female: 60.3% (2,363 incl. 91 SES)
- Male: 39.4% (1,543 incl. 55 SES)
- Indeterminate: 0.3% (10s ^{47F}(1))
- Gender pay gap: -0.1% (in favour of women)

Diversity and Inclusion Networks

- Dis/Ability and Carers Network
- First Nations Network
- Culturally and Linguistically Diverse (CALD) Network
- Pride Network
- Gender Equity Network

ENTRY LEVEL PROGRAMS

Source: ELP locally maintained spreadsheet, Stepping Into – manual timesheet processing

2023 completions

- 50 graduates including 6 digital graduates: female 46% (23) male 54% (27)
- ^{5,4}Career starter: female
- ^{5,4}Indigenous apprentices (IAGDP) ^{5,4} female ^{5,4} male
- ^{5,4}Aust Govt Apprenticeship Program (AGAP): male
- ^{5,4}Aust Network on Disability Stepping Into program: female

Current participations

- ^{5,4}digital graduate: male
- 22 AGAP participants: female 68% (15) male 32% (7)
- ^{5,4}Indigenous Apprenticeships Program: male

Anticipated commencements (as at 5 February 2024)

- 44 graduates: female 20.5% (9) male 79.5% (35)
- 10 Aust Govt School Leaver: female 70% (7) male 30% (3)

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DEWR Workforce Metrics

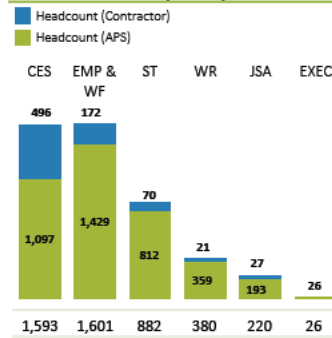
31 Dec 2023

4,702

Total headcount*
(APS and Contractor)

Headcount (APS)		Headcount (Contractor)	
3,916 (83%)		786 (17%)	
Ongoing	Non ongoing	ICT	Non ICT
3,692 (94%)	224 (6%)	537 (68%)	249 (32%)

Total headcount by Group*



Total headcount by location****

Location	Headcount (APS)		Headcount (Contractor)		Grand Total	
	No.	%	No.	%	No.	%
ACT	2,586	66%	488	62%	3,074	65%
NSW	211	5%	76	10%	287	6%
NT	15	0%	647	0%	647	0%
QLD	361	9%	93	12%	454	10%
SA	348	9%	93	12%	441	9%
TAS	62	2%	647	0%	647	1%
VIC	249	6%	32	4%	281	6%
WA	78	2%	647	0%	647	2%
OS	6	0%	0	0%	6	0%
Total	3,916	100%	786	100%	4,702	100%

APS headcount at a glance*

42.6

Average age of DEWR employees

55+

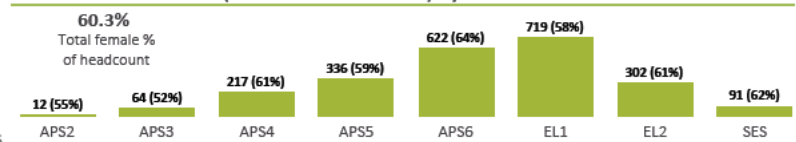
Mature Age 55+ DEWR employees

15%

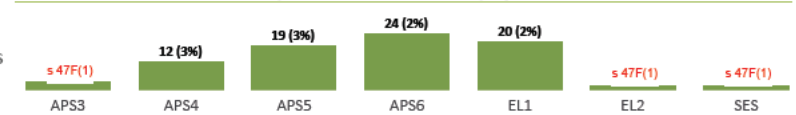
Whole of APS**

Category	DEWR* % of headcount	Whole of APS** % of headcount
DEWR*	2.1%	3.5%
First Nations	82 employees	Whole of APS Target 5% by 2030
Disability	208 employees	Whole of APS Target 7% by 2025

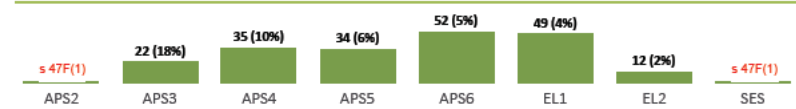
APS Female headcount (and % of classification) by classification* (total 2,363)



APS First Nations headcount (and % of classification) by classification* (total 82)



APS Disability headcount (and % of classification) by classification* (total 208)



Workplace flexibility

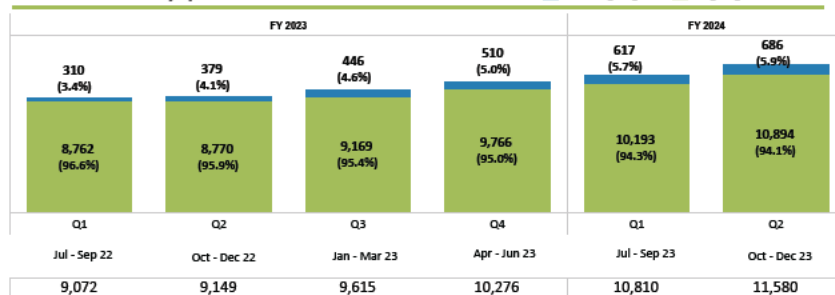
13.8%*

539 employees part-time

33.1%***

1,298 employees have remote working arrangement. Excludes 4 APS employees international remote working

APS headcount by quarter* Jul 22 - Dec 23



Commencements by type*

last 12 months from 31 December 2023

Type	Non SES	SES	Total	%
Engagement - Ongoing	624	647	647F	42.6%
Transfer	355	8	363	24.8%
Engagement - Non-Ongoing	318	0	318	21.7%
Promotion	109	647	647F	7.6%
Temp transfer	44	647	647	3.1%
Transfer - Reduction in Level	647	0	647	0.2%
Total Commencements	647F(1)	13	647F(1)	100.0%

APS Separations by month*

Group	Jan23	Feb23	Mar23	Apr23	May23	June..	July23	Aug23	Sept..	Oct23	Nov23	Dec23	Grand Total	Separation Rate
Corporate and Enabling Services	14	23	15	12	13	13	22	22	9	13	15	6	177	17.4%
Employment and Workforce Group	13	22	13	7	16	13	18	20	12	12	8	647F	647F	13.2%
Executive Group DEWR		647					647						647	12.5%
Jobs and Skills Australia	647	647	647	647	647	647	647	647	647	5	647	647	32	17.9%
Skills and Training Group	11	8	11	14	7	8	23	14	17	12	12	5	647F	18.9%
Workplace Relations Group	7	6	647	647	647	647	647	11	8	7	647	647	64	17.7%
Total	647	63	45	647	42	39	71	647	647	49	41	19	647F	16.3%

Separations by type*

last 12 months from 31 December 2023

Type	Non SES	SES	Total	%
Transfer	255	18	273	47.4%
Resignation	168	647	647F	29.3%
Retirement	51	647	647	9.4%
Promotion	46	647	647F	8.3%
End NOG/temp transfer	22	0	22	3.8%
Invalidity	5	0	5	0.9%
Termination	647	0	647	0.7%
Deceased	647	0	647	0.2%
Total Separations	647F	647	647F	100.0%

* Source: SAP for APS, SAP via NonICT Contractor team for contractor data. Data Excludes Secretary, inactive staff, casuals, public office holders, committee and board members and locally engaged staff.

**Source: APS Employment data Release Tables (APSC) 30 June 2023

***Source: FormsCentral and ServiceOne - Remote Working Form - DEWR; remote working overseas is maintained by HR policy team

****Source: Corporate Directory

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ANAO Audit of the Workforce Australia Procurement

Key points

- On 27 November 2023, the Australian National Audit Office (ANAO) published their report on the Establishment of the Workforce Australia Services Panel. This report covered the establishment of the panel and the initial issuance of licences. The report can be found on the ANAO's website www.anao.gov.au.
- The Report made 3 recommendations to the department. The department agreed, in part or in full (below).
 - The Department welcomes the audits overall positive findings, including that the establishment of the panel was 'largely effective'.
- The ANAO report made no recommendations in relation to undertaking financial viability analysis or managing financial viability concerns.
- Consistent with the Departments approach to all ANAO audits, an internal action plan is being developed which will be overseen by the Executive.

Audit Recommendations

Recommendation 1: *The Department of Employment and Workplace Relations improve its procurement framework to specifically address the engagement of probity advisers, including ensuring that advisers are independent and objective by not engaging the same probity advisers on an ongoing or serial basis or for overlapping tasks such as procurement and probity advice.*

Departmental response: Agree in part. The department will continue to apply best practice and comply with the Commonwealth Procurement Rules in the engagement of probity advisers. The department will also continue to make value for money decisions, proportionate to risk, when engaging advisers, noting it selects from existing whole-of-government panels.

The department agrees that independence and objectivity of probity advice is critical to the integrity of the process. The department will take into account the range of services being provided by potential advisers in assessing their capacity to deliver independent and objective procurement and probity advice, along with other relevant matters such as expertise and the availability of suitable alternative advisers.

Recommendation 2: *The Department of Employment and Workplace Relations strengthen its procurement planning activities, including by ensuring evaluation processes are sufficiently developed prior to the release of tender documentation and testing that new IT systems are fit-for-purpose before implementation.*

Departmental response: Agree. The department agrees it is best-practice for evaluation processes to be developed prior to release of approaches to market, including testing of IT systems for fit-for-purpose status, and will seek to influence decisions of government regarding resourcing and timeframes impacting on these matters.

Recommendation 3: *The Department of Employment and Workplace Relations strengthen its approach to managing unique service features proposed by suppliers, including by identifying and including these features in executed contractual arrangements.*

Departmental response: Agree. The department agrees that future approaches to market should include unique service features proposed by suppliers in the contractual arrangements.

Departmental actions

- In addition to the improvements observed by the ANAO in the report, the department has made the following improvements to its internal procurement practices:
 - ensuring the key supporting documentation such as the purchasing plan and assessment guidelines are approved by the appropriate delegate at the same time of RFT release.
 - taking into account potential external probity advisers' capacity to deliver independent and objective procurement and probity advice and their expertise and the availability of suitable alternative advisers.
 - being more explicit in Approach to Market Documentation about the weightings for individual sub-criterion and providing more clarity around the evaluation and the final value for money phases.
 - adjustments to the confidentiality and conflict of interest declaration processes and ensuring that relevant probity register(s) are referenced accurately in supporting documentation.
- In relation to any question about **whether the Workforce Australia payment model is financially viable**, this was not the objective of the Audit and the ANAO did not make any recommendations in this context.

Financial Viability

- Prior to the commencement of Workforce Australia, the Department engaged KPMG Australia to undertake a series of financial viability analyses to test a range of payment structures and scenarios to understand the impact policy options could have on provider viability.
- The analysis found that the provider payment model being implemented for the new model would be viable for each year and in aggregate over a 10-year contract period at the baseline model of caseload to staff ratios of 80:1.
- KPMG found that the key drivers of financial viability are caseload size, caseload to staff ratios, upfront payments (linked to the number of clients commencing), and the rate of outcome payments and progress payments achieved for clients.
- In the first 18 months of Workforce Australia providers are achieving outcome payment rates higher than what was forecast by KPMG. Very Long Term Unemployed (VLTU) Bonus and full outcome payment rates are also greater than what was estimated by KPMG.

Deed handbacks

- Since 1 July 2022 there have been 27 approved terminations of Deeds across the department's current active employment programs (including ParentsNext and Harvest Trail Services). Of these:
 - 21 were Deeds where the provider was actively engaged to deliver services (reasons cited have included financial viability),
 - 4 were for Workforce Australia Services providers with no licence, and
 - 2 were ParentsNext providers who elected not to extend their Deed.
 To date, one Workforce Australia Service Deed of Standing Offer (Broome Employment Region) has been terminated by the department. A termination of a Deed or licence may be at the request of a provider or initiated by the department.

- The ANAO included an additional note in the final report (and on its website) stating it "found that while licences were awarded to the providers assessed as representing the most overall value for money, the establishment of the Workforce Australia Services Panel was not."
 - The Department notes the audit found no breach of the Commonwealth Procurement Rules (CPRs). In practice, value for money would be assessed by the Department in respect of any new licence awarded to an existing panel member – the time at which a commitment to spend money occurs.
 - The Workforce Australia Services panel has not been utilised by the department at this stage.

Employment Fund

Purpose of the program

- The Employment Fund is a flexible pool of funds available to Workforce Australia Employment Services Providers (Providers) and the Digital Services Contact Centre (DSCC) to offer support that is tailored to participants, employers, and the local labour market.
- The Employment Fund can be used to purchase goods and services to help participants secure sustainable employment and to also support them once they have a job.
- It is at the discretion of Providers and the DSCC to determine what support can be provided based on individual circumstances.
- All purchases must meet the Employment Fund principles, including funding integrity and value for money. It must also satisfy specific category requirements as outlined in the guidelines, such as ensuring Accredited Training is only delivered by Registered Training Organisations; Professional Services are delivered by suitably qualified individuals; evidence participants have acknowledged receipt of a food or petrol voucher is retained.
- The Workforce Australia Service Guarantee, which sets out the minimum level of service participants can expect as well as the requirements that need to be met, requires Providers to make each participant aware of the supports available through the Employment Fund. The Deed of Standing Offer requires Providers to prominently display the Service Guarantee at all offices and sites. The Service Guarantee is also available on the www.workforceaustralia.gov.au website.
- The Employment Fund Guidelines encourages Providers to consider every request for support and discourages Providers from requiring participants to purchase items themselves ahead of reimbursing the participant, as this may create additional challenges or unnecessary financial hardship.

Employment Fund Appropriation

Service Type	2023–24 (\$m)	2024–25 (\$m)	2025–26 (\$m)	2026–27 (\$m)	2027–28 (\$m)
Online Employment Fund	22.6	46.3	47.2	45.8	45.6
Provider Employment Fund*	161.4	270.1	279.2	273.7	271.5
Total Budget	184.0	316.4	326.4	319.5	317.1

Numbers may not sum due to rounding.
*Includes the Workforce Australia Services Wage Subsidy.

Employment Fund Commitments (as at 31 December 2023)

Service Type	Credits	Committed**	Assisted*** (Unique assisted participants)	Average per Person
Online Employment Fund	\$61,705,875	\$2,558,708	3,960 (1.2%)	\$646
Provider Employment Fund*	\$802,296,800	\$360,970,514	295,412 (47%)	\$1,222
Total	\$864,002,675	\$363,529,222	299,372 (30.8%)	\$1,214

*Includes Broome Employment Services and Workforce Australia Services Wage Subsidy.
**Commitments include reimbursed and non-reimbursed commitments. Not all commitments eventuate to a claim for reimbursement.
*** Individuals who have been assisted with Employment Fund in both Provider services and Online Services are counted twice in the Total.
Percentage calculated by number of unique assisted participants divided by unique commenced participants.

- See [Attachment A](#) for a breakdown of Employment Fund commitments as at 31 December 2023.

Recent media

- 26 August 2023 – Rick Morton, *The Saturday Paper* – see [Attachment B](#). The article focuses on the use of Own Organisation and Related Entities in relation to outcome payments and the Employment Fund, as well as use of Wage Subsidies to labour hire companies. Specifically, the article mentions ‘cookie-cutter, job-ready “training” packages that are laughably basic’ and the ability for Providers to ‘be paid to take on a welfare recipient by the federal government and then be paid to place them into training within their own organisation and then be paid again by placing the person into work somewhere else in that organisation’s network’.
 - Whether a training course is suitable for a Participant will depend on their individual circumstances. In cases where we receive complaints about the suitability of a course, departmental contract managers follow up with the Provider to reinforce their requirement to deliver flexible and customised activities that are tailored to a Participant’s needs.
 - The department undertakes robust assurance and program monitoring activities to ensure expenditure meets Deed and/or Guideline requirement, identify sharp practices and outlier behaviour (for example, high own organisation and related referral expenditure from the Employment Fund in a particular category). Where inappropriate behaviour or practice is identified, the Department will seek further information from Provider and seek recoveries where applicable.
 - The Department undertakes recoveries from Providers where the expenditure did not meet relevant Deed and/or Guideline requirements. Recoveries can be identified through:
 - Random sampling of expenditure.
 - Targeted Assurance Activities.
 - Investigations.
 - Ongoing program monitoring and assurance activities.
 - Self-identification by Providers.
 - Recoveries are part of business-as-usual activities, with the most common reasons relating to inadequate documentary evidence or ineligible expenditure under the Deed and Guidelines.
 - Workforce Australia Services Providers do not receive a payment when a participant is placed into a job. Outcome payments may be claimed by Providers when participants sustain employment for 4, 12 and 26 weeks and meet the minimum requirements for those outcome payments. This means not all job placements will be eligible for an Outcome payment where the participant does not work enough hours in the job or receive sufficient earnings to attract an Outcome payment.

How it works

- The Employment Fund is demand driven, with notional credits allocated to the Provider or the DSCC as new participants commence in Workforce Australia.
 - Support through the Online Employment Fund is largely participant-driven as support is in response to participant requests.
 - Employment Fund support through the Provider Employment Fund is identified through discussions between Providers and the individuals on their caseload. Providers are responsible for identifying participant needs and connecting them with the most appropriate support.
- These credits are not quarantined to any one participant. They can be used flexibly to provide support to any eligible participant being serviced by a Provider or the DSCC.
- A Provider must first pay for eligible purchases and then claim reimbursement through the Employment Fund. The Employment Fund cannot be used for any services Providers are contracted to deliver, for gifts or incentives.
- For participants in the Online Service, information about available supports is included in their Workforce Australia account, and the DSCC staff look for opportunities to offer support and encourage them to make a request through the Online Employment Fund where appropriate.

Last Cleared By **s 22(1)**
 Date Last Cleared 09 February 2024

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SB24-000095
 Data for: as at 31 December 2023

- The DSCC assesses requests for support and makes the purchase on behalf of the participant—participants cannot be reimbursed directly.
- Offerings between the Provider and Online Employment Funds differ—see [Attachment C](#) for further detail on categories.
 - The Online Employment Fund is focused on items that help participants move quickly into employment, such as work-related licences, clothing and police checks.
 - The Provider Employment Fund covers a broader range of vocational and non-vocational supports, including the Workforce Australia Services Wage Subsidy.

Employment Fund Credits

Service Type	Credit Amount
Online Employment Fund	\$300 allocated once per Period of Service two months after commencement.
Provider Employment Fund	\$1,600 credited once per Period of Service on commencement.

Use of Own Organisation and Related Entities

- The use of Own Organisations or Related Entities is not prohibited under the Employment Fund, except where claims relate to a Wage Subsidy. (Also refer to SB24-000092 – Related Entities).
- For the Provider Employment Fund, own organisation referrals primarily relate to accredited training and services delivered by qualified psychologists and allied health professionals.
 - Not all Providers have their own training organisation or employ qualified psychologists and allied health professionals.

Between 1 July 2022 and 31 December 2023:

- the proportion of all commitments attributed to a Provider’s own organisation is 24.1 per cent and commitments to a related entity is 6.2 per cent.
- 88.6% of Providers claimed against their Own Organisation and 40.9% of Providers claimed against Related Entities.
- 71,206 unique participants have received services from a Provider’s Own Organisation or Related Entity through the Employment Fund. 46,669 participants have been referred more than once.
- The Employment Fund does not prevent or limit referrals to a Provider’s own business.
 - However, certain assistance types have a limit on the fees that can be charged by a Provider’s own business, for example the Indigenous pre-placement training capped at \$1,650 per participant. These are enforced in the IT system.
- Where outlier behaviour regarding value for money with own organisation and related entity suppliers is identified, the department seeks further information from providers to demonstrate their compliance with the Deed and Employment Fund guideline requirements.
- If non-compliance is identified from these investigations:
 - the department may elect to apply reasonable remedial actions under the Deed, which may include the recovery of payments where applicable, and or
 - the non-compliance may lead to adverse performance results being recorded against a provider (for example, the application of demerit points for Workforce Australia Employment Services Providers with implications for future licensing decisions and/or contracts).
- For the Online Employment Fund, all purchases are via external suppliers.

Removal of Indigenous Mentoring Category

- The ability to claim reimbursement for costs associated with mentoring First Nations participants from the Employment Fund was removed for Workforce Australia.

- Providers are contracted to deliver culturally appropriate and intensive case management, including mentoring, to their participants. Providers also receive large upfront payments (up to \$1,200 per participant) to support early investment in participants. Providers are free to use this revenue in any way they see fit, including for mentoring.
- In addition to a wide range of goods and services, the Employment Fund can still be used for culturally appropriate pre-placement training for First Nations participants and their employers.
- Providers can also seek reimbursement from the Employment Fund, through the Provider Indigenous Mentoring Capability (PIMC) category, for initiatives that build the capability of their own staff to provide more tailored and appropriate servicing, including mentoring, to their First Nations participants. All PIMC proposals are approved on the basis that they help build capability in mentoring and broader servicing for the Provider’s First Nations participants.
- While there is no specific monitoring undertaken for improvements in cultural competency post implementation of a PIMC proposal, the department expects that the investment in a Provider workforce with higher levels of cultural competency would be reflected in Provider performance results, specifically against 12 and 26 week outcomes for Indigenous participants.
- From December 2023, the requirement for Providers to co-contribute to the cost of PIMC proposals has been removed. This change is designed to support Providers to lift the ongoing capability of their staff to support First Nations participants.

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Related Questions received on notice

PDR Link	Submitted By	Subject	Answer Summary
SQ23-000670	Rice, Janet	Effectiveness of the Employment Fund and evaluation criteria	Methodology for assessing the effectiveness of the Employment Fund will look at the types of support provided, expenditure patterns and qualitative data. Specifies that a causal link between use of Employment Fund and outcomes has not been possible. Includes Employment Fund category data as at 31 March 2023.
SQ23-000671	Rice, Janet	Digital Employment Fund purchase requirements.	The Employment Fund for Workforce Australia Online participants has the same principles as Provider services however with fewer categories of support. List of Online Employment Fund principles and categories provided.
SQ23-000673	Rice, Janet	Online Employment Fund – what is the Department’s understanding as to why only small proportion of credits used	There has been a steady increase to expenditure since the start of Workforce Australia. Not all Online participants will need support from the Employment Fund. The DSCC approve or decline requests based on the principles, operational guidelines and individual circumstances. Eligible participants can view information about categories of support and the request process on the Workforce Australia website. Also includes Credits and amount committed as at 31 March 2023.
IQ23-000233	Hill, Julian	Select Committee: Indigenous Mentoring and payments	The Provider Payment model is designed to incentivise personalised support and outcomes for those hardest to help. Employment Fund can’t be used for core servicing, but Providers receive upfront payments which can be used as they see fit.
IQ23-000236	Hill, Julian	Select Committee: Employment Fund flexibility.	The Employment Fund remains flexible. Indigenous mentoring and soft skills are core servicing and Employment Fund can’t be used for these purposes, but Providers receive upfront payments which can be used as they see fit.
IQ23-000254	Pratt, Louise	Extent and nature of poverty in Australia: Employment Fund	Use of the Employment Fund has increased since the start of Workforce Australia. Credits are notional and not all support provided to participants can be seen in Employment Fund data. Provider payment model incentivises Providers to support participants.
IQ23-000255	Pratt, Louise	Extent and nature of poverty in Australia: Employment Fund, jobseekers and telecommunications	Contains an overview of the Online and Provider Employment Fund, program data and notes that 636 complaints have been recorded in the CRM relating to Employment Fund. Category data for Employment Fund supplied as at 31 July 2023.
IQ23-000276	Hill, Julian	Select Committee: Employment Fund category and Own Organisation use.	Data for the first 12 months of Workforce Australia broken down by category and own/related entity commitment value and number of participants assisted.
SQ23-001227	Rice, Janet	Employment Fund – how is it being used by each Provider?	Contains a breakdown of Employment Fund commitments by Provider and category as at 30 September 2023.

PDR Link	Submitted By	Subject	Answer Summary
SQ23-001229	Rice, Janet	Indigenous Mentoring category – what is being done to encourage use?	Provides an overview of what has been done to encourage Providers to utilise the Provider Indigenous Mentoring Capability category, including promotion at the Workforce Australia National Forum in August 2023.
SQ23-001234	Rice, Janet	Employment Fund – support after exit and complaints about participants denied support	Provides information on the number of Participants being supported through the Employment Fund after exiting the Workforce Australia caseload and a breakdown of complaints about the Employment Fund received by the Department. Data at 30 September 2023.

Employment Fund - 31 December 2023 (all \$ amounts except credits are GST inclusive)

The Digital Services Contact Centre and Providers can access the Employment Fund to purchase a wide range of relevant goods and services to help people find and retain a job – including wage subsidies, work related items, training courses, professional services or access to accredited interpreters.



People Assisted ^{(a)(e)}	
Workforce Australia Services (incl. Broome)	295,412 47.0% of 627,896 people
Workforce Australia Online	3,960 1.2% of 343,797 people

Total Credits ^(b)	
Workforce Australia Services (incl. Broome)	\$ 802,296,800
Workforce Australia Online	\$ 61,705,875

Total Commitment Amount ^(c)	
Workforce Australia Services (incl. Broome)	\$ 360,970,514
Workforce Australia Online	\$ 2,558,708

Total Remaining ^(d)	
Workforce Australia Services (incl. Broome)	\$ 441,326,286
Workforce Australia Online	\$ 59,147,167

Employment Fund: Workforce Australia Services (incl. Broome)

Employment Fund Category	Assistance Type	Commitment Amount	Commitment Amount %	People Assisted ^(a)	People Assisted % ^(a)	Average Per Person	External % ^(f)	Own Org % ^(g)	Related Entity % ^(f)
Accredited training		\$ 32,737,465	9.1%	39,608	6.3%	\$ 827	70.8%	18.1%	11.0%
Activity costs		\$ 668,045	0%	844	0.1%	\$ 792	93.9%	3.7%	2.4%
Certified interpreters		\$ 2,465,424	0.7%	15,114	2.4%	\$ 163	100.0%	0.0%	0.0%
Cohort specific training		\$ 2,824,518	0.8%	3,088	0.5%	\$ 916	46.3%	52.3%	1.4%
	- Indigenous training	\$ 2,822,651	0.8%	3,082	0.5%	\$ 915	46.3%	52.3%	1.4%
	- Refugee training	\$ 1,866	0.0%	6	0.0%	\$ 311	65.7%	34.3%	0.0%
Communication and technology		\$ 8,452,798	2.3%	49,387	7.9%	\$ 171	99.8%	0.1%	0.1%
	- Hardware and software packages	\$ 1,851,158	0.5%	4,789	0.8%	\$ 387	99.6%	0.0%	0.4%
	- Mobile phones	\$ 5,734,921	1.6%	38,757	6.2%	\$ 148	99.9%	0.1%	0.0%
	- Phone credit and internet data	\$ 866,720	0.2%	13,412	2.1%	\$ 65	99.9%	0.1%	0.0%
Non vocational support		\$ 5,483,275	1.5%	12,748	2.0%	\$ 241	98.5%	0.2%	1.3%
	- Food	\$ 2,375,400	0.7%	17,266	2.7%	\$ 138	99.9%	0.1%	0.0%
	- Medical expenses	\$ 882,761	0.2%	2,592	0.4%	\$ 341	98.8%	1.1%	0.1%
	- Other support	\$ 1,090,631	0.3%	3,276	0.5%	\$ 333	93.6%	0.1%	6.3%
	- Rent and crisis accommodation	\$ 1,134,484	0.3%	1,154	0.2%	\$ 983	100.0%	0.0%	0.0%
Professional services		\$ 67,354,596	18.7%	70,177	11.2%	\$ 960	16.4%	69.1%	14.4%
Provider indigenous mentoring capability ^(j)		\$ 5,500	0.0%	-	0.0%	\$ -	100.0%	0.0%	0.0%
Relocation assistance		\$ 612,821	0.2%	353	0.1%	\$ 1,736	99.9%	0.1%	0.0%
	- Disturbance costs	\$ 21,117	0.0%	28	0.0%	\$ 754	100.0%	0.0%	0.0%
	- Removalist costs	\$ 280,339	0.1%	106	0.0%	\$ 2,645	100.0%	0.0%	0.0%
	- Short-term accommodation	\$ 204,272	0.1%	162	0.0%	\$ 1,261	99.8%	0.2%	0.0%
	- Travel costs	\$ 107,093	0.0%	185	0.0%	\$ 579	100.0%	0.0%	0.0%
Transport		\$ 30,506,151	8.5%	111,203	17.7%	\$ 274	99.0%	0.9%	0.1%
	- Driving lessons	\$ 6,969,663	1.9%	14,615	2.3%	\$ 477	96.6%	3.4%	0.0%
	- Driving licences	\$ 1,942,347	0.5%	13,558	2.2%	\$ 143	99.3%	0.1%	0.6%
	- Other transport costs	\$ 11,608,391	3.2%	41,217	6.6%	\$ 282	99.7%	0.2%	0.1%
	- Petrol	\$ 9,985,751	2.8%	67,086	10.7%	\$ 149	99.9%	0.1%	0.0%
Wage Subsidy ^(h)		\$ 130,929,095	36.3%	16,823	2.7%	\$ 7,783	100.0%	0.0%	0.0%
Work related items		\$ 40,737,868	11.3%	142,081	22.6%	\$ 287	99.5%	0.1%	0.4%
Work-related training and licensing		\$ 38,192,957	10.6%	82,170	13.1%	\$ 465	95.3%	2.9%	1.8%
	- Licences, tickets and cards	\$ 32,371,394	9.0%	72,223	11.5%	\$ 448	95.1%	3.2%	1.8%
	- Non-accredited training	\$ 3,298,746	0.9%	7,736	1.2%	\$ 426	94.9%	1.6%	3.5%
	- Work related training	\$ 2,522,816	0.7%	6,930	1.1%	\$ 364	98.9%	0.8%	0.3%
Total		\$ 360,970,514	100%	295,412	47.0%	\$ 1,222	80.6%	24.1%	6.2%

Notes

- (a) Total number of people assisted may differ to the sum of people assisted by service type or category. People can be supported by EF across multiple service types or categories.
- (b) Credits are GST free.
- (c) Committed amounts include reimbursed and non-reimbursed commitments and are GST inclusive.
- (d) Remaining balance reflects the amount remaining if all commitments are spent. Not all commitments eventuate.
- (e) Calculated by number of unique EF clients divided by number of unique commenced clients. Denominator includes all clients who have commenced on the program caseload since 4 July 2022.
- (f),(g) Identification of own organisation and related entity spending is based on the ABN of the supplier and varies slightly from the definitions contained in the Workforce Australia Services Deed of Standing Offer 2022-2028. Where the supplier ABN and provider ABN are the same, this will be reported as own organisation, even where the supplier business does not deliver services under the Deed. Related entity spending is where the supplier has been identified by the provider as being a related entity as defined in the Workforce Australia Services Deed of Standing Offer 2022-2028, but the entity but does not share the same ABN.
- (h) The figures in the expenditure column relate to actual expenditure extracted from SAP for the period 1 July 2022 to 31 December 2023 and includes accruals. Note, Participation Fund and Youth Bonus wage subsidies are not reported under any commitment amounts displayed.
- (i) Online clients have access to a smaller range of Employment Fund categories as they are more job-ready and better able to self-manage their pathway to employment.
- (j) The Provider Indigenous Mentoring Capability category allows Providers to seek reimbursement from the Employment Fund for services that build the capability of their staff in supporting

People Assisted by Cohort

Cohort	People Assisted % ^(a)
Total	47.0%
Female	43.8%
Male	50.1%
Indigenous	55.4%
CALD	41.6%
PWD	41.6%
Homeless	48.5%
Ex-Offender	52.9%
Refugee	45.1%
Parent	38.0%
Mental Health	44.7%
Drug/Alcohol	55.6%
Time Reg <12 mths	34.8%
Time Reg 12-23 mths	31.3%
Time Reg 24-59 mths	42.3%
Time Reg 60+ mths	47.6%
Age <25	43.7%
Age 25 - 34	48.0%
Age 35 - 44	47.5%
Age 45 - 54	46.6%
Age 55 - 64	37.7%
Age 65+	21.4%

Wage Subsidy Expenditure

Contract Type	Agreement Type	Number of Agreements	Expenditure ^(a)
WFA Services (incl. BES)	WFA Services Wage Subsidy	19,792	\$ 41,888,040
WFA Services (incl. BES)	Youth Bonus Wage Subsidy	4,848	\$ 10,574,813
TW 2022	Youth Bonus Wage Subsidy	2,214	\$ 6,473,317
ParentsNext	WFA Services Wage Subsidy	145	\$ 328,558
ParentsNext	Youth Bonus Wage Subsidy	28	\$ 70,140
Total		27,027	\$ 59,334,868

Employment Fund: Workforce Australia Online

Employment Fund Category	Commitment Amount	Commitment Amount %	People Assisted ^(a)	People Assisted % ^{(a)(i)}	Average Per Person
Accredited training	\$ 310,313	12.1%	248	0.1%	\$ 1,251
Clothing and PPE	\$ 300,678	11.8%	840	0.2%	\$ 358
Drivers licence	\$ 3,211	0.1%	34	0.0%	\$ 94
Petrol	\$ 77,561	3.0%	762	0.2%	\$ 102
Phone credit and internet data	\$ 665	0.0%	31	0.0%	\$ 21
Police check	\$ 34,094	1.3%	761	0.2%	\$ 45
Public transport	\$ 4,147	0.2%	71	0.0%	\$ 58
Relocation assistance	\$ 371,454	14.5%	138	0.0%	\$ 2,692
Work related licensing	\$ 1,261,052	49.3%	1,690	0.5%	\$ 746
Work related training	\$ 127,534	5.0%	160	0.0%	\$ 797
Workplace check	\$ 67,999	2.7%	514	0.1%	\$ 132
Total	\$ 2,558,708	100%	3,960	1.2%	\$ 646

First Nations people. It is not attributed to individuals and therefore no 'people assisted' measure can be reported.
(k) Displays Workforce Australia Services (incl. Broome) Employment Fund wage subsidy commitment amounts. For Youth Bonus and Participation fund data, see Wage Subsidy section.

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The Saturday Paper

Exclusive: Millions skimmed off government welfare contracts



The article discusses the discovery of millions of dollars skimmed off government welfare contracts. It details the involvement of various parties, including government officials and contractors, and the impact on the welfare system. The text is dense and covers multiple paragraphs of the article.

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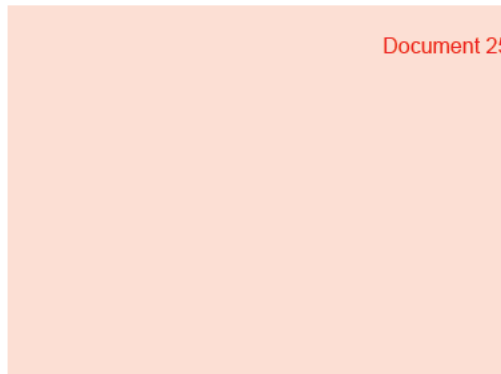
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Attachment C**Employment Fund categories**

The Provider Employment Fund has 13 categories, and the Online Employment Fund has 11 categories. A summary is below.

Category	Provider Employment Fund	Online Employment Fund
Accredited Training <ul style="list-style-type: none"> Cost of accredited training delivered by a current Registered Training Organisation, who has the specific unit or course on their scope of registration as listed on training.gov.au, that isn't fully funded elsewhere, such as through JobTrainer. 	✓	✓
Activity Costs <ul style="list-style-type: none"> Costs for Activities, such as risk assessments or additional insurance costs and costs related to delivery of a Non-Government Program approved by the department. 	✓	✗
Certified Interpreters <ul style="list-style-type: none"> Costs for certified interpreter services delivered to Pending and Commenced Participants. 	✓	✗
Cohort Specific Training <ul style="list-style-type: none"> Costs for culturally appropriate pre-placement training for Indigenous Participants. Capped at \$1,650 (GST inclusive) per Participant, per financial year when delivered by a Provider's Own Organisation or Related Entity. Costs for post-placement non-accredited Workplace English Language and Literacy Training for Refugee Participants. 	✓	✗
Communication and Technology <ul style="list-style-type: none"> Costs for phones, data and phone credit vouchers and hardware/software packages. 	✓	✓ Phone credit and internet data only
Non-Vocational Support <ul style="list-style-type: none"> Costs relating to medical and health issues, rent and crisis accommodation, food vouchers and other costs inhibiting a Participant's ability to find and keep a job. 	✓	✗

Category	Provider Employment Fund	Online Employment Fund
<p>Professional Services</p> <ul style="list-style-type: none"> Professional services delivered by a suitably qualified psychologist or allied health professional, who is registered with the relevant authority where required to practice. Capped standard rates apply when services are delivered by staff employed by a Provider's Own Organisation or Related Entity. 	✓	✗
<p>Provider Indigenous Mentoring Capability</p> <ul style="list-style-type: none"> Assistance to build a Provider's Indigenous mentoring capability. Requests to access this category must be pre-approved by the department. 	✓	✗
<p>Relocation Assistance</p> <ul style="list-style-type: none"> Costs relating to Participants who are relocating to take up a job. Must be more than 90 minutes away from current residence. Allowable costs include removalists, travel, disturbance costs and short-term accommodation. 	✓	✓
<p>Transport</p> <ul style="list-style-type: none"> Costs for Driving Lessons, Licence Tests, Public and Private Transport Assistance (e.g. public transport, fuel, and taxi vouchers). 	✓	✓ Driver's Licence, Petrol vouchers and Public transport only
<p>Wage Subsidy</p>	✓	✗
<p>Work-Related Items</p> <ul style="list-style-type: none"> Costs directly related to training, participation in programs or Employment. These include work-related clothing and Personal Protection Equipment, tools, books, equipment and workplace checks (pre-employment medicals, police checks, Working with Children checks etc.). 	✓	✓ Clothing and Personal Protective Equipment, Police checks, Working with Children, Working with Vulnerable People and NDIS screening checks only
<p>Work-Related Training and Licensing</p> <ul style="list-style-type: none"> Costs for work-related licences and work-related non-accredited training that focuses on practical skills acquisition relevant to a particular job, employer, or industry. 	✓	✓

Standing Committees on Education and Employment**QUESTION ON NOTICE
Budget Estimates 2023 - 2024****Outcome: Employment and Workforce****Department of Employment and Workplace Relations Question No. SQ23-000670**

Senator Janet Rice on 30 May 2023, Proof Hansard page 86

Employment Fund | Criteria**Question**

Senator RICE: Going back to my question about the effectiveness of this employment fund and the available credits, how well they are being used and whether they are being effective, you say that you will be looking at that in the evaluation. Have you set your evaluation criteria? Good evaluation sets up criteria at the beginning of the program.

Mr Smyth: We published our criteria only a couple of weeks ago, late March.

Senator RICE: How do your evaluation criteria cover off against how the employment fund is being used?

Mr Smyth: I will get our evaluation gurus to the table.

Mr Cunningham: As Mr Smyth was saying, an evaluation strategy has been published for the Workforce Australia evaluation which will articulate in a variety of different ways, at a fairly high level at this stage, how we are going to look at various components of the Workforce Australia program. We will look at things like the effectiveness of different components. The employment fund will be part of that.

Senator RICE: On notice, I would like more detail. Perhaps you have more since you published your high-level criteria as to how you are going to assess the effectiveness of the employment fund and how well it is being used.

Mr Cunningham: We can take that on notice. It is still a work in progress, given that the evaluation strategy has been published and the program is relatively new; we are still working through that.

Senator RICE: On notice, are you able to provide the total dollar amount on eligible purchases for each of the employment fund categories—accredited training, activity cost, certified interpreters?

Mr Smyth: We track that. We can provide that on notice to you.

Answer

Building on the Evaluation Strategy for Workforce Australia, the methodology for assessing the effectiveness of the Employment Fund is yet to be finalised but will look at the types of support being provided and expenditure patterns, as well as utilise qualitative and quantitative data.

Table 1 shows the total committed amounts for each of the Employment Fund categories for Workforce Australia Services.

Table 1: Workforce Australia Services Employment Fund commitment amount by category, 31 March 2023

Employment Fund Category	Commitment Amount (GST incl.)
Accredited training	\$ 13,687,654
Activity costs	\$ 23,891
Certified interpreters	\$ 1,328,166
Cohort specific training	\$ 761,946
Communication and technology	\$ 2,952,183
Non-vocational support	\$ 1,425,800
Professional services	\$ 27,182,561
Provider Indigenous Mentoring Capability	\$ 0
Relocation assistance	\$ 319,832
Transport	\$ 11,078,835
Wage Subsidy	\$ 77,118,245
Work-related items	\$ 17,283,761
Work-related training and licencing	\$ 14,508,483
Total	\$ 167,671,357

Note: Commitment Amount includes reimbursed and non-reimbursed commitments, inclusive of GST. Not all commitments necessarily eventuate.

Standing Committees on Education and Employment

QUESTION ON NOTICE Budget Estimates 2023 - 2024

Outcome: Employment and Workforce

Department of Employment and Workplace Relations Question No. SQ23-000671

Senator Janet Rice on 30 May 2023, Proof Hansard page 87

Digital Employment Fund | Eligibility

Question

Senator RICE: Is the digital employment fund subject to the same eligible purchase requirement as the employment fund overall?

Ms M Ryan: It has the same principles but a smaller group of categories for which the digital employment fund can be used. We can provide that on notice.

Senator RICE: Could you provide them on notice.

Answer

The Workforce Australia Online Employment Fund is subject to the same principles as the Workforce Australia Services Employment Fund. The principles are:

- provides eligible participants with the work-related tools, skills and experience that assists them in finding and keeping a job in the relevant labour market
- provides value for money
- complies with any work, health and safety laws that may apply
- withstands public scrutiny
- will not bring the services, the DSCC or the department into disrepute.

Support under the Workforce Australia Online Employment Fund focuses on items that help participants move quickly into secure employment. There are 11 categories of support under the Workforce Australia Online Employment Fund:

- Accredited Training
- Clothing and Personal Protective Equipment
- Driver's Licence
- Petrol vouchers
- Phone credit and internet data
- Police check
- Public transport
- Relocation assistance
- Work related licensing (for example Forklift Licence)
- Work related training (for example Barista training)
- Workplace checks (for example National Disability Insurance Scheme Worker Screening Checks).

Standing Committees on Education and Employment**QUESTION ON NOTICE
Budget Estimates 2023 - 2024****Outcome: Employment and Workforce****Department of Employment and Workplace Relations Question No. SQ23-000673**

Senator Janet Rice on 30 May 2023, Proof Hansard page 87

Digital Employment Fund | Credits Paid**Question**

Senator RICE: Can you tell me the total dollar amount of the digital employment fund credits paid by the department to providers since 1 July last year?

Ms Tran: To provide for Workforce Australia online?

Senator RICE: Yes.

Ms Tran: The credits are \$25,924,950. That's notional credits.

Senator RICE: Do you know what proportion of eligible credits that is?

Ms Tran: In terms of Workforce Australia online commitments, we have committed \$878,788.

Senator RICE: What—\$878,788 of the \$25 million?

Ms M Ryan: Yes.

Senator RICE: So only a tiny amount?

Ms Tran: Yes.

Senator RICE: Less than a million of the \$25 million.

Ms Tran: Yes.

Mr Smyth: Remembering that these are the people that are the most job ready.

Senator RICE: Could you take on notice your understanding of why less than a million of the \$25 million has been claimed.

Ms Tran: Yes.

Answer

Since Workforce Australia commenced on 4 July 2022 there has been a steady increase in Workforce Australia Online Employment Fund uptake, from 76 participants in July 2022 to 320 participants in March 2023.

Not all Workforce Australia Online participants may need support from the Employment Fund. Online Services participants are more job-ready and better able to self-manage their pathway to employment.

The Digital Services Contact Centre (DSCC) administers the Employment Fund for participants in Online Services. The DSCC assess and pay for Employment Fund requests based on the Employment Fund principles (the principles), operational guidelines and individual circumstances. (Refer to SQ23-000671 for further details of the principles and Employment Fund categories.)

Where the DSCC does not approve Employment Fund requests, it has been because the support is prohibited in accordance with operational guidelines or does not otherwise meet the principles. For example, the Employment Fund could not be used to fund an Accredited Training course if it were already fully subsidised through Fee Free TAFE.

General information about the supports available and eligibility information can be found on the Workforce Australia website (workforceaustralia.gov.au). Eligible Workforce Online participants need to sign into their Workforce Australia account to view further detailed information about the categories of support, information required to submit a request and how to apply for support.

House of Representatives Select Committee on Workforce Australia Employment Services

QUESTION ON NOTICE

Date of hearing: 17 May 2023

Department of Employment and Workplace Relations Question No. IQ23-000233

Mr Julian Hill MP, on 17 May 2023, Proof Hansard page 21

17 MAY 2023 | *jobactive*

Question

CHAIR: We spent quite a bit of time with T2W stuff. It gets a pretty good wrap from participants and from the evaluations. It is interesting that there are some features of that service, as distinct from the rest of the service, where there is no competition. There is one provider per region. There are no mutual obligations, except turn up to your first appointment or two, and it is better resourced.

Ms Jensen: It is a different resourcing. They get the upfront fees, and they do not have the employment fund and so on.

CHAIR: There is a question mark about whether it allows people to profiteer. You can figure that out with the data.

Ms Jensen: That's right.

CHAIR: They are interesting features. The providers have more time. They are not policing mutual obligations, and they are able to do an invest in that collective community work. A number of providers, who were trying to figure out how they could support Indigenous jobseekers, said to us that they figured out that one of the most important things they have to do is just have regular community barbecues with the elders. They completely ignore the service eligibility questions because if someone wants to bring their friend or their cousin, who may or may not be on income support: 'That is fine; that is the way we do things'. But they said, 'We are not resourced to do that. It is difficult because we do not have the resources.' We used to have some minor additional payments to enable them to do collaborative community-based stuff, not just the individual payment structure. Those payments disappeared, did they?

Ms Jensen: That would have been at the beginning of jobactive. Jobactive did not have those payments.

CHAIR: Why were they taken away? Was there an evaluation done of them? Sometimes they take things away just for cost savings; they will roll it into a bigger fee. Other times they are taken away because someone evaluated it and said it did not achieve anything.

Ms Jensen: I believe it was the latter. We could take that on notice. I do not have that at my fingertips here.

CHAIR: There is a correlation causation point in those kinds of evaluations, too.

Ms Jensen: We'll take that on notice.

Answer

The Workforce Australia Services provider payment model was developed following the *I Want to Work* report, tested in the New Employment Services Trial and refined based on learnings, stakeholder consultation, independent financial analyses and evaluation.

The payment model has been designed to incentivise personalised support and outcomes for participants with higher needs, and to support provider viability.

The Indigenous Mentoring Employment Fund category that was available in jobactive was removed from the Workforce Australia Services model. The Employment Fund cannot be used for the core services that Workforce Australia Services Providers are required to deliver; however, it can still be used for culturally appropriate pre-placement training for Aboriginal and Torres Strait Islander participants and their employers (refer SQ22-001190 attached).

A key element of the new payment model, which was not available in jobactive, is upfront payments (up to \$1200 per participant) which are automatically paid to a provider when they commence a participant. This new payment provides an upfront injection of funds to support early investment in participants. Providers are free to use this revenue in any way they see fit, including for community outreach and collaboration initiatives.

House of Representatives Select Committee on Workforce Australia Employment Services

QUESTION ON NOTICE
Date of hearing: 17 May 2023

Outcome: Employment and Workforce

Department of Employment and Workplace Relations Question No. IQ23-000236

Mr Julian Hill MP, provided in writing.

17 MAY 2023 | *Employment Fund*

Question

What started as a flexible fund has now narrowed and makes it difficult to tailor assistance to each participant due to restrictions and what is and isn't permitted by the fund.

1. Can you please outline to the committee why Indigenous mentoring support for participants is no longer a permitted expenditure item in the employment fund and if there would be any consideration to reinstate it?
2. Can you please outline to the committee why soft-skills training' (such as communication, teamwork, problem solving, decision making, planning, and organising, self-management and resilience) is no longer a permitted expenditure item in the employment fund and if there would be any consideration to reinstate it?

Answer

The Employment Fund remains a flexible pool of funds available to Workforce Australia Employment Services Providers to offer support that is tailored to participants, employers and the local labour market. There is no set limit to the amount of support that can be provided to any participant across a range of non-vocational and vocational assistance, including transport costs, food, phone data costs, work clothing, tools, equipment and training as well as relocation costs to take up employment. Support can be delivered for up to six months after a participant exits the Workforce Australia caseload.

Details of the Employment Fund categories and requirements are set out in Chapter 6 of the Workforce Australia Guidelines Part B: Workforce Australia Services at [Workforce Australia Guidelines - Part B Workforce Australia Services - Department of Employment and Workplace Relations, Australian Government \(dewr.gov.au\)](https://www.dewr.gov.au/workforce-australia-guidelines-part-b-workforce-australia-services-department-of-employment-and-workplace-relations).

The Department continues to monitor the usage of the Employment Fund, feedback from stakeholders and changes to the labour market to ensure the program settings meet the needs of participants and employers.

- 1. Can you please outline to the committee why Indigenous mentoring support for participants is no longer a permitted expenditure item in the employment fund and if there would be any consideration to reinstate it?**

Workforce Australia Services Providers are contracted to deliver culturally appropriate and intensive case management, including mentoring, to their participants. In addition to a wide range of goods and services, the Employment Fund can still be used for culturally appropriate pre-placement training for Aboriginal and Torres Strait Islander participants and their employers. Providers can also seek reimbursement from the Employment Fund for

initiatives that build the capability of their own staff to deliver mentoring to their Aboriginal and Torres Strait Islander participants.

Providers also receive upfront payments (up to \$1,200 per participant) to support early investment in participants. Providers are free to use this revenue in any way they see fit, including for mentoring.

The Department also reviewed usage of Indigenous Mentoring as part of jobactive where it showed the category was underutilised.

2. Can you please outline to the committee why soft-skills training' (such as communication, teamwork, problem solving, decision making, planning, and organising, self-management and resilience) is no longer a permitted expenditure item in the employment fund and if there would be any consideration to reinstate it?

Assisting participants to improve foundation and employability skills is a servicing expectation under the Workforce Australia contractual arrangements. The Employment Fund prohibits expenditure on services that Providers are contracted to deliver. As noted in the above response, Providers receive upfront payments to support early investment in participants including, to build 'soft-skills' to support their pathway to employment.

Employability skills and soft skills were only claimable services in limited circumstances under the jobactive Employment Fund through the Targeted Pre-Employment Preparation category. Providers were required to seek pre-approval for the employability and foundation skills course content prior to claiming reimbursement. Support was capped at \$330 for Stream B participants and Stream A and B Indigenous Participants, and \$550 for all Stream C participants. There were no limits on the instances of assistance under this category for Indigenous participants, however assistance for other cohorts was limited to one instance per participant, per period of unemployment. The support that was eligible under the jobactive Employment Fund was not widely utilised.

Providers can refer Participants to the Employability Skills Training program on a fee-for-service basis.

Senate Standing Committees on Community Affairs**The Extent and Nature of Poverty in Australia****QUESTION ON NOTICE****Date of hearing: 15 August 2023****Outcome: Employment and Workforce****Department of Employment and Workplace Relations Question No. IQ23-000254**

Senator Louise Pratt on 15 August 2023, Proof Hansard page 46-47

15 August 2023 | *Employment Fund***Question**

Senator PRATT: In the context of the inquiry in the lower house of the parliament and in the context of other information and long-term assessment of your programs, to what extent are there issues with job service providers, or Workforce Australia providers as they are now, not spending the money that has been put aside for jobseekers to overcome barriers to employment that have arisen because of poverty? These issues can include housing, they can include getting your car fixed, they can include a whole range of issues where poverty in and of itself is a barrier to employment.

Ms Rule: We might have to take on notice an extensive response from the evidence. I would say that we have an employment fund that is provisioned to help jobseekers get into work, and that can include addressing barriers such as those that may be caused by poverty—for example, if they don't have the funding to travel to a job interview or to purchase clothes to present well at an interview.

CHAIR: Or to fix their washing machines.

Ms Rule: I was going to say that, yes, there are categories of expense, and I would have to check whether or not repairs of a car or the like fall within those categories.

Senator PRATT: They do, because I've spoken to jobseekers where they have had that money made available

to them on some occasions but not others. I'm interested in the extent to which providers might be sitting on funds or might not be being consistent when a jobseeker identifies poverty as a barrier to employment—that you're able to proactively support them to overcome that.

Ms Rule: I'm not sure whether we would have evidence, but I will check specifically regarding your question. The reason I say that is that, with the Employment Fund, we require the provider to make decisions against, for example, the categories in the Employment Fund and the guidelines, and value for money. They must make a decision based on the circumstances in front of them, so we don't give a prescriptive list to providers about when they should and should not spend the Employment Fund. It's up to their discretion and judgement based on the individual's circumstances.

Senator PRATT: Yes, I guess that's my query in terms of an assessment—whether they are using that discretion appropriately. I have also certainly heard examples of where people have part-time work but not to the extent that it supports them enough to come out of poverty, which puts that part-time work in jeopardy because they can't afford transport or car repairs, or those kinds of issues.

Ms Rule: I will take that on notice, and we'll get back to you on the evidence. I think it links back to my evidence earlier about the assurance programs that we run across Workforce Australia to look systemically at the use of the Employment Fund, in this case.

Answer

Please refer to IQ23-000255 for additional detail on the Employment Fund.

At 31 July 2023, \$250,360,320 has been committed to assist 230,797 participants in Workforce Australia Services. This is 37.3 per cent of the current available credit across all Workforce Australia Services Providers (providers), noting that as new participants commence in Workforce Australia, credits are added to a Provider's notional credit balance.

Use of the Employment Fund has increased since the start of Workforce Australia. Commitments for participants in Provider Services during the month of July 2022 totalled \$3,689,138 compared to commitments for July 2023 which totalled \$23,786,253. It is expected that use of the Employment Fund will increase as Provider's continue to support individuals on their caseload. A breakdown by commitment and category is in IQ23-000255.

Employment Fund credits are notional and must not be represented in a Provider's financial statements. There is no benefit to Providers for holding on to their Employment Fund credits.

Not all support provided to participants can be seen in Employment Fund data. Providers are required to identify and collaborate with other service providers, such as local healthcare, private and community organisations. This may include linking participants with other community or government funded services that will address their needs.

The Workforce Australia payment model incentivises Providers to support participants to address vocational and non-vocational challenges. Providers can claim Progress Payments for demonstrable improvement in a participant's employment prospects through the provision of intensive, tailored services.

Senate Standing Committees on Community Affairs**The Extent and Nature of Poverty in Australia****QUESTION ON NOTICE****Date of hearing: 15 August 2023****Outcome: | Emp & W | Employment Policy and Analytics****Department of Employment and Workplace Relations Question No. IQ23-000255**

Senator Louise Pratt on 15 August 2023, Proof Hansard page 48-49

15 August 2023 | Jobseekers telecommunications**Question**

Senator PRATT: Finally, in the context of people on limited incomes who are paying for utilities, housing, transport, food, meeting their basic living needs, to what extent does the affordability of telecommunications— phone and data—provide a barrier to jobseekers? For example, I know many who don't live close to libraries with free computing services or jobseeking services. They can't get regular access to computers to check for notifications et cetera, and they can't afford the data services on their phone. It's difficult, for example, to apply for a job just using your phone, or you might not have suitable technology. What assessments have you done there, and to what extent do you consider that a problem?

Ms Rule: I'm not aware of direct evidence about how big the issue is, but I can talk to some of the policy levers that we have to address it. I'll just check—is that where you were going to go to?

Senator PRATT: Yes.

Ms Rule: I would have to take it on notice and check if we've got specific evidence with regard to your question, but I would say that one of the things that the employment fund can be used for is to address issues with the affordability of telecommunications, data, transport and the like. I think that's a really key way that the employment fund can help to ensure that jobseekers can check their notifications and be in touch with their provider and more broadly in society to help them with their job search. In some small way, providers do have free facilities in their sites as well, although I do acknowledge that, obviously, travelling to a site may not be possible for people who don't live close to a provider site. But, if they do live within close proximity of a provider site, there are facilities there as well, as are the other facilities you mentioned, such as libraries.

Senator PRATT: I would be grateful if you could—and please do finish that extra contribution—provide what data you have about what those employment subsidies are used for, in terms of spending them on individual jobseekers. And also what data you've got about someone's requests and their next set of requests being denied—for example, you can't get a phone because you've already had support for your car—and the issues around rationing the pools of funds that are available. I do understand they're pools, but they still have some limitations in that context. I'm interested to see what the background data reveals about what the main issues confronting jobseekers are and how we triage those in the context of relationships with state governments, for example, around the payment of fines, getting drivers licences and those kinds of things

Answer

The Employment Fund is a flexible pool of funds available to Workforce Australia Employment Services Providers (Providers) and the Digital Services Contact Centre to offer support that is tailored to participants, employers and the local labour market.

It is at the discretion of the Provider and Digital Services Contact Centre to determine what support can be provided based on individual circumstances and whether the assistance will provide the individual with the support and relevant skills they need for a particular role. Other factors that may be considered include previous assistance provided, the employment opportunities in the local labour market and the needs of others on their caseload. This means participants may not receive the exact assistance they ask for and may be connected to other support according to their needs or the needs of employers.

The Online Employment Fund and Provider Employment Fund differ:

- The Online Employment Fund is focused on items that help participants move quickly into employment, such as work-related licences, clothing and police checks.
- The Provider Employment Fund covers a broader range of vocational and non-vocational supports, including the Workforce Australia Services Wage Subsidy.

There is no set limit to the amount of support that can be provided to any participant. Participants are eligible for assistance from their first day on the Workforce Australia caseload and support can be delivered for up to six months after a participant exits the caseload.

Support can be provided flexibly, up to the limit of the available Employment Fund credits. The Employment Fund is demand driven, with notional credits allocated to the Provider or the Digital Services Contact Centre as new participants commence in Workforce Australia.

Details of the Employment Fund categories and requirements are set out in Chapter 6 of the Workforce Australia Guidelines Part B: Workforce Australia Services at [Workforce Australia Guidelines - Part B Workforce Australia Services - Department of Employment and Workplace Relations, Australian Government \(dewr.gov.au\)](#).

Employment Fund data only covers the goods and services that Providers have committed to purchase or have claimed reimbursement for. The Department does not hold data about specific participant requests for support through the Employment Fund that have been denied by a Provider.

Between 1 July 2022 and 31 July 2023, 636 complaints were recorded in the Department's Customer Relationship Management System about the Employment Fund from participants in Workforce Australia Provider Services. Of these, 61 per cent were made with the following topics recorded:

- Provider refusing request for goods.
- Provider refusing request for services.
- Provider not honouring commitment for services.

The data does not indicate whether the complaints relate to first or subsequent requests for support or whether the support was provided at a later date.

Tables 1 and 2 show the total committed amounts for each of the Employment Fund categories for Workforce Australia Services and Workforce Australia Online.

Table 1: Workforce Australia Services Employment Fund commitment amount by category, 31 July 2023

Category Description	Commitment Amount	Average Per Participant	Assisted Participants
Accredited training	\$21,874,904	\$793	27,568
Activity costs	\$220,951	\$1,099	201
Certified interpreters	\$1,841,002	\$143	12,841
Cohort specific training	\$1,539,596	\$838	1,837
Communication and technology	\$5,318,932	\$151	35,189
Non vocational support	\$2,881,388	\$228	12,630
Professional services	\$44,266,614	\$873	50,720
Relocation assistance	\$453,808	\$1,823	249
Transport	\$18,964,738	\$238	79,635
Wage Subsidy	\$101,167,536	\$7,981	12,676
Work related items	\$27,618,287	\$263	104,947
Work-related training and licencing	\$24,212,562	\$426	56,851
Grand Total	\$250,360,320	\$1,085	230,797

Commitment Amounts includes reimbursed and non-reimbursed commitments, inclusive of GST. Not all commitments eventuate.

Table 2: Workforce Australia Online Employment Fund commitment amount by category, 31 July 2023

Category Description	Commitment Amount	Average Per Participant	Assisted Participants
Accredited Training	\$157,718	\$1,177	134
Clothing and Personal Protective Equipment	\$171,179	\$352	486
Driver's Licence	\$641	\$214	3
Petrol vouchers	\$46,070	\$94	491
Phone credit and internet data	\$270	\$16	17
Police check	\$20,889	\$44	470
Public transport	\$2,225	\$64	35
Relocation assistance	\$264,501	\$2,568	103
Workplace checks	\$41,694	\$134	311
Work related licencing	\$683,793	\$674	1,015
Work related training	\$64,568	\$828	78
Grand Total	\$1,453,548	\$596	2,437

Commitment Amounts includes reimbursed commitments and is inclusive of GST.

House of Representatives Select Committee on Workforce Australia Employment Services

QUESTION ON NOTICE
Date of hearing: 20 September 2023

Outcome: Employment and Workforce

Department of Employment and Workplace Relations Question No. IQ23-000276

Mr Julian Hill MP provided in writing.

20 September 2023 | Written | Employment fund category

Question

In relation to the Employment Fund, please provide, by Employment Fund category and what data in the first 12 months on related own entity payments:

- Total expenditure.
- Total number of jobseekers assisted.
- Total transactions.
- The average cost per transaction.

Answer

Data for Workforce Australia Services Employment Fund from 1 July 2022 to 30 June 2023.

Category Description	Own Organisation			
	Commitment amount	Participants assisted	Number of commitments	Average cost per commitment
Accredited training	\$3,604,333	2,542	2,094	\$1,721
Activity costs	\$1,506	1	1	\$1,506
Certified interpreters	\$468	9	9	\$52
Cohort specific training	\$840,176	1,019	995	\$844
Communication and technology	\$5,232	61	63	\$83
Non vocational support	\$11,422	112	118	\$97
Professional services	\$28,377,337	34,462	118,306	\$240
Relocation assistance	\$423	1	1	\$423
Transport	\$157,462	634	1,830	\$86
Wage Subsidy	N/A	N/A	N/A	N/A
Work related items	\$29,455	163	175	\$168
Work-related training and licencing	\$588,514	1,750	2,342	\$251
Total	\$33,616,329	39,722	125,934	\$267

Category Description	Related Entity			
	Commitment amount	Participants assisted	Number of commitments	Average cost per commitment
Accredited training	\$2,477,004	3,137	3,031	\$817
Activity costs	-	-	-	-
Certified interpreters	-	-	-	-
Cohort specific training	\$8,675	7	2	\$4,338
Communication and technology	\$770	2	2	\$385
Non vocational support	\$29,566	81	81	\$365
Professional services	\$6,116,508	6,546	25,088	\$244
Relocation assistance	-	-	-	-
Transport	\$23,762	6	6	\$3,960
Wage Subsidy	N/A	N/A	N/A	N/A
Work related items	\$146,773	420	430	\$341
Work-related training and licencing	\$410,046	514	443	\$926
Total	\$9,213,104	9,908	29,083	\$317

Identification of own organisation and related entity spending is based on the ABN of the supplier and varies slightly from the definitions contained in the Workforce Australia Services Deed of Standing Offer 2022–2028. Where the supplier ABN and provider ABN are the same, this will be reported as own organisation, even where the supplier business does not deliver services under the Deed. Related entity spending is where the supplier has been identified by the provider as being a related entity as defined in the Workforce Australia Services Deed of Standing Offer 2022–2028, but the entity but does not share the same ABN.

Standing Committees on Education and Employment**QUESTION ON NOTICE
Supplementary Budget Estimates 2023 - 2024****Outcome: Employment and Workforce****Department of Employment and Workplace Relations Question No. SQ23-001227**

Senator Janet Rice on 25 October 2023, Proof Hansard page 80

The Employment Fund**Question**

Senator RICE: Are you tracking how different providers are using the employment fund?

Ms M Ryan: Yes.

Ms Tran: We have looked at the providers who have not drawn down on the employment fund as much, and we have reached out to them. We are providing support to those providers in the event that they don't know how to access the employment fund or aren't aware of the flexibilities that currently exist in the employment fund. We work quite closely with our stakeholders.

Senator RICE: I'm not sure whether what I asked for on notice covered particular funds and how much they were using the employment fund. If I haven't, could you take that on notice?

Ms M Ryan: I don't think there was a specific question in there, but we can take that on notice.

Senator RICE: Can you take on notice to break it down for particular employment providers and how they are accessing the fund?

Answer

Attachment A contains a breakdown of Employment Fund commitments by Workforce Australia Services Provider and Category.

Data is for the period 1 July 2022 - 30 September 2023. Committed amounts include reimbursed and non-reimbursed commitments and are GST inclusive. Not all commitments result in a claim for reimbursement.

Data as at 1 July 2022 - 30 September 2023

Workforce Australia Services Provider Employment Fund Commitments by Employment Fund Category, including Wage Subsidies.

Workforce Australia Services Provider	Accredited training	Activity costs	Certified interpreters	Cohort specific training	Communication and technology	Non vocational support	Professional services	Relocation assistance	Transport	Wage Subsidy	Work related items	Work-related training and licensing	Total Commitments
AIMBG EMPLOYMENT PTY LTD	\$427,965.16	\$0.00	\$4,783.30	\$0.00	\$47,011.80	\$18,150.57	\$42,666.22	\$7,808.00	\$185,186.38	\$621,000.00	\$209,238.97	\$167,861.75	\$1,731,672.15
AMES AUSTRALIA	\$466,511.40	\$798.60	\$126,846.91	\$14,850.00	\$19,966.10	\$20,529.75	\$192,031.50	\$0.00	\$151,519.78	\$1,953,269.23	\$371,686.01	\$307,766.82	\$3,625,776.10
APM EMPLOYMENT SERVICES	\$2,839,100.98	\$0.00	\$306,580.43	\$153,665.52	\$1,034,930.36	\$607,673.80	\$6,530,360.24	\$69,283.63	\$4,217,538.24	\$20,785,101.56	\$4,613,983.34	\$4,700,560.91	\$45,858,779.01
ASURIA PEOPLE SERVICES PTY LIMITED	\$2,120,230.40	\$0.00	\$54,697.90	\$36,880.00	\$332,161.92	\$60,987.50	\$1,787,543.00	\$20,387.00	\$524,797.69	\$4,639,807.70	\$1,258,435.83	\$1,100,572.65	\$11,936,501.59
ATWORK AUSTRALIA PTY LTD	\$2,715,199.85	\$124.30	\$162,002.20	\$751,517.50	\$327,749.07	\$149,954.93	\$8,691,946.43	\$6,110.72	\$960,692.08	\$8,131,027.28	\$1,865,772.42	\$1,967,172.83	\$25,729,269.61
BEST EMPLOYMENT	\$66,028.60	\$0.00	\$405.90	\$0.00	\$216,003.22	\$49,635.49	\$46,561.56	\$6,886.02	\$894,000.00	\$519,903.90	\$352,598.66	\$298,852.85	\$2,450,876.20
CVGT EMPLOYMENT	\$254,980.36	\$0.00	\$10,947.12	\$15,642.00	\$115,396.72	\$54,781.01	\$500,751.68	\$14,047.73	\$346,825.90	\$1,234,096.11	\$508,819.30	\$356,640.67	\$3,412,928.60
ETC	\$815,370.60	\$1,500.00	\$8,746.43	\$0.00	\$142,160.44	\$111,840.25	\$401,303.10	\$30,485.58	\$1,012,858.55	\$1,719,571.71	\$1,495,954.76	\$793,460.71	\$6,533,252.13
FAMILY SERVICES AUSTRALIA	\$60,328.63	\$0.00	\$373.78	\$0.00	\$17,204.62	\$3,862.68	\$221,406.30	\$3,378.04	\$123,308.21	\$180,000.00	\$171,728.33	\$133,404.72	\$914,995.31
GLOBAL SKILLS	\$685,296.90	\$0.00	\$24,377.04	\$858.00	\$50,783.59	\$87,749.79	\$345,163.50	\$1,649.10	\$339,840.45	\$2,071,712.34	\$460,539.03	\$639,661.62	\$4,707,631.36
IMPACT SERVICES PTY LTD	\$136,151.80	\$1,497.00	\$4,133.69	\$22,817.00	\$15,133.00	\$2,717.67	\$23,880.00	\$0.00	\$34,580.12	\$157,000.00	\$44,768.22	\$34,955.63	\$477,634.13
INDIVIDUAL EMPOWERMENT NETWORK PTY LTD	\$1,902.93	\$40,103.57	\$0.00	\$58,932.50	\$24,351.55	\$8,123.36	\$0.00	\$674.00	\$72,280.07	\$288,296.63	\$100,589.26	\$83,356.16	\$678,610.03
INTOJOBS	\$345,058.39	\$0.00	\$16,715.08	\$102,066.80	\$150,978.00	\$179,015.59	\$939,968.37	\$3,543.50	\$540,063.05	\$1,321,261.94	\$773,704.33	\$626,219.94	\$4,998,594.99
JOB FUTURES	\$720,025.39	\$29,520.00	\$36,707.92	\$53,114.91	\$367,382.94	\$275,049.19	\$1,760,857.80	\$49,087.78	\$1,449,764.54	\$3,527,711.53	\$1,536,519.19	\$1,007,800.09	\$10,813,541.28
JOBFIND CENTRES	\$1,445,578.81	\$4,229.50	\$41,248.79	\$8,276.40	\$68,571.41	\$71,411.88	\$5,336,779.01	\$15,214.68	\$325,917.69	\$3,556,346.14	\$739,701.09	\$1,066,650.09	\$12,679,925.49
JOBLINK PLUS LIMITED	\$14,755.46	\$0.00	\$44,926.00	\$0.00	\$147,081.01	\$31,172.86	\$663,107.72	\$0.00	\$627,349.81	\$423,538.45	\$826,739.06	\$1,365,626.53	\$4,144,296.90
JOBS AUSTRALIA ENTERPRISES	\$5,007.20	\$0.00	\$3,039.76	\$360.73	\$35,005.24	\$12,071.65	\$0.00	\$952.59	\$84,209.01	\$224,500.00	\$148,092.79	\$92,258.19	\$605,497.16
JOBS STATEWIDE EMPLOYMENT SOLUTIONS	\$121,166.26	\$0.00	\$113,798.40	\$119,454.95	\$88,117.49	\$9,871.75	\$1,106,184.26	\$12,089.84	\$595,447.62	\$4,860,000.00	\$458,061.31	\$429,470.13	\$7,913,662.01
MADEC AUSTRALIA	\$133,088.12	\$2,115.08	\$14,687.71	\$65,840.50	\$63,179.41	\$26,720.10	\$738,077.50	\$1,976.31	\$204,274.18	\$361,561.54	\$285,056.66	\$350,505.36	\$2,247,082.47
MAREEBA SHIRE JOB TRAINING ASSOC INC	\$48,309.61	\$100.00	\$900.24	\$0.00	\$31,265.20	\$4,439.46	\$0.00	\$3,862.66	\$38,090.80	\$552,231.05	\$85,590.88	\$29,107.46	\$793,897.36
MATCHWORKS	\$2,730,760.43	\$225.00	\$322,593.38	\$61,050.00	\$379,515.61	\$321,075.25	\$2,532,831.55	\$14,063.93	\$1,492,526.73	\$8,040,630.24	\$1,720,535.81	\$1,516,223.13	\$19,132,031.06
MAX EMPLOYMENT	\$1,678,955.31	\$3,696.00	\$33,362.10	\$17,401.84	\$223,819.36	\$152,187.40	\$2,963,048.70	\$21,999.52	\$1,117,423.58	\$6,003,008.48	\$1,602,344.49	\$1,272,959.97	\$15,090,206.75
MEGT (AUSTRALIA) LTD	\$223,895.81	\$11,093.90	\$9,702.56	\$0.00	\$8,011.98	\$16,574.92	\$419,311.06	\$197.10	\$55,816.74	\$1,058,538.51	\$165,327.48	\$203,495.95	\$2,171,966.01
MTC AUSTRALIA	\$22,798.79	\$56,340.00	\$11,982.57	\$0.00	\$51,337.96	\$14,832.87	\$1,548,905.95	\$0.00	\$162,123.31	\$1,694,146.15	\$328,377.56	\$174,258.58	\$4,065,103.74
NIRRUMBUK ABORIGINAL CORPORATION	\$40,843.54	\$0.00	\$0.00	\$0.00	\$26,787.00	\$499.95	\$0.00	\$1,418.60	\$20,178.73	\$30,000.00	\$52,812.42	\$7,178.85	\$179,719.09
ON-Q HUMAN RESOURCES LIMITED	\$92,345.85	\$0.00	\$0.00	\$18,983.50	\$129,697.12	\$169,542.70	\$754,246.13	\$16,303.10	\$348,009.22	\$1,503,500.00	\$553,796.17	\$423,351.46	\$4,009,775.25
SARINA RUSSO JOB ACCESS	\$69,697.82	\$6,098.30	\$211,947.65	\$0.00	\$69,272.93	\$65,685.49	\$2,074,853.82	\$2,516.82	\$676,539.51	\$1,572,550.00	\$867,392.44	\$464,550.51	\$6,081,105.29
SUREWAY EMPLOYMENT AND TRAINING PTY LTD	\$500,568.21	\$0.00	\$9,915.33	\$10,065.00	\$152,414.28	\$83,476.30	\$1,547,998.20	\$25,058.13	\$503,734.96	\$2,787,423.08	\$1,007,768.59	\$965,180.11	\$7,593,602.19
SYC LTD	\$1,374,764.55	\$1,215.00	\$82,572.23	\$86,125.03	\$244,439.61	\$107,259.68	\$1,722,585.93	\$18,286.08	\$623,018.10	\$3,490,730.67	\$1,228,526.65	\$1,182,395.80	\$10,161,919.33
THE SALVATION ARMY EMPLOYMENT PLUS	\$1,963,796.53	\$5,717.55	\$119,634.28	\$4,180.00	\$189,394.46	\$35,722.26	\$2,734,452.13	\$15,866.66	\$974,310.47	\$4,029,000.00	\$1,959,520.84	\$1,445,800.95	\$13,477,396.13
THE TRUSTEE FOR DESIGNER LIFE (QUEENSLAND) TRUST	\$150,863.32	\$488.75	\$15,205.08	\$57,682.50	\$17,512.80	\$3,289.00	\$1,447,123.20	\$20,659.43	\$67,016.87	\$647,500.00	\$119,295.06	\$309,162.57	\$2,855,798.58
TRAINING ALLIANCE GROUP AUSTRALIA PTY LTD	\$4,487.81	\$0.00	\$0.00	\$0.00	\$4,049.00	\$6,866.10	\$145,845.83	\$0.00	\$89,009.75	\$58,000.00	\$28,132.12	\$19,301.04	\$355,691.65
TURSA EMPLOYMENT & TRAINING	\$216,634.57	\$0.00	\$2,743.73	\$229,500.00	\$242,547.98	\$29,944.26	\$12,445.59	\$16,090.89	\$598,333.19	\$7,898,624.10	\$907,343.97	\$526,228.97	\$10,680,437.25
VERTO LTD	\$10,811.60	\$854.45	\$1,326.81	\$0.00	\$122,226.48	\$22,794.40	\$1,251.07	\$30,932.00	\$243,875.08	\$324,000.00	\$463,180.97	\$557,479.57	\$1,778,732.43
WAAULTI FOUNDATION LIMITED	\$10,522.99	\$0.00	\$0.00	\$0.00	\$139.00	\$1,244.40	\$27,429.75	\$0.00	\$63,820.70	\$0.00	\$22,469.61	\$4,288.04	\$129,914.49
WCIG	\$154,893.53	\$0.00	\$6,088.25	\$3,300.00	\$47,424.81	\$82,452.33	\$770,978.13	\$3,300.00	\$223,647.72	\$1,583,391.25	\$374,748.19	\$496,025.26	\$3,746,249.47
WDEA WORKS	\$30,864.90	\$0.00	\$1,516.57	\$0.00	\$26,448.29	\$21,277.45	\$158,510.42	\$1,577.70	\$48,695.89	\$515,692.31	\$108,426.81	\$44,609.08	\$957,619.42
WESJOBS	\$26,029.77	\$1,050.00	\$0.00	\$0.00	\$8,415.64	\$3,776.87	\$8,849.92	\$0.00	\$47,984.64	\$10,000.00	\$113,590.21	\$26,923.63	\$246,620.68
WISE EMPLOYMENT LTD	\$1,567,475.18	\$176,550.40	\$187,920.42	\$102,140.54	\$224,960.62	\$70,555.89	\$2,969,169.75	\$23,819.09	\$753,077.64	\$6,294,587.62	\$1,340,782.37	\$1,420,407.20	\$15,131,446.72
WORKSKIL AUSTRALIA LTD.	\$1,509,953.87	\$4,850.11	\$89,906.60	\$21,970.00	\$999,352.79	\$488,411.56	\$1,642,078.71	\$24,953.70	\$2,665,331.63	\$11,188,939.42	\$2,965,082.69	\$2,712,834.29	\$24,313,665.37
WORKSKILLS TASMANIA	\$82,669.35	\$0.00	\$464.64	\$0.00	\$26,871.71	\$20,317.55	\$109,585.30	\$5,744.02	\$282,161.89	\$924,230.76	\$278,831.19	\$172,460.45	\$1,903,336.86
WORKWAYS AUSTRALIA LIMITED	\$184,541.51	\$1,855.32	\$14,187.25	\$27.50	\$56,307.40	\$246,256.01	\$616,464.27	\$4,535.15	\$326,051.55	\$635,846.15	\$408,720.94	\$410,426.41	\$2,905,219.46
WUGU NYAMBIL	\$0.00	\$0.00	\$0.00	\$0.00	\$1,081.50	\$1,935.00	\$220.00	\$0.00	\$31,671.39	\$200,000.00	\$52,707.70	\$32,985.62	\$320,601.21
YILABARA SOLUTIONS	\$0.00	\$0.00	\$0.00	\$0.00	\$19,371.63	\$8,128.85	\$104,170.00	\$0.00	\$34,676.07	\$160,000.00	\$88,054.25	\$86,513.83	\$500,914.63
Total	\$26,070,232.09	\$350,022.83	\$2,096,988.05	\$2,016,702.72	\$6,565,833.05	\$3,759,865.77	\$53,640,943.60	\$494,759.10	\$23,636,178.19	\$118,152,371.95	\$33,232,653.21	\$30,026,946.38	\$300,043,496.94

Committed amounts include reimbursed and non-reimbursed commitments and are GST inclusive.
Not all commitments eventuate to a claim for reimbursement.

Standing Committees on Education and Employment**QUESTION ON NOTICE
Supplementary Budget Estimates 2023 - 2024****Outcome: Employment and Workforce****Department of Employment and Workplace Relations Question No. SQ23-001229**

Senator Janet Rice on 25 October 2023, Proof Hansard page 81

Indigenous mentoring category**Question**

Senator RICE: Perhaps you could take on notice any work that you're doing to encourage providers to utilise the service.

Ms Tran: Sure.

Answer

The Provider Indigenous Mentoring Capability Employment Fund category allows Workforce Australia Service Providers (Providers) to claim reimbursement to build their organisation's capability through such activities as:

- Training for staff who will be providing ongoing mentoring to First Nations individuals
- Design or re-design and implementation of a First Nations employment strategy
- Hiring a consultant to develop and implement a Reconciliation Action Plan
- Professional development in the form of attendance at conferences or workshops.

As at 30 September 2023, the Department has received and approved one proposal for this category. No claims for reimbursement have been made against the approved proposal to date.

The Department includes references to the Provider Indigenous Mentoring Capability category in responses to Providers who make enquiries about using the Employment Fund for supporting First Nations participants as part of routine program management activities.

The Provider Indigenous Mentoring Capability category was promoted at the Workforce Australia National Forum on 29 August 2023, in the 'First Nations Servicing' breakout session.

The Department continues to monitor the usage of the Employment Fund. This includes feedback from stakeholders and changes to the labour market to ensure the program settings meet the needs of participants and employers.

Standing Committees on Education and Employment**QUESTION ON NOTICE
Supplementary Budget Estimates 2023 - 2024****Outcome: Employment and Workforce****Department of Employment and Workplace Relations Question No. SQ23-001234**

Senator Janet Rice on 25 October 2023, Proof Hansard page 81

The Employment Fund**Question**

Senator RICE: The Services Australia website states that participants are eligible for the employment fund 'within 183 calendar days after being exited or transferred' from a provider. Can you tell me how many participants have accessed the fund after being exited from a provider?

Ms Tran: I'll have to take that on notice.

Senator RICE: Okay. And do you have any reports of participants being denied access to the employment fund after being exited?

Ms Tran: I'll take that on notice.

Senator RICE: I've got a few other bits there that I won't go through and that I'll also get you to take on notice. The employment fund provider handbook states that paying for short-term living costs such as food, bills and rent is an acceptable use of the employment fund. Do you know how well this is being used, and do you have reports of claims being denied for short-term living costs?

Ms Tran: I will have to take that on notice.

Answer

All data is for the period 1 July 2022 to 30 September 2023.

1. 6,712 unique Participants have been supported through the Employment Fund within 183 days of Exiting the Workforce Australia caseload.
2. 757 complaints have been recorded in the Department's Customer Relationship Management System (CRM) from Participants in Workforce Australia Online and Workforce Australia Provider Services where Employment Fund was listed as a relevant topic or theme within the contact.

Of the 757 complaints about the Employment Fund, 446 complaints were made with the following topics recorded:

- Provider refusing request for goods.
- Provider refusing request for services.
- Provider not honouring commitment for services.

Complaints received are categorised by topic and provide an indication of what a complaint may relate to. A topic is recorded within a complaint record where it was considered to have some relevance to the complaint. One or more topics can be recorded in a single complaint record.

Complaint data is not recorded in the same departmental systems where Participant data is stored so it is not possible to determine if a complaint relates to support requested after Exit.

3. The total number and dollar value of commitments for the Non-Vocational Support category, broken down by assistance type is at Table 1.

The Non-Vocational Support category can be used for expenses that are inhibiting an individual's capacity to be engaged to find and keep a job. Use of the Employment Fund is not intended to be used for regular and ongoing costs, and Workforce Australia Services Providers are expected to address, in a sustainable way, any underlying challenges as part of their servicing.

Table 1 – Employment Fund commitments under the Non-Vocational Support category

Assistance Type	Commitments¹	Transactions
Food	\$1,494,301.75	19,421
Medical expenses	\$661,107.02	2,688
Other support ²	\$757,908.39	3,908
Rent and crisis accommodation	\$846,548.61	1,310

¹Committed amounts include reimbursed and non-reimbursed commitments and are GST inclusive. Not all commitments eventuate to a claim for reimbursement.

²Other support covers items such as utility costs and legal expenses that cannot be recorded against another category.

Last Cleared By
Date Last Cleareds 22(1)
12 February 2024

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SB24-000043
Data for: JUL 2022 to DEC 2023

Overtime entitlements review

Current Status as at 8 February 2024

- We made initial payments of overtime entitlements to 99 employees on 26 October 2023 covering the period 7 July 2022 to 11 August 2023.
- On 28 November 2023 we confirmed that our line-by-line analysis of the 2022 Determination had identified other specific and limited circumstances in which some employees may have also been underpaid their entitlements. This included:
 - shift penalty rates where they were directed through a roster to work after 6pm
 - restriction allowance adjustments on public holidays (from 9% to 15%)
 - overtime entitlements for casual employees if they worked in excess of 36.75 hours or were directed to work outside 8 am to 6 pm
 - temporary performance loading adjustments for APS1 employees
- On 12 December 2023, the department put in place a new determination which restored the 7am to 7pm bandwidth of hours. This provides certainty of the terms and conditions that apply to our employees and resolves the cause of our underpayments, which arose from the interaction between our 2022 Determination and the APS Award.
- We continue to work on calculating the remaining entitlements owed to employees for the period 7 July 2022 to 11 December 2023, which we anticipate will be paid to employees in full by the end of March 2024.

Table 1: Payments made on 26 October 2023

Type	Amount
Employees	99
Current	93
Former	6
Overtime remediation	
Net	\$60,099.92
Indexation	\$2,826.61 (8.1%)
Avg indexed payment	\$635.25
Payment range	\$8.89 - \$4,051.07
TOTAL	\$62,926.52
Average OT duration	35 minutes

Source: Master Data spreadsheet (Tranche 1 – 7 July 2022 to 11 August 2023).

Actual costs as at 31 December 2023

Item	Description	Cost (inc GST)
Remediation payments	Total indexed remediation payments#	\$62,926.62
Data analysis	Cobalt Consulting*	\$90,080.54
Legal advice	Ashurst, Kingston Reid, AGS*	\$116,426.17
Communication	Elm Communications* - to assist with the development of a communication strategy and products	\$15,378.00
TOTAL COSTS		\$284,811.33

Source: *Payroll reconciliation reports; *SAP Financial records for actual costs.

The issue

- Between 7 July 2022 and 11 December 2023 (inclusive) some employees were underpaid entitlements in limited and specific circumstances where:
 - entitlements set out in the determination made under s 24(1) of the *Public Service Act 1999* (PS Act) were not applied correctly
 - entitlements were less beneficial under the s 24(1) determination than the entitlements they would have received under the *Australian Public Service Enterprise Award 2015* (APS Award).
- The interaction between our s 24(1) determination, the APS Award and the PS Act created these unusual circumstances unique to operationalising a Machinery of Government change, and not as a result of the Award system.

Remediation actions since 26 October 2023

- Continued oversight by a steering committee, the Secretary and Executive Board.
- Restored the previously bargained 7am to 7pm bandwidth through a s 24(3) determination effective 12 December 2023.
- Finalised a line-by-line analysis of the determination and found further entitlements owing.
- Progressed analysis of payroll records and roster information to calculate entitlements owing for these and finalise the remaining payments of **rostered overtime** for employees directed to work between **7-8am or after 6pm** (12 August 2023 to 11 December 2023).
- Self-reported to the Fair Work Ombudsman on 9 August 2023 and advised of further underpayments identified from the line-by-line analysis on 13 December 2023.
- Commenced an internal audit of payroll systems and processes; field work commenced on 13 December 2023. An initial report is anticipated to be provided by late **March 2024**, with the final report due by **June 2024**.
- Continued to provide information to managers and employees about what we're doing and how our entitlements operate.

We have acted on the best available legal advice, internal expertise, and professional judgement with regard for our legal obligations, the APS Values and the Project Principles as to whether there has been a reduction in benefit, and subsequently an underpayment to be remediated.

Section 24(3) Determination

- The Minister for the Public Service made a s 24(3) determination on 7 December 2023 to maintain existing terms and conditions of the s 24(1) determination and:
 - restore the previously bargained 7am to 7pm bandwidth
 - remove references to the APS Award no longer relevant.
- The s 24(3) determination is an **interim instrument to provide certainty of terms and conditions** and prevent any potential non-compliance stemming from the interaction between the PS Act and the APS Award until an enterprise agreement is in place.

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Page 1 of 3

Project Principles

1. We are committed to ensuring all employees receive their correct entitlements.
2. We will work to resolve the issue as quickly as possible, while ensuring accuracy and completeness.
3. We will act with integrity and be honest, accountable and transparent about what has happened and how we're going to fix it.
4. We will engage with people openly to understand their views and obtain information not stored in our systems.
5. We will use resources with the skills and capacity required to ensure a full resolution of the project.
6. We will learn and apply lessons from our experience.

These principles aim to reflect our APS Values, to hold ourselves to a high standard as a model employer, maintain the trust and good will of our employees, and ameliorate risk.

Timeline excerpt

Critical date	Event or action
1 June 2022	Administrative arrangement orders announced.
9 June 2022	APSC advises DESE in writing to progress with a s 24(1) determination.
15 June 2022	DESE is advised orally, by the APSC the industrial instrument would need to be a s 24(1) determination.
20 June 2022	APSC provided written advice that maintaining current working hours is achievable through a s 24(1) determination and provided the National Resilience and Recovery Agency determination is a good model to follow.
20 June 2022	Ashurst engaged to draft the s 24(1) determination.
30 June 2022	Ashurst provided the final draft of the determination.
7 July 2022	DEWR Determination 2022/1 made under s 24(1) signed by s 22(1)
17 August 2022	DEWR Determination 2022/2 made under s 24(1) signed by s 22(1) made in substantially the same terms to correct a clause numbering error.
5 June 2023	Query made by a manager to People Branch prompted identification of the issue.
15 June 2023	s 22(1) briefed on the matter.
15 June 2023	Advice requested from Ashurst to clarify drafting of the determination (provided 21 June 2023).
22 June 2023	Further advice requested from Ashurst (provided 4 July 2023).
6 July 2023	Executive discussion regarding the interpretation of Ashurst advice.
18 July 2023	Cobalt Consulting engaged to conduct data analysis.
25 July 2023	s 22(1) informs Minister Burke of the matter during an in-person meeting.
27 July 2023	s 22(1) informs Minister O'Connor's Chief of Staff and the APS Commissioner.
28 July 2023	s 22(1) informs s 22(1)
1 August 2023	Elm Communications engaged for the development of communications products.
2 August 2023	Kingston Reid engaged to provide independent advice and conduct root cause analysis.
9 August 2023	Self-reported to Fair Work Ombudsman. s 22(1) phone call to a/g FWO s 22(1) followed by email report.
10 August 2023	Written brief sent to Ministers Burke and O'Connor.
11 August 2023	CPSU briefed in virtual meeting.
11 August 2023	All staff email communication from s 22(1) Intranet page published.

18 August 2023	Sought advice from the APSC on the application of s 24(1A).
29 August 2023	APSC and DEWR request joint advice from AGS on the application of s 24(1A) (provided 18 October 2023).
7 September 2023	Agency level enterprise bargaining commenced.
6 October 2023	Calculations provided to employees for review ahead of remediation payment.
20 October 2023	Finalised root cause analysis advice received from Kingston Reid.
20 October 2023	Update provided to FWO on payments to employees.
24 October 2023	All staff email communication from s 22(1) advising outcomes of initial payments.
26 October 2023	Remediation payments paid to 99 employees.
30 October 2023	APSC and DEWR meet with AGS on the drafting of the s 24(3) determination.
6 November 2023	Update provided to FWO.
16 November 2023	CPSU briefed on proposed s 24(3) in virtual meeting.
16 November 2023	All staff email communication from s 22(1) on the proposed s 24(3) determination.
23 November 2023	CPSU provides written feedback on proposed s 24(3) determination.
28 November 2023	Executive Board noted the implications from the line-by-line analysis of the s 24(1) determination and agreed to the remediation approach on further underpayments.
29 November 2023	Draft brief to Minister Gallagher, s 24(3) determination and explanatory statement sent to the APSC to progress for clearance to the Minister's Office.
1 December 2023	APSC provides written brief and s 24(3) request to Minister Gallagher.
1 December 2023	DEWR updated Minister Burke's Office during a virtual meeting.
4 December 2023	DEWR updated Minister O'Connor's Office during a virtual meeting.
4 December 2023	AGS provides additional advice on the interaction between the s 24(1) determination and APS Award.
8 December 2023	Written briefs sent to Ministers Burke and O'Connor.
11 December 2023	Public Service (Terms and Conditions of Employment) (Department of Employment and Workplace Relations) Determination (2023 PS Determination) registered.
12 December 2023	2023 PS Determination takes effect.
12 December 2023	All staff email communication from s 22(1) on s 24(3) determination and further underpayments.
13 December 2023	Update provided to FWO on s 24(3) determination and further underpayments.
13 December 2023	Field work commenced for the internal audit of payroll systems and processes.
24 January 2024	Update provided to CPSU on progress of remediation.
31 January 2024	Update provided to staff via the intranet.
1 February 2024	Update provided to FWO on progress of remediation.

Last Cleared By **s 22(1)**
 Date Last Cleared 12 February 2024

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SB24-000043
 Data for: JUL 2022 to DEC 2023

Media coverage

Coverage Type	Count
Enquiry	1
Article	14
Mention	7
TOTAL	22

Note: Summary provided at [Attachment A](#).

Related Questions received on notice

PDR Link	Submitted By	Subject
SQ23-001131	Cash, Michaelia	Underpayments of Worker Entitlements
SQ23-001193	Cash, Michaelia	When did the department notify Fair Work Ombudsman of the underpayment?
SQ23-001194	Cash, Michaelia	Internal payroll audit
SQ23-001245	Cash, Michaelia	Underpayment staff communication

Attachments

[Attachment A](#) – Summary of media coverage



Australian Government
Department of Employment
and Workplace Relations

SB24-000043
Attachment A

Overtime Entitlements Review

Summary of media coverage

Date	Outlet	Coverage/enquiry
12 August 2023	The Canberra Times	Article, page 12, <i>DEWR underpaid 'small cohort' of its public servants.</i>
14 August 2023	Myriam Robin, Australian Financial Review	Enquiry.
14 August 2023	Stephen Cenatiempo Breakfast Show, Radio 2CC Canberra	Mention of DEWR during discussion of employer underpayment alongside ABC, Wesfarmers.
18 August 2023	Myriam Robin, Australian Financial Review	Article, <i>Employment department underpaid staff.</i>
22 August 2023	Radio National	Mention of DEWR during discussion of employer underpayments alongside RBA, ABC.
31 August 2023	The Daily Telegraph	Mention in article <i>More complexity will only hinder payment of wages.</i>
1 September 2023	NT News Cairns Post Gold Coast Bulletin	Republished versions of 31 August Daily Telegraph article.
25 October 2023	The Liberal Party of Australia website	Media release, <i>Underpaid DEWR staff still waiting for their money.</i>
25 October 2023	The West Australian SYNDICATION: Albany Advertiser, Broome Advertiser, Bunbury Herald, Great Southern Herald, Kalgoorlie Miner, Narrogin Observer, PerthNow, Pilbara News, Sound Telegraph, South	Article, <i>Government workplace department underpaid employees.</i>

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1

	Western Times, The Geraldton Guardian, The West Australian	
25 October 2023	Capital Community Radio 101.7FM	Mention of underpayment matter.
25 October 2023	The Canberra Times	Senate Estimates live blog coverage.
25 October 2023	The Australian	Article, <i>Employment Department admits it underpaid 99 staff more than \$62,000.</i>
26 October 2023	The Liberal Party of Australia website	Media release, <i>Complex and confusing bill exposed in Senate hearing.</i>
26 October 2023	Workplace Express	Article, <i>DEWR's \$200k bill to remedy its \$60k underpayment.</i>
26 October 2023	ABC News	Article, <i>Federal department responsible for workplace and employment conditions admits to underpaying staff.</i>
27 October 2023	Breakfast with Danny Kennedy, ABC Radio Western Queensland Longreach	Mention of underpayment matter.
27 October 2023	Talk Overnight, 2SM Sydney Radio	Mention of underpayment matter alongside Department of Finance and ABC
27 October 2023	RiotACT	Article, <i>Department underpays 99 staff members, costing hundreds of thousands of dollars.</i>
28 October 2023	PS News	Republication of RiotACT article from 27 Oct 23
19 December 2023	The West Australian	Article, <i>Federal department admits to underpaying staff just weeks after the wage theft bill passes Parliament.</i>
20 December 2023	The Australian	Article, <i>Commonwealth underpaid its workers despite IR push.</i>
8 January 2024	The Australian	Mention of DEWR in article on Business Council of Australia, <i>Burke bristles at BCA wage claims.</i>

DEWR underpaid 'small cohort' of its public...

By Miriam Webber

The Canberra Times

Saturday 12th August 2023

403 words

Page 12 | Section: NEWS

234cm on the page



DEWR underpaid 'small cohort' of its public servants

Miriam Webber

THE Department of Employment and Workplace Relations will back pay 68 public servants, after realising some employees had not been paid their overtime entitlement.

Chief operating officer Deborah Jenkins wrote to staff at the department this week to inform them of the error.

"We are taking this very seriously and, while aspects of the matter are complex, we are working quickly to resolve it and pay our employees all their entitlements as soon as possible," Ms Jenkins

wrote in an email.

The issue affects "a small cohort of employees" who are directed to work between 7-8am and 6-7pm, such as staff working at contact centres and service desk employees.

The department realised it had underpaid staff in June,

and Ms Jenkins outlined a number of steps it had taken since to investigate further.

This included seeking legal advice, gathering roster and overtime pay data, engaging an external adviser to calculate entitlements

owed, commencing an independent legal review of the determination and reporting the matter to the Fair Work Ombudsman.

The total number of staff affected and how much money is owed is not yet clear.

"We are committed to ensuring that all employees receive the pay and conditions they are entitled to and are working through this as quickly as possible, while making sure we get it right," Ms Jenkins wrote.

Community and Public Sector Union deputy secretary Beth Vincent-Pietsch said the union understood 68 staff had been underpaid.

"The CPSU is aware of an

underpayment issue that has impacted 68 employees in the Department of Employment and Workplace Relations," Ms Pietsch said.

"Since this error was identified by management, they have communicated openly and we do not foresee any issues in the rectifying the matter."

While staff at the department can choose their work hours between 7am and 7pm, those who are directed to work early or late are eligible for overtime.

In that case, overtime applies outside of the hours of 8am and 6pm. The department is now considering revising that to 7am to 7pm.

"We are continuing to explore this option and it is of utmost importance to us that we do this right," Ms Jenkins wrote.

The department will consult with the Public Service Commission and the CPSU before making any changes.

We are working quickly to resolve it and pay our employees all their entitlements.

Deborah Jenkins

[Politics](#)[Rear Window](#)

— [Rear Window](#)

Employment department underpaid staff

Myriam Robin

Rear Window editor



Aug 17, 2023 - 5.58pm

The finer detail of enterprise bargaining agreements is often tricky to implement. And don't take it from us, but from the Department of Employment and Workplace Relations, which last week emailed staff a three-page missive admitting to underpaying some of them.

So, the department charged with making sure employers don't short-change their employees has discovered it's been doing the very same from July last year. That's all under the watch of Workplace Relations Minister **Tony Burke**

[<https://www.afr.com/politics/federal/burke-seeks-smooth-of-passage-of-ir-bills-by-christmas-20230816-p5dwzk>], whose displeasure at this we can only imagine.

As staff were told, the issue affects 68 employees who worked after July last year and were directed to work unusual hours, which should have entitled them to overtime.

The Department had at the same time introduced a flexible work policy allowing employees to choose to start early or late, but had in the process assumed everyone was doing this, even though the service workers manning the phones and assistance desks had no choice.



Workplace Relations Minister Tony Burke has a big agenda. **Alex Ellinghausen**

Luckily for Bourke and his government’s rabble-rousing “wage theft” agenda [<https://www.afr.com/politics/federal/burke-seeks-smooth-of-passage-of-ir-bills-by-christmas-20230816-p5dwzk>], this particular industrial dispute seems unlikely to metastasise. The Commonwealth Public Sector Union for one is happy, deputy secretary **Beth Vincent-Pietsch** saying management had communicated “openly” about the error, which she expects to be swiftly rectified.

From the employment department, that’s the least we’d expect.



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Myriam Robin is Rear Window editor based in the Melbourne newsroom. A Rear Window columnist since 2017, she previously reported on financial markets and media. *Connect with Myriam on [Twitter](#). Email Myriam at myriam.robin@af.com*





More complexity will only hinder payment of wages

By David Alexander

The Daily Telegraph

Thursday 31st August 2023

591 words

Page 13 | Section: OPINION

286cm on the page

More complexity will only hinder payment of wages

David Alexander

You may have noticed a number of high-profile employers admitting they have underpaid their employees.

The Reserve Bank, the ABC, various large corporates, law firm Maurice Blackburn and, last week, the Department of Employment and Workplace Relations confessed to staff underpayments. We need to ask the question: what is going on here?

There has been no great outbreak of criminal ideation among this generation of employers. The fact is that none of these employers would consider for a moment deliberately underpaying their staff.

What is actually going on is an entirely separate phenomenon of increasing complexity leading to execution breakdown.

The Reserve Bank deputy governor Michele Bullock hit the nail on the head when she said the RBA underpayments were the “result of the complicated nature of our industrial arrangements and their interpretation”.

The fact is that our industrial relations laws have become hideously complex to the point where even highly skilled experts struggle to manage their systems.

If the Reserve Bank has difficulty

complying with the system, you can only imagine how stressful the task is for small and medium-sized businesses. The Australian workplace relations system is recognised as one of the most complex in the world. The Fair Work Act 2009 contains over 1200 pages of legislation.

It should be no surprise that a majority of businesses have described Australia’s workplace relations regulations as either “very complex” or “extremely complex,” according to surveys conducted by the Australian Chamber of Commerce and Industry.

Last year the government introduced another layer of complexity to the system through 288 pages of new legislation introducing multi-employer bargaining and other workplace law changes.

The government’s cost estimates for this extra compliance burden on Australian business were revealed at the time — small businesses \$14,638; medium businesses \$75,148; and large businesses \$94,311.

For the businesses with more than 20 employees ultimately impacted, the costs in finance, time and stress are significant.

The obvious answer to this problem is to address the root cause by

reducing the complexity.

Unfortunately the government is doing the opposite – it is soon to introduce yet another major round of complex legislation involving labour hire, casual workers and contractors.

Here is what we can predict with

ease: the government turning up the dial again on complexity will result in yet more wage underpayments across Australia.

This government action is obviously not a deliberate form of taking money from workers but it could constitute a form of reckless indifference to that outcome.

The irony is that while the problem of complexity-induced underpayments is one that results from ministerial decisions, the focus of the government right now is on introducing new criminal penalties on employers for underpayment.

This is a classic example of focusing on the symptoms rather than the

cause. The Australian Chamber of Commerce and Industry’s position on this matter is clear: the first priority must be for policymakers to recognise their own role in causing underpayment issues through adding complexity.

Fix that problem and much of the air goes out of the underpayment balloon.

Making wage theft, like any robbery, a criminal offence is perfectly reasonable but inadvertent underpayments should not be treated as deliberate behaviour.

As legislators consider the next raft of IR changes, they need to consider that adding complexity to the system is contributing to workers being underpaid.

Admitting the problem is half-way to solving it.



David Alexander is chief of policy and advocacy at the Australian Chamber of Commerce and Industry

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OCT
25
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Underpaid DEWR staff still waiting for their money

MEDIA RELEASE

The Department of Employment and Workplace has not yet reimbursed 99 staff who were underpaid over \$60,000 in wages, despite the underpayment being discovered more than four months ago.

It has so far cost the Department almost \$200,000 in legal and consultant fees to rectify the errors.

During questioning by Senator Michaelia Cash in a Senate Estimates hearing Department Secretary Ms Natalie James revealed staff could expect the money in this week's pay run.

Ms James revealed the total amount to be repaid to the 99 staff was \$62,926.52, which includes an indexation payment. The average repayment was \$635.25, while the highest repayment is \$4051.07.

She also revealed that legal advice about the underpayments had cost the Department \$119,625 so far and external consultants were paid a further \$75,866 for data analysis.

Ms James blamed the underpayment on the machinery of Government changes following the 2022 election. She told the hearing the "arrangements for pay and conditions became a little more complex as a result of the machinery of Government change."

Ms James said she was told of the underpayment on June 15 after an internal query identified an issue on June 5. She informed Employment and Workplace Relations Minister Tony Burke on July 25. The Staff were told on August 11.

Senator Cash said: "This has been quite an extraordinary episode. If the Department responsible Employment and Workplace Relations struggles to pay its staff correctly what hope do small businesses have?"

"Ms James admitted that complexity was the issue – which is exactly the challenge facing tens of thousands of small and medium businesses in this country," Senator Cash said.

"This Government is only making the Workplace Relations system more complex and confusing with their radical industrial relations laws," she said.

"Unfortunately, most businesses do not have the resources to pay lawyers and consultants tens of thousands of dollars to sort through such issues," Senator Cash said.

"It is a most graphic example of why this nations' workplace laws need to be simplified not complicated further," she said.

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Politics

Government workplace department underpaid employees

Kat Wong AAP

Wed, 25 October 2023 12:28PM



Nearly 100 workers at the Department of Employment and Workplace Relations were underpaid. (Mick Tsikas/AAP PHOTOS) Credit: AAP

- The government department that is supposed to ensure Australians have "safe, secure and well-paid work" underpaid its own employees, and spent three times more on legal advice than on workers' compensation.
- A Senate estimates committee heard 99 workers at the Department of Employment and Workplace Relations had been underpaid by more than \$60,000 from July 2022 until August this year.
- Staff are due to receive their compensation in the next few days, even though the department first discovered the underpayments more than four months ago.

Management received an internal query about the issue on June 5, which was received by department secretary Natalie James on June 15, who informed Workplace Relations Minister Tony Burke on July 25, before staff were told on August 11.

"Because of the machinery of government change and some other systems, getting a hold of our own records for the full period wasn't as straightforward as we would have preferred," she told the committee.

"I am, of course, extremely sorry that this happened.

"I appreciate the irony as a former Fair Work Ombudsman and as someone who was a partner at Deloitte and spent a lot of time telling businesses to address these sorts of issues."

The average employee was short changed \$635.25, but in one case a worker had been underpaid by more than \$4000.

Upon discovering the underpayment, the department spent about \$200,000 on legal advice and data analysis.

Once staff were finally informed, management held information sessions with staff and opened inboxes to receive their queries.

"It would have been better if we had identified this issue earlier," Ms James said.

"This example is one where you've got historic latent underpayments and someone's belled the cat on them - and if you don't act, that is one of the worst things you can do."

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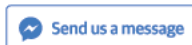
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THE AUSTRALIAN

By **JOE KELLY**
NATIONAL AFFAIRS EDITOR
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2:26PM OCTOBER 25, 2023 •  15 COMMENTS

The Department of Employment and Workplace Relations [underpaid 99 staff](#) more than \$62,000 between July 2022 and August 2023, and spent nearly \$200,000 on legal advice and data analysis in order to rectify the underpayments.

Secretary of the Department, Natalie James, told a Senate estimates hearing that she was first informed of the [underpayments](#) more than four months ago on June 15, told the minister's office on July 25 and advised staff and the Community and Public Sector Union of the error on August 11.

But, as of Wednesday morning, departmental officials revealed that the 99 impacted staff had still not received any of their owed backpay after [more than a year of underpayments](#).

The revelations come as the government seeks to push through its [second tranche of industrial relations reforms](#) which seek to expand wage theft laws including a fivefold increase in maximum penalties and criminalisation of underpayments.

Ms James said the [owed funds](#) were being processed and would be delivered as soon as this week's pay run under questioning from opposition workplace relations spokeswoman, Michaelia Cash, who described the underpayments as an "extraordinary episode."

The department's deputy secretary and chief operating officer for the corporate and enabling services group, Deborah Jenkins, revealed the total amount owed in backpay was \$62,926.52.

Ms Jenkins said the average repayment was \$635.25 and ranged in value from \$8.89 to \$4,051.07. Of the 99 staff who are owed money, 93 are still employed by the department while six are former employees.

Ms Jenkins said that, after learning of the underpayments, the department spent \$119,625.47 on legal advice and a further \$75,866.34 on data analysis to understand what went wrong. The period of underpayments stretched from July 7 2022 through to August 11 2023.

Ms James told the committee hearing the payment error was the result of complexities around the machinery of government changes which had led to the creation of the department on July 1, 2022.

She said the complicating factor was that staff were coming from other areas of the bureaucracy to work for a newly created entity that had only recently been established. Ms James said this was a problem unique to the public service and would not be encountered by small businesses.

"When people move to a new and established department, the rules in the Public Service Act apply as follows: the (enterprise) agreements of the receiving department apply to those staff. There is a capacity under the Public Service Act,

THE AUSTRALIAN

people from the Department of Industry. And some of the people in the Department of Industry are paid more at certain classifications.

“Then a determination under section 24 can be used to preserve those higher pay rates of the incoming staff who will otherwise be covered by all other terms and conditions of the enterprise agreement.”

However, Ms James said the situation was “different when you create a brand new entity.” “People will move into that entity. But none of the conditions that they bargained for, with the conditions that they are used to, apply. And so you are effectively at ground zero. The relevant industrial instrument is the public service award.”

Senator Cash said that, if the department responsible for employment and workplace relations struggled to pay its staff correctly, then “what hope do small businesses have?”

“Ms James admitted that complexity was the issue – which is exactly the challenge facing tens of thousands of small and medium businesses in this country,” Senator Cash said.

“This government is only making the workplace relations system more complex and confusing with their radical industrial relations laws,” she said. “Unfortunately, most businesses do not have the resources to pay lawyers and consultants tens of thousands of dollars to sort through such issues.”

Labor Senator Murray Watt, representing the Minister for Employment and Workplace Relations, Tony Burke, also told the hearing that “wage underpayment should not occur in any circumstance.”

“And where those wage underpayments are intentional of course we have legislation before the parliament to deal with that,” Senator Watt said. “The other obvious thing to say is that where those underpayments are detected they should be remedied at the first available opportunity.”

JOE KELLY, NATIONAL AFFAIRS EDITOR

Joe Kelly is the National Affairs Editor. He joined The Australian in 2008 and since 2010 has worked in the parliamentary press gallery, most recently as Canberra Bureau chief... [Read more](#)





OCT
26
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Complex and confusing bill exposed in Senate hearing

MEDIA RELEASE

The Department of Employment and Workplace Relations appearance at a Senate Estimates hearing has been characterised by a series of complex and confusing explanations of the Government's so-called Closing the Loopholes Bill.

A phalanx of departmental officials was required to explain various parts of the controversial Bill. It often took two or three officials to contribute to the answer to a single question.

Shadow Minister for Employment and Workplace Relations Senator Michaelia Cash said: "One thing that was made very clear was that, despite what the Government keeps claiming, service contractors are not excluded from the labour hire provisions in the Bill."

A departmental official told the hearing: "It is not a strict prohibition against the inclusion of services contractors."

Senator Cash said: "It has been plainly obvious to everyone that service contractors are not excluded and now we have confirmation of this from the department which drafted the Bill."

On the complexity imposed on business in the Bill, Senator Cash said: "A question and follow-up on the definition of a casual and the effects of that definition took over 15 minutes to explain. I think many in the room were more confused at the end of the explanation than at the start."

"I'm not sure how small and medium business operators are expected to work their way through these changes and understand what they can and can't do," Senator Cash said.

"The information provided today raises even more questions which we will be exploring through the ongoing committee inquiry and also in the Senate when the Bill reaches the chamber," she said.

"At one point an official admitted that 'loophole is not defined in the bill' and 'it's a broad-brush way of referring to the measures in the bill to give it a short title'," Senator Cash said.

"If it wasn't so serious it would be laughable," she said.

"At the start of the day we learnt how even the Department got it wrong when it came to paying their own staff. They underpaid 99 staff by over \$60,000 and it has cost them nearly \$200,000 so far in legal and other fees to rectify the situation," Senator Cash said.

"If the Department responsible for employment and workplace relations can't get it right on paying their staff how can businesses navigate this whole system and the changes proposed?" she said.



www.workplaceexpress.com.au

DEWR's \$200K bill to remedy its \$60K underpayment

26 October 2023 1:53pm

DEWR spent almost \$200,000 on external legal and financial advice to rectify about \$60,100 in employee underpayments, it told a Senate Estimates hearing yesterday.

Shadow workplace relations minister Senator Michaelia Cash questioned departmental managers over the underpayment, which followed the creation of the Department on July 1 last year (see [Related Article](#)).

"It's challenging and confusing to apply workplace laws and awards, even for the department," she said.

DEWR secretary Natalie James attributed the underpayments to circumstances "unique to the public service" at the time of the new department's creation, through machinery of government changes that involved taking on employees from three other agencies.

James told the education and employment legislation committee that creating a new entity meant that transferred employees no longer fell under the Fair Work instruments that they had bargained.

"So effectively you're at ground zero," James said.

The department sought to preserve employees' term and conditions when making a determination under [s24](#) of the Public Service Act, which requires that their benefits are maintained.

James said most public service enterprise agreements contain a span of ordinary working hours of 7am to 7pm but the public service award has a span of 8am to 6pm, meaning that employees who work outside those hours are entitled to overtime.

She said the Department had about 20 days to craft a workplace determination for more than 3000 employees in the new entity and a "small cohort" of employees who mostly work on the department's customer service line missed out on some overtime.

The matter had been raised with her in mid-June last year and advice was sought from the legal firm which drafted the determination, plus a financial consultant and a second law firm.

James said DEWR told its employees and the CPSU about the underpayment concerns on August 11 last year and defended the delay, saying that transparency is important but first "you need to know what has happened".

99 workers shortchanged an average of \$632

DEWR deputy secretary and chief operating officer, Deborah Jenkins, told the hearing that 99 current and former employees had been underpaid a total of \$60,100, with an average underpayment of about \$632.

Jenkins said that the underpayments are expected to be rectified this week.

James said she could "appreciate the irony" of the DEWR underpayments, given she is a former Fair Work Ombudsman and ex-Deloitte partner who had advised on such matters.

She had previously looked at "looked into the guts of more complex underpayments than many of you [senators] have had hot breakfasts", and the major contributor in this case was wanting to get the department up and running as quickly as possible.

"I was absolutely committed to ensuring that we dealt with it quickly, appropriately, transparently.

"That we properly resourced it, that we moved promptly, but not in such haste that we got it wrong, because you want to remediate, ideally, once and get it right."

Related links

- Related Article : [Labor brings James back from wilderness to run DEWR](#)
- Related Article : [Back to the future as Labor reunites IR and employment](#)
- Related Article : [James replaced as Fair Work Ombudsman](#)

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Federal department responsible for workplace and employment conditions admits to underpaying staff

Posted Thu 26 Oct 2023 at 12:55pm

The government department responsible for overseeing federal workplace and employment conditions had to pay about \$200,000 to rectify a more than \$60,000 underpayment of 99 staff.

The matter came to the attention of the federal Department of Employment and Workplace Relations after a query was raised internally.

A Senate hearing on Wednesday heard the department's secretary Natalie James learned about the prospect of an underpayment on June 15. She then spoke with Employment and Workplace Relations Minister Tony Burke on July 25.

Affected staff did not receive the money owed to them until this week.

The ABC made multiple attempts to seek comments from Mr Burke's office on Wednesday and Thursday.

On Thursday, his office declined to answer questions and instead referred the ABC to the departmental secretary's comments on Wednesday.

Ms James told the hearing that she discussed the matter with Mr Burke in person.

Liberal senator Michaelia Cash asked if Mr Burke asked to receive a formal briefing about the matter.

"The minister did not request a briefing," Ms James said.

"We talked through the issues and we endeavoured to keep him informed."

When asked if Mr Burke had apologised to staff, Ms James initially said, "I'm not sure why he would, senator, it's my responsibility". When pressed she replied "the answer is no".

Agriculture Minister Murray Watt, who appeared in the committee on behalf of Mr Burke, said underpayments should not occur.

"Wage underpayment should not occur in any circumstance," he said.

Key points:

- The department underpaid staff between July 2022 and August this year
- The department became aware of the prospect of the underpayment in June this year
- Staff this week received their reimbursement

"And where those wage underpayments are intentional, of course, we have legislation before the parliament to deal with that."

Senator Watt later said: "The other obvious thing to say is that where those underpayments are detected they should be remedied at the first available opportunity."

Underpayment stretched across a year

The underpayment occurred between July 7, 2022, and August 11, 2023.

It affected 99 employments, 93 of whom are current employees.

The payments varied from about \$9 to more than \$4,000, with the average of more than \$630.

While the underpayment plus indexing cost almost \$63,000, external legal and data costs totalled almost \$200,000.

Officials attributed the underpayment to changes that resulted from departmental changes that occurred after the 2022 election.

The department self-reported to the Fair Work Ombudsman on August 9, 2023.

"This has been quite an extraordinary episode," Senator Cash said in a statement.

"If the department responsible, Employment and Workplace Relations, struggles to pay its staff correctly what hope do small businesses have?"

It is not the only department to have underpaid staff. In 2021, the Department of Finance confirmed it had underpaid 60 parliamentary employees over a four-year period.

Around the same time, the ABC confirmed it had underpaid current and former staff millions of dollars.



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28 NOVEMBER

Department underpays 99 staff members, costing hundreds of thousands of dollars

27 October 2023 | Chris Johnson

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Department of Employment and Workplace Relations Secretary Natalie James has explained to Senate Estimates how staff were underpaid.
Photo: File.

The Department of Employment and Workplace Relations (DEWR) underpaid almost 100 staff over the course of a year and has only just repaid them in the past few days.

Senate estimates hearings exposed the issue on Wednesday (25 October), asking questions of department secretary Natalie James and noting the irony that her agency is in charge of overseeing workplace conditions.

Underpayments to 99 employees took place between 7 July 2022 and 11 August 2023.

The underpayments ranged from \$9 to \$4051.07, with the average underpayment coming in at \$635.25.

The total of the underpayments with indexing amounted to \$62,926.52, but legal and consultancy expenses related to the shortfalls landed the department an almost \$200,000 bill.

Ms James said she had only become aware of the underpayments in June this year and informed Employment and Workplace Relations Minister Tony Burke on 25 July.



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An internal query over the matter was brought to her attention and the department subsequently self-reported the underpayments to the Fair Work Ombudsman in August this year.

"The Minister did not request a briefing," Ms James said when asked.

"We talked through the issues and we endeavoured to keep him informed."

Asked if Mr Burke had apologised to staff, Ms James replied that he hadn't.

"I'm not sure why he would... it's my responsibility," she said.

Ms James revealed the department has paid \$119,625 for legal fees to date and a further \$75,866 to external consultants for data analysis.

But staff have only just been paid in the current pay cycle what they have long been owed.

Six of them are no longer even in the employ of the department.

The official excuse for the underpayments has been put down to machinery of government changes that affected the department following last year's federal election.



READ ALSO Infrastructure boss disgusted by grads allegedly ranking female colleagues by their 'hotness'

"Arrangements for pay and conditions became a little more complex as a result of the machinery of government change," Ms James said.

Shadow employment minister Michaelia Cash, who was dogged in questioning Ms James and department officials over the underpayments, later suggested that if the government couldn't pay its staff right it had little authority to crack down on businesses.

"This has been quite an extraordinary episode," Senator Cash said.

"If the department responsible for employment and workplace relations struggles to pay its staff correctly what hope do small businesses have?"

"Ms James admitted that complexity was the issue, which is exactly the challenge facing tens of thousands of small and medium businesses in this country.

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"And where those wage underpayments are intentional, of course, we have legislation before the parliament to deal with that."

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John Schwazer 7:18 am 29 Oct 23

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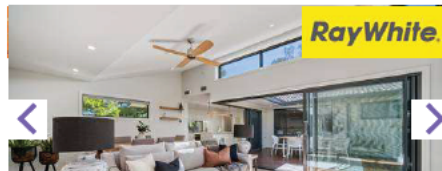
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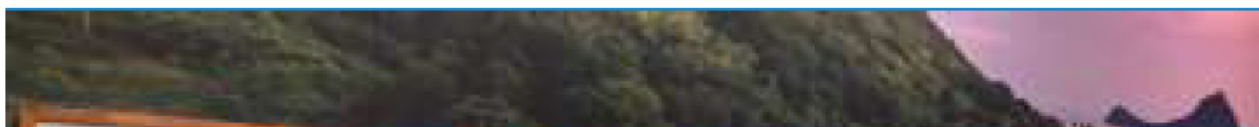
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Department underpays 99 staff members, costing hundreds of thousands of dollars

28 October 2023 | Chris Johnson

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Department of Employment and Workplace Relations Secretary Natalie James has explained to Senate Estimates how staff were underpaid. Photo: File.

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Original Article published by Chris Johnson on [Riotact](#).

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Federal departments admit to underpaying staff just weeks after wage theft bill passes Parliament



Dan Jervis-Bardy The West Australian
Tue, 19 December 2023 7:01PM [Comments](#) +

Dan Jervis-Bardy



Shadow Attorney General Michaelia Cash. Credit: MICK TSIKAS/AAPIMAGE



Federal agencies responsible for advising cabinet's powerful national security committee and auditing Government spending have admitted to underpaying staff.

The department which runs Parliament House in Canberra has also been forced to backpay employees more than \$340,000.

The cases - which were reported in 2021-22 - have come to light just a [fortnight after the Federal Parliament passed laws to criminalise wage theft.](#)

WA Liberal senator Michaelia Cash has been pursuing the issue after it emerged the Department of Workplace Relations had underpaid almost 100 staff a combined \$63,000.

In response to Senator Cash's questions to Senate estimates, other departments and agencies have disclosed their own cases.

The Office of National Intelligence revealed it was currently investigating one instance of "systemic underpayment" of entitlements to about 10 staff.

The highly secretive ONI provides intelligence briefings to the prime minister and cabinet's national security committee - the body responsible for major security and foreign policy decisions.



The office confirmed it had self-reported the matter to the Fair Work Ombudsman but did not provide any further detail.

The Australian National Audit Office, which runs the ruler over Government spending, revealed it underpaid two staff a combined \$1273 in the 2021-22.

The amount has since been repaid.

The Department of Parliamentary Service was forced to backpay more than \$340,000 worth of shift penalties to 42 staff from its food and beverage operation.

The department blamed the error - which was reported to the ombudsman - on “ambiguity” in the interpretation of a 2017 enterprise agreement.

↑ BREAKING UNDER FIRE 



NT Chief Minister resigns amid share scandal

Dylan Caporn

In a second case, which was detected in 2023, five staff in its parliamentary engagement team were backpaid almost \$8000 in shift penalties.

Senator Cash is still awaiting responses from several departments including Home Affairs, Finance and ASIO.

The bulk of the new cases appear to have been reported in the final year of the Morrison Government, when Senator Cash was industrial relations minister.

The opposition frontbencher is nevertheless using the cases to mount a fresh attack on the Albanese Government’s industrial relations laws.

The criminalisation of “intentional” wage theft was part of the first tranche of Labor’s Closing Loopholes Bill that was rushed through Parliament in the final sitting week of the year.

 **EXCLUSIVE** 'SHORTCHANGE THIS AREA'



Eating disorder centre funds used on early intervention

Kimberley Caines

The Coalition opposed the Bill.

“If Government departments can’t pay their employees correctly what hope do small and medium businesses have?” Senator Cash said.

“The issue has always been complexity and this has been an ongoing challenge for businesses across Australia.

“Most businesses want to do the right thing but the system makes it hard for them.”

The new wage theft laws, which also cover underpayment of superannuation, are [not due to start until at least January 2025](#).

 **BREAKING** HEALTHY POSITION 



WA revels in \$3.7b surplus thanks to iron ore windfall

Josh Zimmerman and Jake Dietsch

Workplace Relations Minister Tony Burke said all employers had an obligation to pay

“I will never accept Mr Dutton’s team claiming it’s all too difficult,” he said.

“Workers have a right to be paid properly. If there’s an honest mistake it should be corrected immediately. If there’s deliberate underpayment it is now a crime.

‘It will continue to haunt the Liberal and National Parties that Mr Dutton’s team voted against wage theft being a crime.’”

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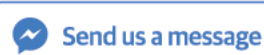
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The West Australian



Commonwealth underpaid its workers despite IR push

By JESS MALCOLM

The Australian

Wednesday 20th December 2023

471 words

Page 2 | Section: THE NATION

224cm on the page

Commonwealth underpaid its workers despite IR push

JESS MALCOLM

EXCLUSIVE

The federal bureaucracy has admitted to underpaying 57 staff more than \$348,000 just weeks after the passage of new industrial relations reforms that dramatically harden wage theft laws – including a fivefold increase in maximum penalties and criminalisation of underpayments.

In response to a question on notice, the Office of National Intelligence revealed one instance of “systemic underpayment” affecting 10 employees in the 2021-22 financial year.

The statutory body, responsible for advising Anthony Albanese and the National Security Committee, said the underpayment was being investigated and had been reported to the Fair Work Ombudsman.

In a separate instance, the Department of Parliamentary Services revealed it was forced to backpay 42 food and beverage staff in 2021-22 based on “a revised interpretation” of the enterprise agreement at a total cost of \$340,147.

The government department

said there had been “some ambiguity” in the enterprise agreement and had self-reported to the Fair Work Ombudsman for the “avoidance of doubt”.

A further five staff were also backpaid shift penalty provisions totalling nearly \$8000 after mis-payments were found during the annual reconciliation.

The revelations come after the government pushed through its second tranche of industrial relations reforms which criminalised wage theft, following a surprise deal between the government and the Senate crossbench.

The deal was hailed by unions but condemned by employers who have threatened to ramp up their multimillion-dollar campaign opposing Labor’s agenda.

Opposition workplace relations spokeswoman Michaelia Cash suggested the underpayments revealed hypocrisy and warned Labor’s complex new laws were crippling small businesses.

“If government departments can’t pay their employees correctly, what hope do small and medium sized businesses have?” Senator Cash told *The Australian*.

“The issue has always been complexity, and this has been an ongoing challenge for businesses

across Australia. Most businesses want to do the right thing but the system makes it hard for them.”

Australian Chamber of Commerce and Industry workplace relations director Jessica Tinsley said the government’s underpayments exposed the dangers of Labor’s “nightmarishly complex” reforms, and called for the new wage theft laws to be abolished.

“If massive commonwealth departments with large HR teams cannot make sense of this complexity, how on earth can a small business be expected to?” Ms Tinsley said.

But Workplace Relations Minister Tony Burke said all workers should be paid correctly and that it should be “an obligation on every employer without exception”.

“I will never accept (Opposition Leader Peter) Dutton’s team claiming it’s all too difficult. Workers have a right to be paid properly,” Mr Burke said.

“If there’s an honest mistake it should be corrected immediately. If there’s deliberate underpayment it is now a crime.

“It will continue to haunt the Liberal and National Parties that Mr Dutton’s team voted against wage theft being a crime,” he added.



Burke bristles at BCA wage claims

By GREG BROWN

The Australian

Monday 8th January 2024

935 words

Page 1,2 | Section: THE NATION

344cm on the page

Burke bristles at BCA wage claims

GREG BROWN

EXCLUSIVE

CANBERRA BUREAU CHIEF

The Business Council of Australia has blamed the complexity of the awards system for many cases of wage underpayment, prompting a rebuke from Workplace Relations Minister Tony Burke in a fresh battle between the Albanese government and the corporate sector.

The BCA has called for a reduction of the 121 award categories and for the industrial rules to be rewritten so they are "clear, easy to understand and in plain English so employers and em-

ployees are aware of their responsibilities and entitlements".

The peak corporate body is arguing staff underpayments are "very often the result of unintended errors due to the complexity of the awards".

In its submission to the Fair Work Commission's review into awards, the BCA said it was not only small businesses that were inadvertently breaking employment laws because the industrial relations system was difficult to navigate.

"Underpayments occur not just in small businesses with lower HR capacities and less access to advice, but also in major organisations ... despite making considerable investments in meeting their payment obligations," the submission says.

"If Australia wants to reduce underpayments, award quality, consistency, complexity, and subjectivity need to be acknowledged and addressed."

The BCA used the example of the complexity within the 105-page retail industry award, which "effectively sets out more than 1400 separate minimum rates of pay, applicable to differ-

ent classifications, modes of employment, ages and training arrangements, and hours or days worked".

But Mr Burke said the complexity of the awards system was no excuse for underpaying staff, accusing some bosses of not taking workplace laws seriously enough.

"If everyone treated workplace law as seriously as tax law, health regulations and planning laws, there would be far fewer underpayments," Mr Burke said.

"These other laws are all far more complex than paying someone properly."

In another shot at big business on Sunday, Agriculture Minister Murray Watt accused major supermarkets of paying farmers unfair prices for produce.

"I think all Australians expect the big supermarket chains to pay our farmers a fair price, and I think in too many instances that's not occurring," Senator Watt said, adding the government would look to crackdown on the issue through a review of the Food and Grocery Code.

Continued on Page 2



Burke bristles at BCA wage claims

Continued from Page 1

The Albanese government passed laws in December making it a criminal offence carrying a penalty of up to 10 years in jail for employers who deliberately underpaid their staff, after a string of companies admitted they had failed to pay workers the correct entitlements.

While companies including 7-Eleven, Qantas, Bunnings, Woolworths and the Commonwealth Bank have underpaid workers in the past five years, the federal government's Department of Employment and Workplace Relations underpaid 99 staff more than \$60,000 between July 2022 and August 2023.

With hostilities growing between business and the Labor government, BCA chief executive Bran Black said it was good the government had commissioned a review of the awards system, which he described as retaining "outdated and obsolete concepts such as the repair of horse-drawn carriages".

But Mr Black said any bene-

fits of the review were being undermined by the government's broader industrial relations agenda that was putting "jobs and higher wages for employees at risk". Business leaders were furious with a December deal between Labor and the Senate crossbench on legislation forcing employers to pay labour hire workers the same as direct employees doing the same work.

The corporate sector also opposes further IR changes the government is aiming to legislate this year, including making it easier for casual workers to convert to permanent employment and setting minimum workplace standards for gig workers.

"The government is unfortunately adding significant complexity to our employment system with the IR changes passed in December, and the remaining legislation proposed for February," Mr Black said.

"The government's legislation in February will make businesses less productive and that puts jobs and higher wages for employees at risk. It's a contradiction to seek to simplify awards through the review while at the same time burdening businesses with complexity and costs through new workplace relations changes."

Jim Chalmers on Sunday declared the government's industrial relations agenda was part of the reason wages increased by 4 per cent in the year to Septem-

ber 2023, the highest annual rise since 2009.

The government analysis showed wages in the lowest paid and second lowest paid categories increased by 6.7 per cent and 5 per cent respectively.

"At a time when cost-of-living pressures are putting working families under the pump, this data shows that wages are growing faster under Labor than they have in nearly 15 years and lowest paid workers are receiving the biggest boost," the Treasurer said. "Securing meaningful, responsible, sustainable wages growth is central to our economic plan – and our approach has been tailored to support lowest paid workers doing it toughest."

ACTU acting secretary Joseph Mitchell said there were no excuses for businesses underpaying their workers.

"Big business have been using complex legal mechanisms to create loopholes, drive down wages and undermine conditions, all while spending big to keep these complex loopholes around," Mr Mitchell said.

"It beggars belief that BCA claim complexity is driving wage theft when big businesses they represent, like Commonwealth Bank, have been caught out knowingly underpaying their workers millions."

"Working people are struggling from corporate price gouging and big businesses keeping wages low to amass record profits."

'The government is unfortunately adding significant complexity to our employment system with the IR changes passed in December'

BRAN BLACK
BCA CHIEF EXECUTIVE

Standing Committees on Education and Employment

QUESTION ON NOTICE Budget Estimates 2023 - 2024

Outcome: Cross Portfolio

Department of Employment and Workplace Relations Question No. SQ23-001131

Senator Michaelia Cash provided in writing.

Underpayments of Worker Entitlements

Question

1. Are you aware of any underpayments of worker entitlements since 2021-22 Financial year?
 - a. If yes, please provide how many instances it has occurred, what was the quantum of underpayment, and how many workers were impacted?
 - i. Did you report it to the Fair Work Ombudsman as a self-report?

Answer

In June 2023 the department identified that some APS employees directed to work their ordinary hours between 7–8am or 6–7pm, Monday to Friday, were not paid overtime in accordance with the arrangements put in place under a determination made under s.24(1) of the *Public Service Act 1999* (PS Act). The determination was made as a result of the Machinery of Government change that created the department from 1 July 2022. The effect of the requirements of s.24(1) of the PS Act is that some arrangements previously applying under enterprise agreements had to be adjusted, taking into account the Australian Public Service Award 2015 (APS Award). At 11 August 2023, the department identified 68 employees are potentially entitled to overtime based on an analysis of timesheet and roster data from 7 July 2022 to 21 June 2023. The quantum of any potential underpayment has not yet been confirmed. The department self-reported the issue to the Fair Work Ombudsman on 9 August 2023.

Standing Committees on Education and Employment

QUESTION ON NOTICE Supplementary Budget Estimates 2023 - 2024

Outcome: Cross Portfolio

Department of Employment and Workplace Relations Question No. SQ23-001193

Senator Michaelia Cash on 25 October 2023, Proof Hansard page 18

When did the department notify Fair Work Ombudsman of the underpayment?

Question

Senator CASH: When did you notify the Fair Work Ombudsman of the underpayment?

Ms James: I might ask Ms Jenkins to talk through that.

Ms Jenkins: We self-reported to the Fair Work Ombudsman on 9 August.

Senator CASH: When you self-reported, what did you inform them of?

Ms Jenkins: I will start and then I'll pass over to the team. I let the Fair Work Ombudsman know that we were going to be sending a note. I rang acting ombudsman Kristen Hannah at that time and then the team took over from there, as is appropriate. I will now pass to the team to let you know the details that they provided in that first notification.

Ms Cosgriff: I can advise you that the self-report included a little bit of the background information on how the matter arose. It described the actions we had taken to date at that point in time, and it outlined the next steps that the department would take in rectifying the situation.

Senator CASH: Am I able to get a copy of that on notice?

Ms Cosgriff: Yes.

Answer

A copy of the letter to the Fair Work Ombudsman from Deborah Jenkins, Chief Operating Officer dated 9 August 2023 and attachments referenced within the letter are at [Attachment A](#).



Australian Government
**Department of Employment
and Workplace Relations**

Your Ref
Our Ref

Corporate Assurance
Fair Work Ombudsman
By email: corporateassurance@fwo.gov.au

Dear Corporate Assurance Team

Department of Employment and Workplace Relations

I wish to inform you that the Department of Employment and Workplace Relations (DEWR) has identified circumstances where it has not made overtime payments to some employees in the past 14 months, and of the steps being taken to remedy this.

Background

DEWR was established as a new entity on 1 July 2022, through a machinery of government change. As a new entity, the *Australian Public Service Enterprise Award 2015* (the Award) is the applicable industrial instrument, unless it is replaced with an enterprise agreement, or a determination is made under the *Public Service Act 1999* (PS Act) by the Public Service Minister under s24(3) or an Agency Head under s24(1).

On 7 July 2022, the DEWR Determination 2022/1 (Non-SES employees) was made by the acting Secretary under s24(1) of the PS Act. This was followed by a subsequent determination made by the Secretary on 17 August 2022 in substantially the same terms – DEWR Determination 2022/2 (Non-SES employees) (the Determination) (**attached**).

The bandwidth during which ordinary hours may be worked by non-shiftwork employees is set out at clause 124 of the Determination as 8am-6pm. This reflects the bandwidth in the Award.

DEWR has identified operational practices in some rostered environments where employees have been directed to work ordinary hours between 7-8am or 6-7pm and have not been paid overtime. These operational practices were consistent with overtime rules that applied under the enterprise agreements that previously applied to employees joining the new department. However, rules about the bandwidth of ordinary hours (previously 7am-7pm) had been altered in the Determination to reflect the bandwidth

in the Award. This resulted in operational practices that no longer aligned with the new bandwidth established by the Determination.

I am therefore notifying you that some of our employees have not received all their entitlements to overtime, in accordance with the current Determination, during the period 7 July 2022 to the present day.

At this stage, we believe that this impacts a small cohort of APS employees who are directed to work between 7-8 am or 6-7 pm on weekdays.

Most of DEWR's employees are self-directed in their hours of work and work under flex time or other flexible work arrangements. We anticipate some employees who were directed to work their ordinary hours through a roster that included time outside of the 8am to 6pm bandwidth and may have been impacted. DEWR will also undertake a review of broader overtime practices and payments to ensure that all other employees have been paid their correct overtime entitlement.

Actions taken to date

DEWR has taken immediate steps since early June 2023, when it first identified a potential issue, to understand the nature and scope of the issue and commence actions to address it. In that time, the department has:

1. sought independent legal advice from Ashurst, who drafted the original Determination, on the interpretation of the Determination and application of bandwidth and overtime provisions
2. identified areas of the department with employees who are directed to work ordinary hours between 7-8am or 6-7pm on a rostered basis and other scenarios where other employees may be affected
3. engaged an external advisor, Cobalt Consulting, to analyse data and calculate any entitlements owing to employees
4. briefed our Executive Board and Secretary and established a steering committee to oversee the implementation of further actions
5. engaged Kingston Reid to conduct an independent legal review of our Determination against the Award identifying areas of risk, to confirm that they agree with the conclusions reached in the Ashurst advice, and to conduct a root cause analysis of how the issue arose.

So far, we have identified 68 employees entitled to overtime based on an analysis of flex sheet and roster data between 7 July 2022 and 21 June 2023 – this process of discovery continues. Initial analysis of this data indicates the average overtime duration is under one hour per occasion. Our payroll services are provided by a government owned third party, Service Delivery Office (SDO) and the reliance on the SDO to provide us with historical data we require is an interdependency to further quantifying the number of employees and monies owed.

We are working to resolve the issue as quickly as possible, while ensuring accuracy, so that current and former employees receive all owed entitlements. We are hopeful to have completed our analysis and calculations of owed entitlements by late-September 2023 to enable us to make back payments by October 2023.

Next steps

DEWR will be discussing the issue and the steps being taken with its employees and the Community and Public Sector Union commencing on 11 August 2023.

To ensure employees are paid their full entitlements, we will provide managers and employees with information sessions and supplementary information explaining the bandwidth and overtime provisions. Further discussion will be held with our workplace consultative committee, which includes employee representatives and union delegates.

Once we have determined amounts owing to employees, DEWR will:

1. seek advice from the Fair Work Ombudsman (FWO) on the appropriate rate of indexation to be applied
2. communicate with employees to explain the process taken to identify and assess any underpayments
3. write to each employee identified as affected (including former employees), setting out the amounts due to be paid to them and engaging with them to ensure we have got this right
4. make those payments through the payroll system as soon as practicable
5. keep the FWO apprised of progress and engage as requested, to ensure the FWO is informed and comfortable with our approach.

Further preventative actions and internal audit controls to ensure our employees are paid correctly will be informed by the findings of the independent legal review underway.

Ensuring our employees are legally and appropriately remunerated is of central importance to us. We are prioritising the issue both in terms of resources, external and independent advice and senior engagement from the Secretary and Executive Board. Our approach is guided by principles agreed by our Executive Board (**attached**) and is a standing agenda item at our Executive Board until the matter is resolved.

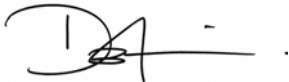
While remediating employee entitlements is of paramount importance, so too is ensuring we understand how this happened and that we take action to ensure we have the capability, systems and resourcing to pay our people correctly irrespective of the source of the terms and conditions of employment.

We have now sought further external legal advice on the operation of s24(1A) of the PS Act and are exploring whether we have the option to amend the bandwidth in our Determination to 7am to 7pm. If the Executive Board and Secretary are satisfied that we can make this change without a reduction in

benefit to our employees consistent with s24(1A) of the PS Act, we will consult with employees and their representatives on an amendment. Doing so would restore previously bargained conditions, reduce complexity in our conditions and prevent this issue from arising in the future.

We will keep you informed as key developments occur and fully cooperate with you to ensure we resolve this matter appropriately and transparently and put in place systems to ensure we are getting this right going forward. Our point of contact for this matter is Ayesha Kaak — Director, HR Policy who can be contacted on ayesha.kaak@dewr.gov.au or on 0448 471 562.

Yours sincerely



Deborah Jenkins
Chief Operating Officer
9 August 2023

Attachments

Attachment A – *Department of Employment and Workplace Relations Determination 2022/2 (Non-SES employees)*

Attachment B – Principles

Attachment C – Draft all staff message



Australian Government

Department of Employment and Workplace Relations

DEPARTMENT OF EMPLOYMENT AND WORKPLACE RELATIONS

Public Service Act 1999

DEPARTMENT OF EMPLOYMENT AND WORKPLACE RELATIONS DETERMINATION 2022/2 (NON-SES EMPLOYEES) PURSUANT TO SECTION 24(1)

I, Natalie James, Secretary of the Department of Employment and Workplace Relations (**department**), make the following determination under section 24(1) of the *Public Service Act 1999* (**PS Act**).

1. **General**

This Determination may be cited as *DEWR Determination 2022/2* (Non-SES Employees).

2. **Application**

This Determination provides terms and conditions of employment for non-SES employees of the department (**Employees**).

This Determination replaces the *DEWR Determination 2022/1* in its entirety.

3. **Period of operation**

This Determination applies to the Employees on and from the date it is signed.

This Determination will cease to apply to an Employee if:

- (a) it is revoked;
- (b) it is replaced by another Determination that applies to the Employee and is expressed to replace this Determination in its entirety; or
- (c) an enterprise agreement that covers the Employee commences operation.

4. **Terms and conditions**

The terms and conditions of employment set out in **Annexure A** will apply to the Employees' employment with the department by force of this Determination.

This Determination is of no effect to the extent that it reduces the benefit to an Employee of any individual term or condition applicable to the Employee under the National Employment Standards (**NES**) or the *Australian Public Service Enterprise Award 2015* (**APS Award**).

5. **Continued operation of Education guidelines, policies and procedures**

The *Department of Education and Training Enterprise Agreement 2016–2019* refers to various guidelines, policies and procedures which are relevant to the Employees' employment. Those guidelines, policies and procedures:

- (a) will continue to apply to Employees in their current form, except:
 - (i) that any reference to the Department of Education, Skills and Employment is substituted with a reference to the department (except where context provides otherwise);
 - (ii) to the extent that a policy, guideline or procedure is not capable of meaningful operation when applied to the department, it will have no effect;
- (b) will cease to apply to the Employees if replaced or amended by the department; and
- (c) do not form part of this Determination. This Determination prevails over any policy, guideline or procedure to the extent of any inconsistency.

6. **Delegation**

The Secretary may delegate any of his or her powers and functions under this Determination, including the power to sub delegate.



Natalie James
Secretary
Department of Employment and Workplace Relations

17 August 2022

ANNEXURE A**Table of Contents**

Part A – Consultation Arrangements	7
Consultation	7
Major change.....	7
Change to regular roster or ordinary hours of work	8
Consultation committees	8
Part B – Employment classification structure	9
Department’s Training Broadband	9
Graduates	9
Cadets	9
Trainee APS (Administrative)	9
Ongoing movement within a broadband	9
Part C – Remuneration	10
Salary.....	10
Salary payment	10
Salary on engagement, promotion or movement.....	10
Salary on reduction	11
Salary advancement.....	11
Salary advancement and Temporary Performance Loading	11
Part time employees.....	12
Casual employees	12
Supported salary rates.....	12
Junior rates	12
Superannuation	12
Salary packaging.....	12
Part D – Capability development.....	13
Study assistance	13
Performance management arrangements	13
Managing underperformance	13
Part E – Allowances.....	14
Health allowance.....	14
School holiday care allowance.....	14
Departmental Liaison Officer (DLO) allowance.....	14
Workplace responsibility allowance	14
Community and Indigenous Australian languages allowance	14
Cadet book and equipment.....	14
Remote Localities Assistance (RLA).....	15
Temporary performance loading.....	15

Temporary performance loading on leave	15
Relocation assistance	16
New employees	16
Employer initiated transfers	16
Employee initiated transfer	16
Disturbance allowance	16
Part F – Travel	17
Travel expenditure	17
Part day travel	17
Reviewed travel allowance	17
Recognition of travel time	17
Airline lounge membership	17
Motor vehicle allowance	17
Emergency situations while travelling on official business	18
Family care expenses when travelling	18
Part G – Flexible working arrangements	19
Working hours	19
Ordinary hours – Full time employees	20
Part time employees	20
Flex time	20
Overtime	21
Restriction allowance	22
Emergency duty	22
Overtime meal allowance	22
Executive Level employees – flexibility and time off in lieu	23
Working from home	23
Christmas Closedown	23
Part H – Leave	24
Portability of leave	24
Impact of leave without pay on personal and annual leave	24
Cancellation of leave or recall to duty from leave	24
Re-crediting periods of approved leave	24
Workers' compensation	24
Annual leave	24
Purchased leave	25
Personal leave	25
Use of personal leave	25
Provision of medical certificates or other evidence	26
Compassionate leave	26
Long service leave	26
Community service leave	26

Community volunteer leave	27
Defence reserve leave	27
War service sick leave.....	27
Miscellaneous leave	28
Ceremonial leave	28
Parental leave.....	28
Maternity and maternal leave.....	28
Adoption leave	29
Long term foster care and permanent care orders	29
Primary carer leave	29
Supporting partner leave.....	29
Unpaid parental leave	29
Returning from any type of parental leave.....	30
Unauthorised absences	30
Part I – Management of excess employees	31
Discussion and consideration period	31
Voluntary redundancy offer	31
Career transition assistance.....	32
Voluntary redundancy process	32
Severance pay	32
Service for severance pay purposes.....	33
Service not to count for severance pay purposes.....	33
Retention period	34
Redeployment.....	34
Extension of the retention period	35
Involuntary redundancy	35
Part J – Separation.....	36
Resignation	36
Payment on death.....	36
Part K – Dispute resolution.....	37
Attachment A – Department of Employment and Workplace Relations: General classifications, broadband and salary increases	38
Attachment B – Department of Employment and Workplace Relations: Training broadband and salary increases	39
Attachment C – Department of Employment and Workplace Relations: Government Lawyer Broadband and salary increases.....	40
Eligibility requirements	40
Transfer to or from the Government Lawyer Broadband	40
Government Lawyer advancement provisions	41
Accelerated advancement.....	41
Attachment D – Department of Employment and Workplace Relations: Information Technology Specialist Designation and salary	42

Table 1 – Information Technology (IT) Specialist Designation	42
Eligibility and selection.....	42
Movement to or from the IT Specialist Designation.....	42
Salary determination	42
Attachment E – Shiftworkers	43
Rates for working Saturdays, Sundays or public holidays	43
Overtime.....	43
Crib time.....	43
Operation of shifts.....	44
Leave	44
Attachment F – Remote localities assistance	45
Payment of RLA	45
Attachment G – Supported wage system.....	46
Eligibility criteria	46
Supported wage rates.....	46
Assessment of capacity	46
Review of assessment.....	46
Other terms and conditions of employment	47
Trial period.....	47
Definitions	48

Part A – Consultation Arrangements

1. The department is committed to communicating and consulting with employees and, where they choose, their representative about the implementation and operation of this Determination and issues affecting their entitlements and conditions of employment.

Consultation

2. These provisions apply if the department:
 - a. has made a definite decision to introduce a major change to production, programme, organisation, structure or technology in relation to its enterprise that is likely to have a significant effect on the employees or
 - b. proposes to introduce a change to the regular roster or ordinary hours of work of employees.

Major change

3. When a major change occurs:
 - a. the department must notify the relevant employees of the decision to introduce the major change and
 - b. clauses 4-10 apply.
4. The relevant employees may appoint a representative for the purposes of the procedures in these provisions.
5. If a relevant employee(s) appoints a representative for the purposes of consultation and the employee(s) advise the department of the identity of the representative, the department must recognise the representative.
6. As soon as practicable after making its decision, the department must:
 - a. discuss with the relevant employees:
 - the introduction of the change
 - the effect the change is likely to have on the employees and
 - measures the employer is taking to avert or mitigate the adverse effect of the change on the employees; and
 - b. for the purposes of the discussion—provide, in writing, to the relevant employees:
 - all relevant information about the change including the nature of the change proposed
 - information about the expected effects of the change on the employees and
 - any other matters likely to affect the employees.
7. The department is not required to disclose confidential or commercially sensitive information to the relevant employees.
8. The department must give prompt and genuine consideration to matters raised about the major change by the relevant employees.
9. If a provision in this Determination provides for a major change to production, programme, organisation, structure or technology in relation to the enterprise of the department, the requirements set out in clauses 3(a), 4 and 6 are taken not to apply.
10. A major change is likely to have a significant effect on employees if it results in:
 - a. the termination of the employment of employees
 - b. major change to the composition, operation or size of the department's workforce or to the skills required of employees

- c. the elimination or diminution of job opportunities (including opportunities for promotion or tenure)
- d. the alteration of hours of work
- e. the need to retrain employees
- f. the need to relocate employees to another workplace or
- g. the restructuring of jobs.

Change to regular roster or ordinary hours of work

11. For a change that proposes to introduce a change to the regular roster or ordinary hours of work of employees:
 - a. the department must notify the relevant employees of the proposed change and
 - b. clauses 12-15 apply.
12. The relevant employees may appoint a representative for the purposes of the procedures in these provisions.
13. If a relevant employee(s) appoint(s) a representative for the purposes of consultation and the employee(s) advises the department of the identity of the representative, the department must recognise the representative.
14. As soon as practicable after proposing to introduce the change, the department must:
 - a. discuss with the relevant employees the introduction of the change; and
 - b. for the purposes of the discussion—provide to the relevant employees:
 - all relevant information about the change, including the nature of the change;
 - information about what the department reasonably believes will be the effects of the change on the employees; and
 - information about any other matters that the department reasonably believes are likely to affect the employees; and
 - c. invite the relevant employees to give their views about the impact of the change (including any impact in relation to their family or caring responsibilities).
15. The department is not required to disclose confidential or commercially sensitive information to the relevant employees.
16. The department must give prompt and genuine consideration to matters raised about the change by the relevant employees.
17. For the purposes of Part B, 'relevant employees' means the employees who may be affected by a change referred to in clause 2.

Consultation committees

18. The department will establish and maintain a consultative committee for the duration of this Determination. The committee will be the key mechanism for general staff consultation between the department and employee representatives.
19. The roles and composition of the Consultative Committee will be detailed in the Consultative Committee Terms of Reference, based on an appropriate representation of the department's workforce.

Part B – Employment classification structure

20. The department's classification structures and broadbands are detailed in Attachments A, B, C and D.

Department's Training Broadband

21. The department's Training Broadband at Attachment B is used for those employees required to undertake a mandatory training or development programme as a condition of advancement to the next classification within the broadband. Salary progression is subject to successful completion of that programme.

22. The Secretary may assign other classifications to the department's Training Broadband relevant to the training and development programme being undertaken by an employee or to ensure consistency with whole of government approaches.

Graduates

23. Graduates will enter the department at the APS 3 classification level within the department's Training Broadband. On successful completion of the Graduate Programme, Graduates will be advanced to the APS 4 classification level within the Training Broadband, and then be moved at the APS 4 classification level into the department's Broadband 2.

Cadets

24. Employees recruited as a Cadet will undertake a course of study as determined by the Secretary. Cadets will be assigned a classification level within the department's Training Broadband. On successful completion of their course of study and a final 12 week work placement, Cadets will be assessed for advancement to the APS 3 classification level within the department's Broadband 1.

Trainee APS (Administrative)

25. Trainee APS (Administrative) employees will be assigned a classification within the department's Training Broadband and undertake a course of study determined by the Secretary. On successful completion of their training requirements, the classification of Trainee APS (Administrative) will be not less than the APS 3 classification level, subject to work being available at the APS 3 level. They will then be integrated into the department's Broadband 1.

Ongoing movement within a broadband

26. Permanent movement between classification levels within a broadband applies to ongoing employees only.

27. Movement to a higher APS classification level within a broadband is not automatic and can only occur when:

- a. there is work available at the higher level in accordance with the APS work level standards for that classification and
- b. the employee's performance is assessed as meeting the requirements for salary advancement for both key business deliverables and observable work behaviours and
- c. the employee demonstrates an ability to undertake the higher level work, and if appropriate has the necessary qualifications, skills and/or experience or
- d. an employee is successful in an open merit selection process consistent with the PS Act.

Part C – Remuneration

Salary

28. The salary rates are detailed in Attachments A, B, C and D of this Determination.
29. Employees, whose salary rate is above the rates for their classification in Attachment A on commencement of this Determination, will remain on that salary until their salary falls within the salary rates for their classification.
30. Employees' salary rates set out in Attachments A, B, C and D of this Determination are adjusted:
 - a. by X% with effect from 9 April 2023, where X is the applicable percentage adjustment in salary in line with the most recently published annual June Private Sector WPI% as advised by the Australian Public Service Commission; and
 - b. by X% with effect from 9 April 2024, where X is the applicable percentage adjustment in salary in line with the most recently published annual June Private Sector WPI% as advised by the Australian Public Service Commission.
31. Departmental Liaison Officer and Workplace Responsibility allowances are adjusted on the dates and by the percentages specified in clause 30.
32. Each adjustment of an allowance is to be calculated based on the allowance immediately before the adjustment in clause 30.
33. Any entitlement under the APS Award will be calculated by reference to the employee's applicable rate of pay in the APS Award.

Salary payment

34. An employee will be paid fortnightly in arrears by electronic funds transfer into a financial institution account of the employee's choice.
35. The fortnightly rate of salary is calculated using the following formula: annual rate of salary, multiplied by twelve, and divided by 313.

Salary on engagement, promotion or movement

36. A person who is engaged to the APS by the department, an existing ongoing APS employee promoted or moved to the department, or an existing departmental ongoing employee promoted or moved within the broadband in the department, will be paid at the minimum salary of the relevant classification unless the Secretary approves payment of a higher salary within the salary range for that classification.
37. An ongoing employee, who immediately before a movement within the broadband or promotion, is in receipt of Temporary Performance Loading (TPL) above the base salary due to receiving salary advancement at the TPL classification under the salary advancement provisions of this EA, will be paid at the higher TPL salary rate from the date of promotion or movement.
38. Unless the Secretary determines a higher salary, an existing ongoing APS employee moving to the department at the same classification level, whose salary immediately prior to transfer is below the maximum salary in the department for that APS classification, will have their salary rates set within the salary range for that classification at a rate closest to, but no lower than the existing salary.
39. Unless the Secretary determines otherwise, an existing ongoing APS employee moving to the department at the same classification level, whose salary in their previous APS agency exceeds the maximum salary in the department for that classification, will be maintained on that salary

until such time as the salary differential is absorbed by departmental salary increases at the relevant classification level.

40. Where an ongoing employee's salary exceeds the maximum salary range at the relevant departmental classification level and is set by an Individual Flexibility Arrangement (IFA) under an enterprise agreement or an instrument other than an enterprise agreement, the Secretary will determine the salary on movement to the department.
41. Clauses 36-40 do not apply to a departmental employee returning to the department following a temporary movement with another agency.
42. If an employee's salary is set in error at the time of engagement or promotion, the Secretary may subsequently determine that the employee's salary may be adjusted within the relevant classification with effect from the date of their engagement or promotion.

Salary on reduction

43. Where an ongoing employee requests or agrees in writing to perform work at a lower classification level for a specified period, salary will be determined by the Secretary at a rate applicable to the lower level for the period specified. The rate will normally be the top of the range of the lower classification.
44. Where an employee permanently reduces to a lower classification level, by consent or direction from the Secretary, the Secretary will determine salary within the lower classification level having regards to the experience, qualifications and skills of the employee. The rate will normally be the top of the range of the lower classification.

Salary advancement

45. On 15 July each year, an ongoing employee (excluding employees under the department's Training Broadband), who is not already on the maximum salary, will be eligible for salary advancement to the next pay point in their classification if the employee:
 - a. has performed duties:
 - i. in the department; or
 - ii. in the performance year ending on 15 July 2022, in the former Department of Education, Skills and Employment, at that classification level or higher for a period of three continuous months or more in the performance cycle; and
 - b. has received ratings of 'Meets Expectations' (or equivalent) for both business deliverables and observable work behaviours as part of the end cycle performance appraisal ending 30 June each year.
46. Salary advancement provisions for Government Lawyers are outlined in Attachment C.

Salary advancement and Temporary Performance Loading

47. Where an ongoing employee is in receipt of TPL on 15 July, they will be eligible for salary advancement at both their temporary performance and substantive levels, if they are not already on the maximum salary, effective from 15 July, where the employee:
 - a. was in receipt of continuous TPL at the same classification or higher and salary level from 1 April to 15 July that year and
 - b. has received ratings of 'Meets Expectations' for both business deliverables and observable work behaviours at the TPL classification as part of the end cycle performance appraisal ending 30 June that year.
48. Where there is a break in TPL between 30 June and 15 July of the same calendar year the employee is still eligible for salary advancement at both levels.

49. An ongoing employee who is promoted or moved within the broadband between 1 April and 15 July each year, and was in receipt of continuous TPL at the same classification and salary level from 1 April to immediately before the promotion, will be eligible for salary advancement subject to meeting the requirements in clause 45.

Part time employees

50. Remuneration and other benefits for part time employees will be calculated on a pro rata basis according to hours worked, with the exception of reimbursement benefits and expense-related allowances, which will be paid at the same amount as full time employees.

Casual employees

51. Casual employees are entitled to a salary loading of 20 per cent in lieu of public holidays on which the employee is not rostered to work and all paid leave entitlements, except long service leave. Casual employees are entitled to access unpaid compassionate leave and unpaid carers leave of two days per each permissible occasion.
52. The employee's salary rate and casual loading under clause 51 includes payment for the casual loading the employee is entitled to receive under the APS Award.
53. Casual loading is not paid for overtime.

Supported salary rates

54. Supported wage rates as set out in Attachment G will apply to an employee with disability who is eligible for consideration under the Supported Wage System.

Junior rates

55. Junior rates of pay are only applicable to the APS 1 classification as detailed in Attachments A and B.

Superannuation

56. The department will provide employer superannuation contributions in accordance with the relevant legislative requirements.
57. The department will provide employer superannuation contributions to members of the PSSap of no less than 15.4% fortnightly contribution salary.
58. The department will provide employer superannuation contributions to members of a fund other than CSS, PSS or PSSap of no less than 15.4% ordinary time earnings.
59. For employees who take paid and/or unpaid parental leave (which includes maternity, supporting partner, adoption and foster care leave), employer contributions will be made for a period equal to a maximum of 52 weeks or as required by applicable legislation and fund requirements. Contributions will be based on the employer contribution amount in the full pay period immediately prior to commencing leave.
60. The Secretary may choose to limit superannuation choice to complying superannuation funds that meet the SuperStream standard.
61. Any fees applied by a chosen fund associated with the administration of superannuation contributions will be borne by the employee.

Salary packaging

62. Employees may access salary packaging and may package up to 100% of salary.
63. Where an employee elects to access salary packaging, the employee's salary for the purposes of superannuation, severance and termination payments, and any other purposes, will be determined as if the salary packaging arrangement had not occurred.

Part D – Capability development

64. The department is committed to promoting and supporting workplace diversity and inclusion, creating an environment that values the contributions of people with different experiences and perspectives regardless of their race, gender identity, sexual orientation, intersex status, age, disability, language or cultural and linguistically diverse backgrounds.
65. The department is an inclusive organisation that values fairness, equity and diversity, consistent with APS values and Code of Conduct.

Study assistance

66. An employee undertaking formal study may be eligible to apply for study assistance, which may include reimbursement of costs up to \$3000 per year and/or a maximum of eight hours per week paid leave (15 hours for Aboriginal and Torres Strait Islander employees), that can be used weekly, accumulated and used as a leave bank or both.

Performance management arrangements

67. Employees must participate in the department's performance management arrangements. The performance management cycle runs from July to June each year.
68. All employees will be required to have a current performance agreement, except non-ongoing employees engaged for less than three months.
69. For more information about the performance management processes, including the responsibilities, rights and obligations of managers and employees in managing performance, employees should consult the Performance Management Policy.

Managing underperformance

70. Where underperformance is identified, the department will work with affected employees and their managers to attain and sustain the standards required.
71. Underperformance is when a manager makes an assessment that an employee's performance does not meet expectations.
72. The underperformance procedures have been developed under the principles of procedural fairness, natural justice and provide rights to representation.
73. For more information on managing underperformance, employees should consult the Underperformance Procedures.

Part E – Allowances

Health allowance

74. To assist the promotion of good health, the department will provide each employee with a health related allowance to be paid as a lump sum on the first full pay period on or after 1 September each year as follows:
- a. APS 1–3 employees will receive \$500
 - b. APS 4–Executive Level 2 employees will receive \$200.
75. Employees who have commenced a period of LWOP (other than maternity leave without pay) for a period of six months or more on or before 1 September each year will not be entitled to receive the health related allowance for that year.

School holiday care allowance

76. The department will contribute to the cost of school holiday care for primary school children of employees required to work. If more than one carer works for the department, the allowance will only be paid when they are both at work.
77. On production of a receipt from an approved school holiday programme provider, the department will reimburse up to a maximum of \$18 per child per day up to \$180 per family per week.

Departmental Liaison Officer (DLO) allowance

78. An employee who receives the annual DLO allowance is not entitled to claim for flex time or any overtime worked while performing the duties of DLO. The rate of DLO allowance is \$20,789 per annum.

Workplace responsibility allowance

79. An ongoing employee is entitled to a workplace responsibility allowance of \$28 per fortnight where they are appointed to a workplace responsibility role and have successfully completed any training programmes and/or refresher courses required.
80. A workplace responsibility role includes a First Aid Officer, Emergency Warden or Health and Safety Representative.
81. If an employee undertakes more than one of the recognised workplace responsibilities they will not be entitled to multiple payment of the workplace responsibility allowance.

Community and Indigenous Australian languages allowance

82. Where the Secretary determines there is a continuing need to utilise an employee's particular language skills for communication (in languages other than English including deaf communication skills) in providing client or staff services, the employee will be entitled to the allowance provided in clause 11.15 of the APS Award.
83. Where an employee is accredited to a fluent level in a recognised Community or Indigenous Australian language by an appropriate individual or body, and where the employee is required to utilise the language in the delivery of the department's programmes, the employee is eligible to receive an allowance of \$1,700 per annum instead of the allowance at clause 82, which includes payment for any similar entitlement payable under the APS Award.

Cadet book and equipment

84. A cadet employee is entitled to reimbursement for all compulsory fees paid and reasonable expenses incurred for books and equipment during the year relating to the approved study paid for that year.

Remote Localities Assistance (RLA)

- 85. Where an employee is engaged or relocated to a remote locality, assistance will be provided.
- 86. Four categories have been determined for payment of RLA, depending on the level of remoteness. The amount payable per annum for the life of the Determination is at Attachment F. For further information, employees should consult the RLA Policy.

Temporary performance loading

- 87. TPL is payable when an employee has performed duties of a higher classification for 10 continuous working days or more.
- 88. Where the period of temporary performance is expected to be a continuous period of 10 days or more (whether or not that expectation is realised), temporary performance loading will be payable for the entire period worked at the higher level from the commencement of the period.
- 89. A manager may split temporary performance duties between employees for development purposes.
- 90. Where TPL is payable, this would normally be at the minimum salary of the higher classification. A manager may approve payment of TPL at a salary above the minimum salary for that classification. In considering such an approval, a manager will take into account the employee's previous periods of temporary performance, the employee's performance, and relevant experience or skills.
- 91. An employee may decline a manager's invitation to perform duties temporarily at a higher classification level.
- 92. An employee's substantive salary rate includes payment for the higher duties allowance under the APS Award in any circumstance where an employee performs duties at a higher classification for fewer than 10 days and would not be entitled to TPL under clause 87.

Temporary performance loading on leave

- 93. Where an employee is absent on paid leave, or observes a public holiday and has been directed to perform duties at a higher classification, payment of TPL will continue during the absence as if the employee was still at work, to the extent of the continued operation of the direction.

Relocation assistance

New employees

94. When a new ongoing employee moves from one geographic location to another to join the department, relocation assistance for the removal of furniture and effects and travel to the new locality may be provided at the discretion of the Secretary.
95. Any assistance provided will take into account the business requirements and the monetary limits of the relocation provisions for employee initiated moves.

Employer initiated transfers

96. Where the department initiates the transfer, term transfer or temporary transfer of greater than 13 weeks from one locality to another, the employee may request a relocation assistance package for reimbursement of reasonable expenses.
97. Where the transfer is initiated by the department, and the employee is an "eligible employee" for the purposes of clause 11.5 of the APS Award, the employee will be entitled to the greater of:
- a. the entitlements in clause 96 (which includes payment for any similar entitlements payable under the APS Award); or
 - b. the entitlements in clause 11.5 of the APS Award (in which case the entitlements in clause 96 are not payable).

Employee initiated transfer

98. Where an employee of the department applies for promotion or transfer at level which involves permanently moving from one geographic locality to another, the employee may request a relocation assistance package for reimbursement of reasonable expenses.
99. Employees requesting transfer to another locality for personal reasons are generally not eligible for relocation assistance.
100. Where the transfer or promotion is initiated by the employee, and the employee is an "eligible employee" for the purposes of clause 11.5 of the APS Award, the employee will be entitled to the greater of:
- a. the entitlements in clause 98 (which includes payment for any similar entitlements payable under the APS Award); or
 - b. the entitlements in clause 11.5 of the APS Award (in which case the entitlements in clause 98 are not payable).

Disturbance allowance

101. Where the household effects of an existing employee, to whom the relocation provisions apply, have been removed at departmental expense from the employee's former locality to the new locality, the employee is entitled to be paid a one-off disturbance allowance of \$810 for an employee who relocates alone or \$1,500 for an employee who relocates with a spouse, partner or dependant.
102. Where an employee has received disturbance allowance at the new locality and subsequently relocates within the new locality, no further disturbance allowance is payable.
103. Where an employee is an "eligible employee" for the purposes of clause 11.5 of the APS Award, the employee will be entitled to the greater of:
- a. the disturbance allowance under clause 101 (which includes payment for any similar entitlements payable under the APS Award); or
 - b. the disturbance allowance clause 11.6(a) of the APS Award (in which case the disturbance allowance under clause 101 is not payable).

Part F – Travel

Travel expenditure

104. An employee who undertakes travel on official business and is required to be away from home overnight will be entitled to have actual travel expenditure within the indicative daily cap paid for or reimbursed by the department. For further information, employees should consult the Travel Policy.
105. Where the Secretary decides that the accommodation rate is insufficient in specific circumstances, a higher rate may be approved.
106. Employees whose travel includes an overnight stay may withdraw up to \$40 for incidentals and meals, from an Automatic Teller Machine without the requirement to provide receipts of expenditure. Any cash withdrawal will reduce the daily rates available for accommodation and other meals or incidental costs by the amount withdrawn.
107. Where an employee chooses to stay in non-commercial accommodation, employees may access up to \$55 per night to meet expenses associated with staying in non-commercial accommodation.

Part day travel

108. Where an employee is required to travel for official business purposes for a period of ten hours or more but no overnight stay is required, a part day travel allowance of \$40 will be payable to employees.

Reviewed travel allowance

109. Payment arrangements and the level of entitlement for travel expenses will be reviewed after 21 days away from home (in the one location) and paid on the basis of reasonable actual expenses or an alternative package of assistance approved by the Secretary. A trip home will not be regarded as a break for the purposes of determining reviewed travel allowance.

Recognition of travel time

110. For APS 1–6 (and equivalent) employees, travel on official business undertaken between 7:00 am to 7:00 pm may be recorded as flex time.
111. Travel time will not be paid as overtime.
112. Reasonable time off in lieu may be granted where employees are directed to travel outside the hours of 7:00 am to 7:00 pm.

Airline lounge membership

113. Where it is anticipated that eight or more business trips will be required to be undertaken in a 12 month period, airline lounge membership is available for that period.

Motor vehicle allowance

114. Where the Secretary authorises an employee to use their private vehicle for official business purposes, the employee will be paid a motor vehicle allowance in accordance with the Travel Policy, as updated from time to time.

Emergency situations while travelling on official business

115. Assistance may be authorised by the Secretary in situations where, while an employee is travelling on official business:
- a. an employee becomes critically or dangerously ill and the employee's partner or a family member travels to visit the employee or
 - b. a member of the employee's family or the employee's partner's family dies or becomes critically or dangerously ill and the employee travels to visit the critically or dangerously ill family member.
116. The assistance may comprise:
- a. reimbursement to the employee for the cost of an economy return airfare in respect of travel within Australia
 - b. where the use of a motor vehicle is approved, or is the most appropriate form of travel, motor vehicle allowance consistent with provisions in this Determination.

Family care expenses when travelling

117. When an employee with family caring responsibilities is required to travel away from home for official purposes, the department will provide reimbursement on production of receipts for the full cost of 'additional commercial care' (over normal caring arrangements).
118. Where commercial care is not available, the Secretary has the discretion to approve the cost of the care provided by other arrangements. This reimbursement will be up to \$60 per night subject to provision of satisfactory evidence.

Part G – Flexible working arrangements

119. The department recognises employees have family and personal commitments and is committed to providing flexibility in working arrangements that allow the department to be responsive and to assist employees to balance their personal and work commitments.
120. An employee, including casual employees, may request flexible working arrangements consistent with the *Fair Work Act 2009* (Cth) (**FW Act**).

Working hours

121. All employees are required to maintain a record of attendance.
122. Non-shiftworker full-time employees are required to work 7 hours and 30 minutes per day, being a total of 37.5 hours per week and 150 hours per four week settlement period. This time is made up of:
- a. ordinary hours of work of 7 hours and 21 minutes per day, being a total of 36 hours and 45 minutes per week and 147 hours per four week settlement period; and
 - b. an additional 9 minutes per day, being a total of 45 additional minutes per week or 3 additional hours per settlement period. The employee's salary rate includes payment for this additional time, including any overtime payable under the APS Award. The additional time is treated as part of an employee's ordinary hours for all purposes under this Determination.
123. Shiftworker employees are required to work ordinary hours of 7 hours and 30 minutes per day averaged over a period of up to 28 days or the employee's roster cycle (whichever is the longest).
124. For all non-shiftworker employees:
- a. the default span of hours (bandwidth) during which an employee may work their ordinary hours is 8:00 am to 6:00 pm, Monday to Friday. The bandwidth may be varied to an alternative 10 hour period between 6:00 am and 6:00 pm by agreement between an employee and the Secretary; and
 - b. where an employee requests to work ordinary hours during the period:
 - i. between 7:00 am and 8:00 am; and/or
 - ii. between the end of the bandwidth referred to in clause 124(a) and 7:00 pm,
 the employee's salary rate compensates the employee for performing work in that period, including any overtime or shift penalties payable under the APS Award. The time worked in that period will be treated as part of an employee's ordinary hours for all purposes under this Determination.
125. Employees must take a meal break at least 30 minutes after five continuous hours of work. The maximum number of agreed working hours to be worked in a day is 10 hours, unless also working overtime.
126. Employees should not commence work on any day without having at least eight hours plus reasonable travelling time minimum break from the previous day's work, including any overtime worked, without specific approval from the Secretary.
127. Where the Secretary requires an employee to resume or continue work without having had a minimum break, the employee will be paid at double the hourly rate for the hours worked, until they have had an eight hour break plus reasonable travelling time.
128. Where all or some of the employee's minimum break occurs during ordinary hours, the employee will not lose pay for the absence.
129. Arrangements for shiftworkers are contained in Attachment E of the Determination.

Ordinary hours – Full time employees

130. An employee's pattern of ordinary hours should be agreed between the employee and their manager. These ordinary hours may need to be varied on occasions by either the employee or the manager to accommodate operational or personal requirements.
131. Where agreement cannot be reached on the pattern of ordinary hours, the issue should be raised with the next level manager. Where agreement cannot be reached on the pattern of ordinary hours, the employee will work a standard day.

Part time employees

132. The department may engage an employee on a part time basis. An employee engaged on a part time basis does not have an automatic right to vary their part time hours or access full time hours.
133. A part time employee is an employee whose ordinary hours are less than 150 hours per settlement period (being made up of 147 ordinary hours plus the additional time referred to at clause 122(b)). Employees are required to work at least three continuous hours on any agreed working day.
134. Employees who work part time can agree to work outside their agreed ordinary hours and pattern of work. In such instances, part time APS employees will be entitled to access flex time provisions, and EL employees are entitled to access time off in lieu (TOIL), subject to the Executive Level TOIL provisions located in clauses 162-165. Where work is directed outside an APS employee's agreed ordinary hours, overtime rates are applicable.
135. An employee may request access to part time employment at any time. Managers will make every attempt to accommodate the request having regard to both operational requirements of the department and the personal needs of the employee.
136. Employees returning from maternity, parental, adoption or foster care leave will be provided with access to part time employment, upon application, until the child reaches three years of age. Thereafter, an employee may request flexible working arrangements in accordance with the FW Act.
137. The part time hours and days of work are to be agreed between the manager and employee having regard to operational requirements and the employee's circumstances. Before part-time duty commences, the Secretary will issue a notice in writing to the employee which will specify:
- a. the prescribed weekly hours of duty; and
 - b. the pattern of hours to be worked including starting and finishing times for employees, on each or any day of the week, Monday to Friday, within the limits of 7:00 am to 7:00 pm.
138. Where a full-time employee is permitted to work part-time for an agreed period, the notice in writing under clause 137 will provide for the hours to be varied to full-time hours on a specified date. The employee will revert to full-time hours unless a further period of part-time employment is approved.
139. The prescribed weekly hours and the pattern of hours specified under clause 137 will not be varied, amended or revoked without the consent of the employee. Any agreed variation to the regular pattern of hours will be recorded in writing.

Flex time

140. Flex time is available to all (non-shiftworker) APS level employees. All hours must be recorded on the departmental flex sheet.
141. Employees accumulate flex time working between the hours of 7:00 am and 7:00 pm.

142. A flex credit is where an employee accumulates hours in excess of ordinary hours with the agreement of their manager. The additional time referred to in clause 122(b) will not be treated as time in excess of ordinary hours, but will be treated as part of an employee's ordinary hours, for the purpose of calculating the employee's flex credit. An employee may only carry over a maximum of 37.5 hours flex credit into the next settlement period. In exceptional circumstances and where the manager has expressly agreed to the additional hours being worked, greater than 37.5 hours may be carried over one settlement period.
143. In exceptional circumstances, the Secretary may:
- direct the excess flex leave to be taken so that the balance is below 37.5 hours or
 - offer the employee the option to cash out flex time credits in excess of 37.5 hours at an ordinary time rate or
 - convert the excess credits to annual leave on a one to one basis.
144. A flex debit occurs when the employee works less time than their ordinary hours. The additional time referred to in clause 122(b) will be treated as part of an employee's ordinary hours, for the purpose of calculating the employee's flex debit. An employee may only accrue a flex debit and carry over a maximum of 15 hours flex debit into the next settlement period with the agreement of their manager.
145. Flex leave is where an employee works less than their ordinary hours on any given day and is not on any other form of leave. The additional time referred to in clause 122(b) will be treated as part of an employee's ordinary hours, for the purpose of calculating any flex leave. Flex leave requires prior approval by the employee's manager, and for periods of one day or more reasonable notice is required.
146. Where there is insufficient work, a manager may require an employee not to work hours in addition to their ordinary hours.
147. Where an employee's manager considers the employee's attendance is unsatisfactory or that the employee is misusing flex, the employee may be required to work ordinary hours for a period specified by the manager.

Overtime

148. Where operational requirements make it necessary, a manager may direct an employee to work outside and in excess of their ordinary hours on any day.
149. An APS level employee directed to perform work outside and in excess of their ordinary hours on a given day will be paid overtime, or where agreed, time off in lieu of overtime payment at the applicable overtime rates.
150. A (non-shiftworker) casual employee will be entitled to overtime, but not casual loading, if the casual employee is directed perform work:
- on Monday to Friday, outside the hours of 7:00 am to 7:00 pm;
 - on a Saturday, Sunday or a holiday; or
 - in excess of 37.5 hours in a week.
151. Where a period of overtime is not continuous with ordinary time work, the base period of overtime payment for such work will be calculated as if the employee had worked for four hours. When determining whether a period is continuous with ordinary time work, meal breaks should not be regarded as breaking continuity.
152. Overtime payments approved by an employee's manager will be calculated as follows:
- Monday to Saturday:** one and a half times the hourly rate for the first three hours each day and double the hourly rate thereafter
 - Sunday:** double the hourly rate

- **Public Holiday:** two and a half times the hourly rate (except for duty on a public holiday within agreed ordinary time work, which will be paid at one and a half time the hourly rate in addition to normal salary payment for the day).
153. Time off in lieu of overtime payment may be approved by an employee's manager under certain circumstances. Where time off in lieu of payment has been agreed and the employee has not been granted time off within four weeks or another agreed period due to operational requirements, payment of the original entitlement or the residual entitlement where the full entitlement was not granted will be made.
154. Executive Level employees will only be eligible to receive overtime payments in exceptional circumstances with the approval of the Secretary.

Restriction allowance

155. Where an employee is required to remain contactable, available and able to perform extra duty outside their agreed ordinary hours (i.e. be restricted), they will be paid a restriction allowance, subject to approval by the Secretary.
156. Restricted employees will receive a restriction allowance at the rate of nine per cent of their ordinary hourly rate for each hour or part hour they are restricted outside their ordinary hours, subject to:
- a. the employee remaining contactable, fit and available to perform extra duty and
 - b. the employee not being in receipt of any other payment for the period for which restriction allowance would otherwise be payable, except as provided for in the following clause.
157. Restriction allowance is payable whether or not the restricted employee is required to perform duty outside the agreed ordinary hours. Where a restricted employee entitled to overtime payment is required to perform duty, overtime will be payable and subject to:
- a. a one hour base rate of payment when work is performed without the necessity to travel to the workplace
 - b. a three hour base rate of payment, including travel time, if work is required to be performed at the workplace.
158. If an employee is required to perform subsequent periods of duty within the one hour minimum payment period, only the initial one hour minimum is payable. Where an employee is required to undertake a second period of duty that commences after the one hour minimum payment period has lapsed for the first period of duty, a second one hour minimum payment period commences and a further one hour minimum is payable.
159. Restriction allowance will continue to be paid for periods of overtime worked while restricted.

Emergency duty

160. Emergency duty will attract a base payment of two hours (which includes reasonable travel time) at double the hourly rate, which will be payable for all emergency duty without prior notice. Executive Level employees will only be eligible to receive emergency duty payments in exceptional circumstances with the approval of the Secretary.

Overtime meal allowance

161. Where an employee (including a casual employee) who is eligible for overtime payment is directed to work overtime for at least three hours outside their ordinary hours, their manager will approve a flat rate overtime meal allowance at the applicable rate set by the applicable determination made by the Australian Taxation Office as being the reasonable amount for overtime meal allowance expenses. Where an employee works a further five hours overtime on a Saturday, Sunday or public holiday, they will receive an additional

overtime meal allowance of the applicable rate set by the applicable determination made by the Australian Taxation Office as being the reasonable amount for overtime meal allowance expenses.

Executive Level employees – flexibility and time off in lieu

- 162. The hours of duty worked by Executive Level employees are not regular and Executive Level employees may be required to work additional time beyond ordinary hours.
- 163. Executive Level employees are able to work flexible hours. This means that arrangements for managing variations in attendance times and short-term absences, including full days, may be agreed in advance with the manager.
- 164. Where substantial additional work is required, TOIL is able to be accessed by agreement with the manager. TOIL will not be on an hour for hour basis or replicate a flex time system.
- 165. Reasonable requests for time off under these arrangements will not be refused, except for operational reasons.

Working from home

- 166. Any employee may request approval to work from home, although arrangements must suit the type of work performed and operational requirements.

Christmas Closedown

- 167. All departmental workplaces will be closed from 12:30 pm on the last working day before Christmas Day and reopen the first working day following the first day of January. This period will be known as the Christmas Closedown.
- 168. Employees are not required to attend for duty during the Christmas Closedown, unless otherwise directed by the Secretary, and will be paid in accordance with their ordinary hours of work. Where an employee is absent on leave, payment for the Christmas Closedown will be in accordance with the entitlement for that form of leave (e.g. if on long service leave at half pay, payment is on half pay). There will be no deduction from annual or personal leave credits for the Christmas Closedown.
- 169. Where an employee who is eligible for overtime and restriction provisions is directed to attend work or be available for work during the Christmas Closedown, the overtime rate applicable to Sunday overtime will apply for the days designated as Christmas Closedown.

Part H – Leave

Portability of leave

170. Where an employee joins the department on an ongoing or non-ongoing basis from an employer staffed under the PS Act, the *Parliamentary Service Act 1999* or from the ACT Government Service, accrued annual and personal leave (however described) will be transferred or recognised, provided there is no break in continuity of service, or payments made to the employee in lieu of these entitlements from the previous employer.
171. Service with organisations where the employee was previously employed under the PS Act, the *Parliamentary Service Act 1999*, or from the ACT Government Service may be recognised for personal leave purposes if the break in service is not more than two calendar months.

Impact of leave without pay on personal and annual leave

172. Where an employee takes 30 or more days leave without pay in total in a calendar year, the whole period will not count as service for annual and personal leave purposes.
173. Where an employee takes 30 or more days leave without pay (including an accumulated period) during the calendar year, the whole period will not count as service.

Cancellation of leave or recall to duty from leave

174. Where an employee's leave is cancelled by their manager without reasonable notice, or they are recalled to work from leave, reasonable travel costs, travelling time, incidental costs and any other unavoidable costs arising from the recall to duty will be reimbursed where they are not recoverable under insurance or from another source. All unused leave will be re-credited.

Re-crediting periods of approved leave

175. An employee who becomes eligible for personal, carers or compassionate leave, or any non-discretionary leave under the National Employment Standards (NES), while on annual or long service leave may apply to have their annual or long service leave re-credited. Subject to the provision of satisfactory evidence, the employee's annual or long service leave will be re-credited to the extent of the leave subsequently granted.

Workers' compensation

176. An employee on workers' compensation leave under the *Safety, Rehabilitation and Compensation Act 1988*, whose compensation is calculated on the basis of actual hours worked, will have their annual and personal leave accrual calculated in the same way.

Annual leave

177. A full time employee is entitled to four weeks paid annual leave for each completed year of service, accruing daily.
178. A part time employee's annual leave entitlement will accrue on a pro rata basis.
179. Annual leave credits may be taken at any time with the approval of the manager. Any unused annual leave accumulates. Annual leave counts as service for all purposes.
180. An employee may be granted annual leave at half pay. Where an employee takes annual leave at half pay, the employee cannot access purchased leave in the same calendar year.
181. Periods of long service leave cannot be broken with annual leave, except as provided for by legislation.

Purchased leave

182. Employees may purchase up to eight weeks additional annual leave once per 12 month period by paying for the leave progressively over the course of the relevant period, subject to the approval of the Secretary.
183. Purchased leave is intended for use in a planned manner. When considering requests managers will take into account operational requirements and the reasons for the employee's request.
184. Where an employee has purchased leave approved, they cannot take annual leave at half pay in the same calendar year.
185. Unless otherwise agreed, purchased leave not taken during the nominated 12 month period will automatically be reimbursed as salary.
186. Purchased leave counts as service for all purposes including superannuation.

Personal leave

187. Ongoing and non-ongoing full time employees are entitled to 18 paid days personal leave every 12 months, accrued daily.
188. A part time employee's personal leave entitlement will accrue on a pro rata basis.
189. In the first year of employment, ongoing and non-ongoing employees will be given a credit, of seven days leave, or part time pro rata equivalent, in advance of accruing the entitlement. After the date on which the seven days would normally have accrued, accrual will be on a daily basis.
190. Existing employees and employees who transfer to the department from another APS agency will have their accruals adjusted to align with accrual on a daily basis of 18 days paid cumulative personal leave every 12 months.

Use of personal leave

191. Personal leave gives employees access to paid leave to be used when they are absent:
- a. due to personal illness or injury including attendance at medical appointments
 - b. to provide care or support for a member of the employee's family who is ill or injured
 - c. to provide care or support for a member of the employee's family or household who is affected by an unexpected emergency or special circumstance
 - d. due to domestic or family violence or
 - e. as a result of special or exceptional circumstances.
192. Personal leave must not be used for the purposes of clauses 191(d) and 191(e) if it would be detrimental to an employee in any respect, when compared to the NES or the APS Award.
193. A manager may approve personal leave without pay only where paid personal leave credits are exhausted.
194. Employees may be granted personal leave at half pay instead of full pay where extraordinary circumstances exist, as determined by the Secretary.
195. Personal leave is cumulative but will not be paid out on separation.
196. Where an employee has exhausted their paid personal leave entitlements they are entitled to take two days unpaid leave for each occasion where a member of their family or household requires care because of illness, injury or unexpected emergency. The employee must provide medical or appropriate documentary evidence to their manager in support of their leave application.

Provision of medical certificates or other evidence

197. No more than three consecutive days of personal leave may be taken without medical or other evidence and no more than 12 days in total in a calendar year, unless the Secretary informs the employee that such evidence will not be required.
198. Medical certificates from registered medical practitioners will be accepted for the purpose of personal illness, injury or caring responsibilities. Where it is not reasonably practicable to provide a medical certificate a statutory declaration made by the employee may be accepted.
199. Statutory declarations used as evidence must set out why the employee is or was unable to attend work, and why it was not reasonably practicable for them to obtain a medical certificate for the purpose of personal illness, injury or caring responsibilities.
200. A manager may request that medical or other evidence is provided by the employee for any period of personal leave. This request should be made at the time the leave is notified or within a reasonable period of time after the leave is notified.
201. Where an employee does not provide satisfactory medical or other evidence any personal leave will be without pay and treated as unauthorised absence.
202. Where paid personal leave credits are exhausted, the employee must provide medical or other evidence for any period of unpaid personal leave.
203. The opinion of a medical practitioner nominated by the department will be accepted over that of a medical practitioner nominated by an employee, to the extent that their opinions differ. For further information, employees should consult the Rehabilitation and Return to Work Policy.

Compassionate leave

204. An employee is entitled to a period of three days of paid compassionate leave for each occasion when a member of the employee's family or household contracts or develops a personal illness or sustains a personal injury that poses a serious threat to their life, or dies.
205. An employee may be required to provide reasonable evidence to the Secretary in support of an application for compassionate leave.
206. Compassionate leave will count for service for all purposes.

Long service leave

207. An employee will be eligible for long service leave (LSL) in accordance with the *Long Service Leave (Commonwealth Employees) Act 1976*.
208. The minimum period for which LSL will be granted is seven calendar days at full pay or 14 calendar days at half pay. A period of LSL cannot be broken by other periods of leave, a weekend or a public holiday, except as otherwise provided by legislation.
209. Long service leave credits may be taken at any time, subject to operational requirements and the approval of the employee's manager.

Community service leave

210. An employee is entitled to leave for the purposes of engaging in community service activities including jury service and emergency management activities as defined in the FW Act.
211. Participation in voluntary emergency management duties includes training, emergency service responses, reasonable recovery time and ceremonial duties. The Secretary may determine whether any or all of the leave taken for participation in voluntary emergency management activities will be with pay.
212. Leave with pay will be granted for any period of jury service.

213. An employee will be required to provide the department notice of the absence as soon as practicable and the period or expected period of absence.
214. An employee (other than a casual employee) will be reimbursed reasonable expenses incurred by the employee in excess of the NES entitlement while attending court to serve as a juror.
215. Despite clauses 172 and 173, a leave of absence granted under clause 210 will count as service for all purposes.

Community volunteer leave

216. Employees may be granted up to two days paid leave each calendar year to volunteer with a registered community organisation. Employees covered by the Government Lawyer Broadband may request to use the leave to volunteer legal services.
217. Paid leave will not be available to attend ceremonial functions unless the organisation certifies in writing that the employee is required to attend as part of their duties.

Defence reserve leave

218. An employee may be granted leave (with or without pay) to enable the employee to fulfil Australian Defence Force (ADF) Reserve and Continuous Full Time Service (CFTS) or Cadet Force obligations.
219. An employee is entitled to leave with pay, of up to four weeks during each financial year, and an additional two weeks paid leave in the first year of ADF Reserve Service, for the purpose of fulfilling service in the ADF Reserve.
220. With the exception of the additional two weeks in the first year of service, leave can be accumulated and taken over a period of two years.
221. Employees are not required to pay their tax free ADF Reserve salary to the department in any circumstances.
222. Defence Reserve leave counts as service for all purposes, except for unpaid leave to undertake CFTS. Unpaid leave for the purposes of CFTS counts for all purposes except annual leave accrual.
223. Eligible employees may also apply for annual leave, long service leave, leave without pay, top-up pay or they may use flex time or make up time for the purpose of fulfilling ADF Reserve, CFTS or Cadet Force obligations.

War service sick leave

224. The Secretary will grant war service sick leave to employees who are unfit for duty because of a war-caused or defence-caused condition as determined in accordance with relevant legislation.
225. Employees who are eligible war veterans will accrue two separate credits of paid war service sick leave:
- a. Special credit – nine weeks war service sick leave credited on commencement with the APS following eligible military service.
 - b. Annual credit – three weeks annual credit on commencement and again following each 12 months of service. Unused credits accumulate up to a maximum credit balance of nine weeks. This credit cannot be accessed until the special credit has been exhausted.
226. Employees who re-join the APS following an earlier period of APS employment in which they had been credited with war service sick leave will be credited with:
- a. any special credit that remained unused at the final day of the prior APS employment and
 - b. any annual credit held on the final day of the prior APS employment.

Miscellaneous leave

227. Miscellaneous leave provides flexibility to managers and employees. Miscellaneous leave may be granted for circumstances not provided for elsewhere in this Determination, either with or without pay, for a purpose that the Secretary considers to be in the interests of the department and having regard to operational requirements.
228. The leave granted may be for the period requested or for another period, and to count as service or not to count as service. Where miscellaneous leave is refused the manager will advise the employee (if requested) in writing of the reason for the decision to refuse leave.
229. Employees will be granted miscellaneous leave without pay where, due to an increase in their working hours, they have not accrued the equivalent of four weeks annual leave based on their current working hours. The maximum amount of leave provided will be the difference between the amount of leave accrued over the year and 20 days at their current working hours. This will count as service for all purposes except long service leave, unless the Secretary determines otherwise.
230. Employees may be granted up to two days paid cultural leave in a calendar year for religious or cultural activities associated with their culture or ethnicity.
231. Employees may access one additional day paid cultural leave to participate in NAIDOC.

Ceremonial leave

232. Managers may grant up to 20 days in any two calendar years of leave without pay to Aboriginal and Torres Strait Islander employees for ceremonial purposes arising from the death of a family member or other ceremonial obligations. Leave for a ceremonial obligation is without pay and does not count as service.
233. Ceremonial leave is in addition to compassionate leave.

Parental leave

234. For the purpose of this Determination, parental leave includes: maternity and maternal leave, primary carer leave, adoption leave, long term foster care and permanent care orders, supporting partner leave and unpaid parental leave.
235. All parental leave types must be taken in a single, unbroken period, unless otherwise provided for under legislation or this Determination.
236. All paid parental leave types will count as service for all purposes. For employees without the qualifying service period for paid maternity leave under the *Maternity Leave (Commonwealth Employees) Act 1973 (Maternity Leave Act)*, up to 12 weeks of unpaid maternity, adoption or long term foster care and permanent care orders leave will count for service. Unpaid parental leave types will not count as service unless otherwise provided for under legislation. Unpaid parental leave will not be taken to have broken service.
237. To provide for flexible administration, employees have the option to spread the payment for all paid parental leave types up to double the number of weeks at a rate of one-half of the normal salary for the employee. When payment is spread at half pay, only the full pay equivalent period will count as service (except to the extent this clause contradicts clause 236).

Maternity and maternal leave

238. Eligible employees can access maternity leave in accordance with the Maternity Leave Act.
239. An employee who is entitled to paid leave under the Maternity Leave Act is also entitled to two weeks of paid maternal leave, to be taken immediately following the paid component of maternity leave.
240. An employee is unable to access personal leave while on paid maternity/maternal leave.

241. A period of maternity/maternal leave is not broken or extended by public holidays or Christmas Closedown.

Adoption leave

242. An employee who has a period of service equal to that required for employees covered by the Maternity Leave Act to receive paid maternity leave, and will be the primary carer of the child they are adopting, is entitled to 14 weeks of paid adoption leave from the day of placement of a child where the child:
- is under school age on the day of placement
 - did not previously live with the employee for a period of six months or more as at the day of placement and
 - is not a child or step child of the employee or the employee's partner.

Long term foster care and permanent care orders

243. An employee who has a period of service equal to that required for employees covered by the Maternity Leave Act to receive paid maternity leave, and will be the primary carer of the child they are adopting, is entitled to 14 weeks paid foster care leave from the day of the placement of a child where:
- the employee becomes the primary care giver of a long term foster child or
 - is granted custody and guardianship of a child up to the age of 18 years as a result of a permanent care order and
 - the child did not previously live with the employee for a period of six months or more as at the day of placement.
244. In exceptional circumstances, the Secretary may approve paid and/or unpaid foster care leave under these provisions for short term fostering arrangements or kinship care. This will only be considered where legal reasons or circumstances beyond the employee's control mean the arrangements cannot be considered long term fostering, however are likely to become long term or permanent.

Primary carer leave

245. An ongoing employee, other than the mother, who becomes the primary care giver for a newborn baby will be entitled to a period of six weeks paid primary carer leave.

Supporting partner leave

246. An employee, who has 12 continuous months of APS service and is not otherwise entitled to paid maternity or parental leave under the Maternity Leave Act or this Determination, will be entitled to two weeks of paid supporting partner leave to commence within one month of the birth, adoption or permanent foster placement of a child or their partner's child.

Unpaid parental leave

247. An eligible employee is entitled to take a period of unpaid parental leave of up to 52 weeks, less any period of paid foster care leave or maternity and parental leave types taken in accordance with the FW Act.
248. An employee is not entitled to take paid personal or compassionate leave while they are taking unpaid parental leave.
249. On ending the initial 52 weeks of maternity or parental leave, employees are entitled on request to an extension of unpaid parental leave for a further period of up to 52 weeks. The second period of unpaid leave is to commence immediately following the initial 52 week leave period.

Returning from any type of parental leave

250. Employees returning to work after a period of parental leave will be assigned to the duties previously performed where available or to alternative duties where appropriate to the employee's skills and classification.
251. An employee returning to duty from parental leave will have the right to access part time work in accordance with the part time provisions in this Determination.

Unauthorised absences

252. Where an employee is absent from duty without approval, all pay and other benefits provided under this Determination cease to be available until the employee resumes duty, or is granted leave or ceases employment. Such absences will not count as service for any purpose. For further information on unauthorised absences, please refer to the Working Hours Policy.

Part I – Management of excess employees

253. The following provisions apply to all employees covered by this Determination, excluding an employee serving a probationary period and a non-ongoing employee.
254. The department will, as far as possible, avoid involuntary redundancies. Reasonable steps will be taken to facilitate redeployment opportunities at level across the department and the APS for excess or potentially excess employees.
255. An offer of voluntary redundancy to an employee who is not fit for and not at work may be made to an employee who is excess in accordance with the paragraph below only where the Secretary, having regard to the Commonwealth's liability, decides it is appropriate.

Discussion and consideration period

256. Where an excess employee situation is identified, the Secretary will:
- a. advise the employee(s) directly affected of the situation, the reasons and scope and invite the employee(s) to nominate a representative
 - b. discuss the voluntary redundancy and reassignment processes with affected employees
 - c. hold discussions with the employee(s) and their nominated representatives and
 - d. offer the affected employee(s) voluntary redundancy.
257. The employee(s) will have two months in which to consider the offer of voluntary redundancy. An employee who has received an offer of voluntary redundancy must advise the Secretary, in writing, before the end of the discussion and consideration period whether they wish to be considered for re-assignment or voluntary redundancy.
258. Employees will become excess one month after being made an offer of voluntary redundancy, unless during this time their employment has been terminated, they have been redeployed or the Secretary decides they are no longer in an excess situation.
259. If the employee does not respond, the employee will be taken to have a preference to be considered for reassignment, and their retention period will commence in accordance with clause 279.

Voluntary redundancy offer

260. The offer must state when the Secretary proposes to issue the termination notice if the offer is accepted.
261. The offer should include the following information to assist the employee in their considerations:
- amount payable as redundancy pay, pay in lieu of notice and accrued annual and long service leave credits
 - superannuation entitlements upon voluntary redundancy
 - superannuation options
 - taxation rules applicable to the various payments
 - the availability of financial assistance, on a reimbursement basis, towards obtaining independent financial advice up to the value of \$1,200.
262. Should the employee request and receive an earlier termination date that falls within the discussion and consideration period, the employee will be entitled to receive payment for the unexpired portion of the discussion and consideration period.

Career transition assistance

263. At the time the employee is offered a voluntary redundancy or as soon as possible thereafter but no later than two weeks after the voluntary redundancy offer, potentially excess employee(s) will be offered career transition assistance which will include:
- a. advice on the re-assignment and redundancy process
 - b. a point of contact for individual queries
 - c. assistance with identifying re-assignment opportunities and/or
 - d. training/redeployment assistance.
264. Employees may also access the department's Employee Assistance Program for free personal counselling.

Voluntary redundancy process

265. If an employee accepts an offer of voluntary redundancy, and the Secretary agrees to the redundancy, the Secretary will issue a 'notice of termination' under section 29 of the PS Act.
266. The period of notice will be four weeks, or five weeks for an employee over 45 years of age with at least five years of continuous, current APS service at the time of the offer. Where an employee elects to terminate their employment before the expiration of the notice period, payment in lieu for the unexpired portion of the notice period will be made.
267. Notice of termination will not be given before the end of the discussion and consideration period without the agreement of the employee.
268. Only one offer of voluntary redundancy will be made to an employee.
269. Job exchanges will be available until the end of the discussion and consideration periods. A job exchange is where a departmental employee who has been offered voluntary redundancy but does not want one, swaps jobs with an employee from within the Department or from another agency who is not excess but who wants voluntary redundancy. Job exchanges are subject to the Secretary's approval on a case by case basis.
270. An employee will not be made involuntarily redundant if the employee has not been offered a voluntary redundancy, or has requested, but not received an offer of voluntary redundancy.

Severance pay

271. An employee who accepts voluntary redundancy and whose employment is terminated under section 29 of the PS Act on the grounds that they are excess to requirements will be entitled to the following severance pay, subject to any minimum amount the employee is entitled to under the NES:
- a. two weeks of salary for each completed continuous year of service and
 - b. a pro rata payment for completed continuous months of service since the last completed year of service.
272. The minimum amount of severance pay is an amount equal to four weeks' salary and the maximum amount payable is an amount equal to 48 weeks' salary.
273. Severance pay is calculated on a pro rata basis for any period of service when the employee worked part time, subject to any minimum amount the employee is entitled to under the NES.
274. For an excess employee, salary includes:
- a. the employee's substantive salary on the date of termination and

- b. temporary performance loading where the employee has received the loading for a continuous period of at least 12 months immediately preceding the date on which the employee is given a formal offer of a voluntary redundancy and
- c. allowances in the nature of salary which are paid during periods of annual leave and on a regular basis, excluding allowances which are a reimbursement for expenses incurred, or a payment for disabilities associated with the performance of duty.

Service for severance pay purposes

275. Service for severance pay purposes means:
- a. service in the department
 - b. Government service as defined in section 10 of the *Long Service Leave (Commonwealth Employees) Act 1976*
 - c. service with a Commonwealth body (other than service with a Joint Commonwealth-State body corporate in which the Commonwealth does not have a controlling interest) which is recognised for long service leave purposes
 - d. service with the Australian Defence Forces
 - e. APS service immediately preceding deemed resignation under repealed section 49 of the *Public Service Act 1922*, if the service has not previously been recognised for severance pay purposes
 - f. service in another organisation where an employee was transferred from that organisation with a transfer of function; or an employee engaged by that organisation on work within a function is appointed as a result of the transfer of that function to the APS and such service is recognised for long service leave purposes.
276. For earlier periods of service to count, there must be no breaks between the periods of service, except where:
- a. the break in service is less than one month and occurs where an offer of employment with the new employer was made and accepted by the employee before ceasing employment with the preceding employer or
 - b. the earlier period of service was with the APS and ceased because the employee was deemed to have resigned from the APS under the repealed section 49 of the *Public Service Act 1922*.

Service not to count for severance pay purposes

277. Periods of service that will not count as service for redundancy pay purposes are previous periods of service that ceased by way of:
- a. termination under section 29 of the PS Act or
 - b. prior to the commencement of the PS Act, by way of redundancy; forfeiture of office, retirement on the grounds of invalidity, inefficiency or loss of qualifications; dismissal or termination of probationary appointment for reasons of unsatisfactory service or
 - c. voluntary retirement at or above the minimum retiring age applicable to the employee or
 - d. payment of a redundancy benefit or a similar payment or an employer-financed retirement benefit.
278. Absences from duty which do not count as service for long service leave purposes will not count for severance pay purposes.

Retention period

279. Should an employee not accept the formal offer of voluntary redundancy, the employee will commence their retention period one month after the offer of voluntary redundancy. The notice period will be concurrent with the retention period.
280. The purpose of the retention period is to enable excess employees to be reassigned within the APS or to find other suitable employment. Consistent with this, during the retention period:
- a. the department will continue to provide and resource reasonable career transition services and support, and take all reasonable steps to move an excess employee to a suitable vacancy, to another agency or to pursue placements outside the APS consistent with this Determination and
 - b. employees will take all reasonable steps to secure permanent re-assignment or placement.
281. The retention period is:
- a. 13 months where an employee has 20 or more years of continuous, current service with the APS or is over 45 years of age
 - b. seven months for other employees.
282. If an employee is entitled to a redundancy payment under the NES, their retention period is reduced by the employee's redundancy pay entitlement under the NES on termination, calculated as at the expiration of the retention period (as adjusted by this clause).

Redeployment

283. The following provisions will apply to employees during their retention period:
- a. The employee can access up to \$1,200 for payment for outplacement services or training opportunities that would be expected to enhance the employment prospects of employees.
 - b. Excess employees of the department will be considered first and in isolation from, and not in competition with, other applicants who are not excess for an advertised vacancy to which the employee seeks transfer but only at or below the employee's level. In placing excess employees, consideration will be given to the employee's current skills and experience or the employee's ability to acquire the relevant skills for the advertised vacancy in a short period of time.
 - c. Suitable trial placements in other organisations, including private sector organisations, will be funded for up to three months where there is an identifiable opportunity for permanent placement and no job swap arrangement is involved. An individual employee may undertake more than one trial placement.
 - d. The employee will be entitled to reasonable paid leave for the purpose of attending employment interviews and may request assistance in meeting reasonable travel costs and incidental expenses incurred by the employee in seeking alternative employment, where these are not met by the prospective employer.
 - e. The employee may, after being given four weeks of notice (or five weeks for employees over 45 years old who have completed at least five years of continuous, current APS service), be reduced in classification as a means of securing alternative employment. If reduction occurs after the offer of voluntary redundancy and before the end of the retention period the employee will receive payments to maintain the employee's salary level for the balance of the retention period.

Extension of the retention period

284. Retention periods will only be extended by periods of approved leave due to the employee's illness or injury (supported by medical evidence) taken during the retention period. The period will not be extended on these grounds beyond an additional eight weeks.

Involuntary redundancy

285. If an excess employee is unsuccessful in obtaining permanent reassignment at the end of the retention period, the employee's employment will be terminated under section 29 of the PS Act. An employee may be entitled to a redundancy payment under the NES.

286. Where an excess employee's employment is to be terminated the employee will be given four weeks' notice of termination (or five weeks for an employee over 45 years of age with at least five years of continuous, current APS service). This period of notice will be served, as far as practicable, concurrently with the retention period.

Part J – Separation

Resignation

287. An employee, where practicable, is requested to give the Secretary at least two weeks' notice in writing of their intention to resign or retire (except where the employee has less than one year of continuous service, in which case the employee is required to give one weeks' notice). Where an employee submits a resignation which takes effect on a public holiday, the resignation will be deemed effective from close of business on the working day immediately prior to the public holiday. All resignations will be deemed to take effect at close of business of the resignation date.
288. Any outstanding payments for purchased leave or any flex debt will be deducted from a person's final monies if they cease to work for the department.

Payment on death

289. Where an employee dies, or the Secretary directs that an employee will be presumed to have died on a particular date, the Secretary may authorise the payment of an amount that would have been paid if the employee had otherwise ceased employment either by resignation or age retirement on that day.
290. Payment will be made to dependants or the partner of the former employee or the former employee's legal personal representative.

Part K – Dispute resolution

291. These provisions set out the procedures to settle disputes relating to:
- a. a matter arising under this Determination; or
 - b. the NES.
292. An employee who is a party to the dispute may appoint a representative for the purposes of the procedures of these provisions.
293. In the first instance, the parties to the dispute must try to resolve the dispute at the workplace level, by discussions between the employee or employees and the relevant supervisors and/or management.
294. If discussions at the workplace level do not resolve the dispute, a party to the dispute may refer the matter to the Fair Work Commission (**FWC**).
295. The FWC may deal with the dispute in two stages:
- a. the FWC will first attempt to resolve the dispute as it considers appropriate, including by mediation, conciliation, expressing an opinion or making a recommendation and
 - b. if the FWC is unable to resolve the dispute at the first stage, the FWC may then:
 - arbitrate the dispute and
 - make a determination that is binding on the parties.
- Note: If the FWC arbitrates the dispute, it may also use the powers that are available to it under the FW Act. A decision that the FWC makes when arbitrating a dispute is a decision for the purpose of Div 3 of Part 5.1 of the FW Act. Therefore, an appeal may be made against the decision.
296. While the parties are trying to resolve the dispute using the procedures in this term:
- a. an employee must continue to perform their work as they would normally unless they have a reasonable concern about an imminent risk to their health or safety
 - b. an employee must comply with a direction given by the Secretary to perform other available work at the same workplace, or at another workplace, unless:
 - the work is not safe or
 - applicable work health and safety legislation would not permit the work to be performed or
 - the work is not appropriate for the employee to perform or
 - there are other reasonable grounds for the employee to refuse to comply with the direction.
297. The parties to the dispute agree to be bound by a decision made by the FWC in accordance with these provisions.

Attachment A – Department of Employment and Workplace Relations: General classifications, broadbands and salary increases

Broadband	Classification	Pay point	On commencement	
	Executive Level 2	4	159,076	
		3	148,951	
		2	140,532	
		1	132,522	
Hard barrier – Advancement subject to a merit process				
	Executive Level 1	4	124,466	
		3	118,209	
		2	115,321	
		1	112,617	
Hard barrier – Advancement subject to a merit process				
Broadband 2	APS 6	3	100,710	
		2	94,564	
		1	91,584	
	Soft barrier – Work value/work availability			
	APS 5	3	87,093	
		2	83,199	
		1	81,464	
	Soft barrier – Work value/work availability			
	APS 4	3	78,907	
		2	75,840	
		1	73,783	
	Hard barrier – Advancement subject to a merit process			
Broadband 1	APS 3	2	70,648	
		1	67,828	
	Soft barrier – Work value/work availability			
	APS 2	3	64,722	
		2	63,528	
		1	60,736	
	Soft barrier – Work value/work availability			
	APS 1	2	56,541	
		1	51,711	
		Age 20	47,057	
		Age 19	41,886	
		Age 18	36,198	
Under 18		31,027		

Attachment B – Department of Employment and Workplace Relations: Training broadband and salary increases

Broadband	Classification	Pay point	On commencement	
Training Broadband	APS 4	3	78,907	
		2	75,840	
		1	73,783	
	Soft barrier – Work value/work availability			
	APS 3	2	70,648	
		1	67,828	
	Soft barrier – Work value/work availability			
	APS 2	3	64,722	
		2	63,528	
		1	60,736	
	Soft barrier – Work value/work availability			
	APS 1	2	56,541	
		1	51,711	
		Age 20	47,057	
		Age 19	41,886	
		Age 18	36,198	
		Under 18	31,027	

Note: Cadets undertaking full time study will be paid 57 per cent of the minimum salary (including junior rates where applicable) that would be payable to the Cadets if they were performing practical training.

Note: Junior rates of pay are only applicable to the APS 1 classification.

Attachment C – Department of Employment and Workplace Relations: Government Lawyer Broadband and salary increases

Classification	Pay point	On commencement
Principal Government Lawyer (Executive Level 2)	2	163,053
	1	150,644
Hard barrier – Advancement subject to a merit process		
Senior Government Lawyer (Executive Level 1)	3	137,955
	2	118,207
	1	112,617
Soft barrier – Work value/work availability		
Government Lawyer (APS 6)	6	100,710
	5	94,564
	4	91,584
Soft barrier – Work value/work availability		
Government Lawyer (APS 5)	3	83,199
Soft barrier – Work value/work availability		
Government Lawyer (APS 4)	2	75,840
Soft barrier – Work value/work availability		
Government Lawyer (APS 3)	1	70,648

Eligibility requirements

298. For a person to be eligible for employment as a Government Lawyer, the following criteria must be met:
- a. required to provide legal services in a dedicated legal practice area and
 - b. will be substantially classified at the APS 3 to Executive Level 2 classification.
299. The eligibility requirements for entry on the Government Lawyer broadband are:
- a. a degree in Laws from an Australian tertiary institution, or a comparable overseas qualification, which is appropriate to the duties of the classification and
 - b. admission as a legal practitioner, however described, of the High Court or the Supreme Court of an Australian State or Territory and
 - c. if the Head of the Legal Area in which the employee works determines it appropriate, possession of a current restricted practising certificate issued by the ACT Law Society, or the obtaining of such a certificate within three months of commencing employment with the department.

Transfer to or from the Government Lawyer Broadband

300. Where an employee commences in, or is promoted to the Government Lawyer broadband, salary will be determined within the relevant classification level having regard to the experience, qualifications and skills of the employee and their likely corporate contribution.
301. Where the transfer to the Government Lawyer Broadband is approved, the employee will move from their current classification to the equivalent classification in the Government Lawyer Broadband.

302. Where the employee's salary is above the maximum salary rate of the relevant classification within the broadband, the employee will retain their current salary until such time as their salary falls within the salary range of the relevant classification within the broadband.
303. An employee who transfers at level or is promoted to a higher classification and is no longer required to provide legal services, will have their salary set in accordance with the salaries for the relevant classification in Attachment A of this Determination. The rate will normally be the top of the range where the transfer is at level.
304. Salary maintenance at the Government Lawyer Broadband salary will not be provided on transfer out of the Government Lawyer Broadband.

Government Lawyer advancement provisions

305. An employee may be eligible for advancement through the APS 3-EL 1 Government Lawyer broadband if the Secretary has determined that sufficient work is available at the relevant classification and the employee has:
- a. been admitted as a legal practitioner, however described, of the High Court or Supreme Court of an Australian State or Territory and
 - b. demonstrated skills and capability at the higher classification and
 - c. met probation requirements and
 - d. is eligible for salary advancement as set out in Part C of this Determination and
 - e. received a performance rating of 'Meets Expectations' in the most recent performance cycle.
306. Where an employee is advanced to the Senior Government Lawyer level, an employee will only be advanced to the first salary point in the Senior Government lawyer scale and must remain at that level for at least 12 months before being eligible for further advancement within the Senior Government Lawyer scale.

Accelerated advancement

307. Subject to Secretary approval, if eligible for advancement in accordance with clauses 305 and 306, an employee on the Government Lawyer broadband may be advanced two pay points within the broadband. The decision to advance an employee more than one point in the broadband will take into account performance outcomes.

Attachment D – Department of Employment and Workplace Relations: Information Technology Specialist Designation and salary

Table 1 – Information Technology (IT) Specialist Designation

Classification	Pay point	On commencement
IT Specialist (Executive Level 1)	2	136,912
	1	130,689

308. The Designation structure will be available in limited circumstances where it is determined there is a requirement for particular highly specialised skills and expertise in the department's IT areas that are required to support the delivery of important or critical business applications, projects or services.

Eligibility and selection

309. The eligibility requirements for movement to the Designation are:

- a. a degree in ICT from an Australian tertiary institution, or a comparable qualification, which is appropriate to the duties of the classification
- b. qualifications in an associated discipline
- c. highly specialised IT skills and expertise required to support the delivery of important or critical business applications, projects or services as determined by the relevant IT Group Manager and
- d. a level of IT specialist expertise held by the individual relevant to the department's requirements.

Movement to or from the IT Specialist Designation

310. Executive Level 1 employees who work in an IT area of the department and meet the eligibility requirements for entry to the Designation may apply to their Group Manager to move to the Designation. Where movement to the Designation is approved, the employee will move at the Executive Level 1 classification to the IT Specialist Designation. Existing employees of the department will need to be able to demonstrate that they have met performance expectations for both key business deliverables and observable work behaviours.

Salary determination

311. Where an employee commences in, or is promoted to a role identified as an IT Specialist role, salary will be determined within the relevant classification level set out in Table 1 above, having regard to the experience, qualifications and skills of the employee and their likely corporate contribution.
312. The employee's salary on movement to the Designation will be the equivalent of their current salary, or if there is no equivalent salary, to the salary closest to, but not lower than their current salary. Where the employee's salary is above the maximum salary rate of the Designation, the employee will retain their current salary until such time as their salary falls within the salary range of the Designation.
313. An employee who transfers at level or is promoted to a higher classification to a position outside the Designation will have their salary set in accordance with the salaries for the relevant classification in Attachment A of this Determination. The rate will normally be the top of the range where the transfer is at level. Salary maintenance at the IT Specialist Designation salary will not be provided on transfer out of the IT Specialist Designation role.

Attachment E – Shiftworkers

314. Shiftworkers are those employees whose rostered ordinary hours fall outside the period 7:00 am–7:00 pm Monday to Friday and/or include Saturdays, Sundays or public holidays for an ongoing or fixed period.
315. Shift penalty payments will not be taken into account in the computation of overtime or in the calculation of any allowance based upon salary, nor will they be paid with respect to any shift for which any other form of penalty payment is made under this Determination. An employee's ordinary rate will include any Temporary Performance Loading for the shift.
316. Shiftworkers will receive the following rate:

Rostered time of work	Rate
Work performed on a shift, any part of which falls between 7:00 pm and 7:00 am.	115% of ordinary hourly rate
Work performed continuously for a period exceeding 4 weeks on a shift falling wholly between 7:00 pm and 7:00 am	130% of ordinary hourly rate
Work performed anytime on a Saturday	150% of ordinary hourly rate
Work performed anytime on a Sunday	200% of ordinary hourly rate
Work performed anytime on a public holiday	250% of ordinary hourly rate

317. For casual shiftworker employees, the ordinary hourly rate referred to in the table above does not include casual loading.

Rates for working Saturdays, Sundays or public holidays

318. Penalty rates for shift work performed on a Saturday, Sunday or public holiday will be payable for any time worked after midnight on those days, including where the shift commenced the day before.
319. The Saturday, Sunday, and Public Holiday penalty rates are in substitution for and not cumulative upon the other penalty rates.

Overtime

320. Shiftworkers directed to work overtime are entitled to the overtime payments calculated as follows:

For overtime worked	Overtime rate
Monday to Saturday – first three hours	150% of ordinary hourly rate
Monday to Saturday – after three hours	200% of ordinary hourly rate
Sunday – all day	200% of ordinary hourly rate
Public holidays or additional holiday – all day	250% of ordinary hourly rate

Crib time

321. Where an employee working a shift pattern is required to be on standby during meal breaks, they will be paid crib time of single time for the period they are required to be on standby.

Operation of shifts

322. Managers will allocate shifts equitably among employees undertaking shift work, with shift rosters specifying the standard hours of work for each shift.
323. A shift worker can be moved from one shift team to another by agreement at any time or with seven days' notice. If seven days' notice has not been given, except where this is not possible due to the illness or unanticipated absence of another employee, overtime will apply as per the overtime provisions of this Determination for work outside the employee's previously rostered hours of duty until the employee has received seven days' notice of the shift change.
324. Shiftworkers can exchange shifts or rostered days off by mutual agreement and with the approval of the relevant manager provided that the arrangement does not give rise to an employee working overtime.

Leave

325. Shiftworkers will accrue an additional half day of paid annual leave for each Sunday or public holiday worked, up to a maximum of five days for each calendar year in addition to penalty rates.
326. If the employee is rostered off on a public holiday, they will if practicable, within one month of that public holiday, be granted a day's paid leave in lieu of that holiday. Where it is impractical to grant a day's leave in lieu, the employee will be paid one day's pay at ordinary time.
327. Where a shiftworker takes annual leave, they will be paid shift penalty payments in respect of any duty which the shiftworker would have performed had they not been on approved annual leave.
328. Where a shiftworker takes a period of leave other than annual leave, shift penalties are not payable for the period of the absence.

Attachment F – Remote localities assistance

329. Remote localities assistance (RLA) is to recognise the climatic condition and lack of access to services in remote localities due to the geographical location.

330. Four categories have been determined for payment of RLA, depending on the level of remoteness. The amounts payable for the categories are:

	Category 1	Category 2	Category 3	Category 4
With dependents	\$5,974	\$11,950	\$16,729	\$20,911
Without dependents	\$4,182	\$8,365	\$11,710	\$14,638

331. Remote localities assistance for those employees, who, on commencement of this Determination, are in receipt of payments under the Transitional Arrangements in clause 498 of the *DEEWR Enterprise Agreement 2012-2014* or clause 102 of the *One Innovation Enterprise Agreement 2011*, will have these payments grandfathered over the life of this Determination.

	Darwin	Townsville
With dependants	\$ 12,000.00	\$ 4,200.00
Without dependants	\$ 7,200.00	\$ 3,000.00

Payment of RLA

332. Employees eligible for RLA will receive payment of the allowance as follows:

- a. 40% of the relevant amount paid fortnightly (pro rata for part time employees) from the date of commencement of service at the location and
- b. An annual payment of 60% of the relevant amount following completion of 12 months continuous service and after each completed 12 months service thereafter (pro rata basis for employees ceasing work at that location).

333. Accumulated periods of miscellaneous leave without pay not to count as service that exceed 30 calendar days or more will defer the annual 60% payment where the accumulated period of miscellaneous leave without pay exceeds 30 calendar days, the entire period will affect the annual payment.

334. The amount of RLA will be regarded as salary for taxation purposes.

Attachment G – Supported wage system

Eligibility criteria

335. Employees covered by this attachment will be those who are unable to perform the range of duties to the competence level required within the class for which the employee is engaged under this Determination because of the effects of a disability on their productive capacity and who meet the impairment criteria for receipt of a disability support pension.
336. The attachment does not apply to any existing employee who has a claim against the employer which is subject to the provisions of workers compensation legislation or any provision of this Determination relating to the rehabilitation of employees who are injured in the course of their employment.

Supported wage rates

337. Employees to whom this attachment applies shall be paid the applicable percentage of the relevant minimum wage according to the following schedule:

Assessed capacity	% of prescribed salary rate
10%	10%
20%	20%
30%	30%
40%	40%
50%	50%
60%	60%
70%	70%
80%	80%
90%	90%

338. Provided that the minimum amount payable must be not less than \$95 per week. The minimum amount payable is reviewed every year in July.
339. Where an employee's assessed capacity is 10 per cent; they must receive a high degree of assistance and support.

Assessment of capacity

340. For the purposes of establishing the percentage of the relevant minimum wage, the productive capacity of the employee will be assessed in accordance with the Supported Wage System (SWS) by an approved assessor, having consulted the employer and the employee, and if the employee so desires, a union which the employee is eligible to join.
341. Assessment made under this schedule must be documented in a SWS wage assessment agreement, and retained by the employer as a time and wages record in accordance with the FW Act.

Review of assessment

342. The assessment of the applicable percentage should be subject to annual review or more frequent review on the basis of a reasonable request for such a review. The process of

review must be in accordance with the procedures for assessing capacity under the support wage system.

Other terms and conditions of employment

343. Where an assessment has been made, the applicable percentage will apply to the relevant wage rate only. Employees covered by the provisions of this attachment will be entitled to the same terms and conditions of employment as all other workers covered by this Determination paid on a pro rata basis.

Trial period

344. In order for an adequate assessment of the employee's capacity to be made, an employer may employ a person under the provisions of this schedule for a Trial Period not exceeding 12 weeks, except that in some cases additional work adjustment time (not exceeding four weeks) may be needed.

Definitions

Agency	a department as defined in the <i>Public Service Act 1999</i>
APS	the Australian Public Service
APS Award	<i>Australian Public Service Enterprise Award 2015</i>
Casual employee	An employee who works on an irregular or intermittent basis
Discussion and consideration period	a period of two months commencing from the date the Secretary makes an employee a formal offer of voluntary redundancy
Delegate	a person to whom the Secretary of the Department of Employment and Workplace Relations has delegated a power or function under this Determination
Department	the Department of Employment and Workplace Relations
Dependant	the spouse of the employee; and/or a child or parent of the employee, or of the spouse of the employee, being a child or parent who ordinarily resides with the employee and who is wholly or substantially dependent upon the employee
Determination	the <i>DEWR Determination 2022/2 (Non-SES Employees)</i> .
Employee	an employee, other than a casual employee, of the Department of Employment and Workplace Relations, whether ongoing, non-ongoing, full time or part time within the meaning of the <i>Public Service Act 1999</i>
Excess employee	An employee will be considered an excess employee where: <ul style="list-style-type: none"> a) the employee is part of a class of employees that is larger in size than is necessary for the efficient and economical working of the department or b) the services of an employee cannot be effectively used because of technological or other changes in the work methods of the department, or structural or other changes in the nature, extent or organisation of functions of the department or c) the duties usually performed by the employee are to be performed in a different locality, the employee is not willing to perform the duties at the other locality and the Secretary has determined that these provisions will apply to that employee.
Extended absence due to illness or injury	an absence of at least four continuous weeks or a combined total absence of four weeks within a 13 week period because of illness or injury

Family	a person who is related by blood, marriage (including a former spouse), adoption, fostering or traditional kinship; a de facto partner (including a former de facto partner); a person who has a strong affinity with the employee; or a parent, child, grandparent, grandchild or sibling of the employee's spouse or de facto partner
Manager	the person to whom an employee is responsible and who is authorised by the Secretary to exercise the powers and responsibilities of a manager in relation to that employee
Partner	where a person is a member of a couple, this refers to the other member of the couple
Purchased Leave	Additional annual leave that has been purchased through deductions from pay
Senior Executive Service (SES)	a Senior Executive Level employee as defined under the <i>Public Service Act 1999</i>
Secretary	the Agency Head of the Department of Employment and Workplace Relations
Settlement period	is the four week period beginning on a pay Thursday for the purposes of determining flex debit / credit carryover
Shiftworker	an employee who is rostered to work ordinary hours outside of the period 7:00 am to 7:00 pm Monday to Friday and/or Saturdays, Sundays or public holidays for an ongoing or fixed period, and does not include an employee who does not work in accordance with a roster or an employee who chooses to work their ordinary hours between the hours of 6:00 pm and 7:00 pm
Standard day	is 8:30 am to 12:30 pm and 1:30 pm to 5:00 pm (or 8:00 am to 12:00 pm and 1:00 pm to 4:30 pm in the Northern Territory) Monday to Friday, except where a public holiday occurs

Attachment B – Principles

Principles

The principles guiding DEWR in its efforts to identify and remediate identified overtime underpayments are:

1. We are committed to ensuring all employees receive their correct entitlements.
2. We will work to resolve the issue as quickly as possible, while ensuring accuracy and completeness.
3. We will act with integrity and be honest, accountable and transparent about what has happened and how we're going to fix it.
4. We will engage with people openly to understand their views and obtain information not stored in our systems.
5. We will use resources with the skills and capacity required to ensure a full resolution of the project.
6. We will learn and apply lessons from our experience.

These principles aim to reflect our APS Values, to hold ourselves to a high standard as a model employer, maintain the trust and good will of our employees, and ameliorate risk.

Attachment C – Draft all staff message to be sent on 11 August 2023

DRAFT All staff email - COO

Good morning

We have recently identified that in certain circumstances some of our employees may not have been paid their overtime entitlement under the *DEWR Determination 2022/2 (Non-SES employees)* (the Determination).

We are taking this very seriously and, while aspects of the matter are complex, we are working quickly to resolve it and pay our employees all their entitlements as soon as possible.

When the department was established in July 2022 the Determination was created to provide terms and conditions for non-SES employees, aiming to preserve the conditions that were bargained for under the agreements that operated prior to the Machinery of Government change, including a bandwidth of 7am-7pm (for most employees transferring to the department).

The Determination contains a bandwidth of hours from 8am to 6pm in alignment with the *Australian Public Service Enterprise Award 2015* (the Award), while still enabling employees to choose flexible work hours between 7am and 7pm.

These were always intended to be interim measures until we could negotiate an enterprise agreement for the department – a process we have commenced through Part A APS-wide bargaining.

I want to reassure everyone that employees have been paid consistently with how they would have been paid under their previously applying enterprise agreements, and this particular issue relates to cases where APS employees have been directed to work their hours between 7-8am or 6-7pm from 7 July 2022 **and** have not received overtime.

What we know

The Determination was drafted to preserve contemporary, flexible ways of working – employees could continue to choose to work their hours flexibly between 7am to 7pm since 7 July 2022 as they had done previously.

The situation is different under the Determination for APS employees who are **directed** to work their hours between 7-8am or 6-7pm. In this situation, overtime applies for those hours outside the 8am to 6pm bandwidth.

Who does this impact?

At this stage, we believe that this impacts a small cohort of employees who are directed to work between 7-8 am or 6-7pm (weekdays). We know this includes some of our contact centres and service desk employees who are rostered to work those hours and who were not paid overtime.

For everyone else, if you have worked overtime on a weekday in the last year, please be assured we will also be checking to see if you have been paid correctly.

If we identify that you are impacted, we will be contacting you directly within the coming week.

As the review progresses, if you haven't heard from us and think you are affected, have questions, or have information you want to tell us, please email us at OvertimeReview@dewr.gov.au

Steps we have taken

When the issue was identified in June, we immediately took steps to better understand the nature and scope of the issue. These steps include:

- Seeking legal advice to ensure we understood the situation.
- Gathering roster and overtime pay data.
- Engaging an external advisor to conduct analysis and calculate entitlements owing to employees.
- Commencing an independent legal review of our determination to ensure there are no other areas of concern.
- Proactively notifying the Fair Work Ombudsman of the matter and how we're resolving it.

These steps are enabling us to identify employees who may not have received the correct overtime entitlements.

What we don't know yet

We don't have all the answers yet, including exactly how many people are affected and the amount of money they will be back paid.

We are committed to ensuring that all employees receive the pay and conditions they are entitled to and are working through this as quickly as possible, while making sure we get it right.

Bandwidth

An option that may be open to the department is to restore a broader, more contemporary 7am to 7pm bandwidth, consistent with what was bargained for under previous enterprise agreements that applied to DEWR employees before the Machinery of Government change.

We are continuing to explore this option and it is of utmost importance to us that we do this right. We will be talking to the Australian Public Service Commission, the Community and Public Sector Union, and seeking further legal advice before we do it to ensure there is no reduction in benefits for employees. If we confirm this is an option, we will also consult with you and the union before any change is made.

Next steps

We are committed to open and transparent communication throughout the process and will provide updates as new information becomes available.

We will be connecting with rostered employees to clarify your situation and directly impacted employees will be invited to information sessions for more information.

A broader review of overtime practices in the department and targeted audits informed by our legal advice will also occur to ensure we are getting it right.

We are prioritising this work in terms of resources, external and independent advice and senior engagement from the Secretary and Executive Board. This will continue to be a standing item on the Executive Board agenda until resolved.

The Executive Board approved principles for how we manage this. You can find these principles and more detailed information about this matter on the intranet [\(link\)](#).

We will be providing progress updates as we work through this and communicate openly with you. If you have questions or concerns about this matter, I encourage you to have a discussion with your manager or reach out to us directly by email to OvertimeReview@dewr.gov.au.

Regards

Deborah Jenkins
Deputy Secretary, Corporate and Enabling Services
Chief Operating Officer

DRAFT

Standing Committees on Education and Employment

QUESTION ON NOTICE Supplementary Budget Estimates 2023 - 2024

Outcome: Cross Portfolio

Department of Employment and Workplace Relations Question No. SQ23-001194

Senator Michaelia Cash on 25 October 2023, Proof Hansard page 19-20

Internal payroll audit

Question

Ms Strangio: It's through our usual internal audit program that a payroll audit will be undertaken in general terms to determine that we don't have any other issues.

Senator CASH: When did that commence?

Ms Strangio: I don't have that information at hand.

Senator CASH: That's okay. When is it due to be completed?

Ms Strangio: I'll take that on notice as well.

Senator CASH: Is there a cost involved in the internal audit?

Ms Strangio: I'll have to take that one on notice.

Answer

An internal audit of the department's pay and conditions has been included in the department's internal audit program for 2023-24. This activity has commenced and is scheduled to be completed in March 2024.

The budget allocated to the audit is \$89,100 (GST inclusive).

Standing Committees on Education and Employment

QUESTION ON NOTICE Supplementary Budget Estimates 2023 - 2024

Outcome: Cross Portfolio

Department of Employment and Workplace Relations Question No. SQ23-001245

Senator Michaelia Cash on 02 November 2023, Proof Hansard page 20

Underpayment staff communication

Question

Senator CASH: have you personally apologised to the staff of the department for the underpayment?

Ms James: I haven't personally apologised—well, actually, I think I might have, in that video.

Senator CASH: Could we get a copy of the video then, please.

Ms James: Yes.

Senator CASH: When did that apology take place?

Ms James: Very close to the staff communication.

Answer

A video message from Secretary Natalie James to all staff on 11 August 2023 discussed the underpayment of overtime entitlements. The message was an expression of regret and acknowledged the issue was something the department had got wrong and should have got right. It further provided assurance that the department was actively rectifying the situation.

An excerpt of the transcript of that video relevant to the underpayment matter has been provided.

“...by now you would know that we've sent communication out this morning about something that we got wrong. And so, Deb Jenkins has sent an email out to let you all know that, due to a range of reasons – some of which we're still trying to understand – we haven't paid overtime to some people who were eligible for it under the new arrangements put in place after the Machinery of Government change.”

“Now this is something we should have got right, but in trying to get to the bottom of what's gone on here one of the observations I make are Machinery of Government changes are absolutely chaotic and you get a lot of complex things to do and a lot of people in and out. And, of all of the areas, the Corporate area is often the one most impacted by a Machinery of Government change.

“And so, we are working through to fix this issue and to make sure we understand what's gone on and learn from it.”

Last Cleared By
Date Last Cleareds 22(1)
12 February 2024

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New Voluntary Program for Parents

Purpose of the service

- On 7 December 2023, the Australian Government announced a new voluntary pre-employment service for parents of young children to be introduced from 1 November 2024. The service will replace ParentsNext.
- The service design is informed by consultations with parents (young parents, First Nations parents and single parents).
- The service is for parents who are facing disadvantage to prepare for their future by providing practical support towards their individual goals.

Budget \$m

- The Government will provide an additional \$20.9 million over 4 years (and \$29.4 million per year ongoing) for the New Voluntary Pre-Employment Service.

Table 1 – Ref: Mid-Year Economic and Fiscal Outlook 2023–24. Appendix A: Policy decisions taken since the 2023–24 Budget; Page 240

Item	2022–23 Budget	2023–24 Estimate	2024–25 Estimate	2025–26 Estimate	2026–27 Estimate	Total FEs
New Service (Net Impact)	-	-3.4	23.9	-14.7	15.1	20.9

Note: this is the net impact of the entire measure – including Services Australia costs, Departmental funding, Administered funding (including cessation of ParentsNext and funding for the new service). It does not include Administered funding for the ParentsNext program for 2022–23 to 2024–25 (as outlined in Table 2).

Budgeted Administered Expenses – New Voluntary Pre-Employment Service for Parents

- The government is providing \$294.5 million over the forward estimates in administered funding for the New Voluntary Pre-Employment Service for Parents.

Table 2 – Ref: PAES (to be published in February 2024), Table 2.1.1, Page 32

Item	2022–23 Revised Estimated Expenses	2023–24 Estimate	2024–25 Estimate	2025–26 Estimate	2026–27 Estimate	Total
ParentsNext	116.619	85.309	28.421	-	-	230.349
New Voluntary Pre-Employment Service for Parents	-	-	59.173	98.529	136.834	294.536
Total Administered	116.619	85.309	87.594	98.529	136.834	524.885

Note: this is administered funding only, and does not include the funds for implementation, Services Australia or the APS pilot. This table cannot be directly compared to Table 1 as only the administered funding impact for the new program was included as a subset of the total measure impact included in Table 1.

What has the Government said about the program?

In a Joint Media Release of 7 December 2023 ([Attachment A](#)), Minister Burke and Minister Gallagher announced, as part of MYEFO, the ‘New pre-employment support for parents’:

This is a reimagined program, that will support parents to achieve their education, employment and career goals, while keeping their family front and centre.

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Page 1 of 3

Last Cleared By
Date Last Cleared

s 22(1)
12 February 2024

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The design of the new program and its offerings is informed by consultation with parents and their real life experiences, and builds on the recommendations of experts, including the Women's Economic Equality Taskforce.

Describe how the program operates

- The service will value caring for and raising children as legitimate and important work. It will:
 - be available to a broader range of parents including those who are not on income support
 - provide a high-quality service to help parents achieve their individual employment or education goals
 - take a strengths-based and parent-led approach ensuring parents are at the centre of decision-making and have control over the service they receive
 - provide access to a mentor who will help parents for the duration of their support
 - provide improved and more transparent financial assistance to help parents achieve their goals
 - connect parents to other important local support services they need
 - ensure on-going engagement and feedback from parents and key stakeholders through an advisory group throughout the life of the program.

APS Service Delivery Pilot

- As part of MYEFO (Page 241), the Government also announced that an Australian Public Service (APS) service delivery pilot will be part of the new service.
 - This will allow APS capability building and leadership, a channel for direct feedback on the service and the ability to trial new approaches.
- The location of the APS service delivery pilot will be announced prior to the commencement of the new service in November 2024.

Next Steps

Approaching the Market

- All procurements are governed by the Resource Management Framework. This includes the Public Governance, Performance and Accountability Act 2013 (Cth) (PGPA Act) which sets out an Accountable Authority's duties, and includes the Commonwealth Procurement Rules (CPRs).
 - Any non-compliance with the requirements of the Resource Management Framework by government officials may constitute a breach of the PGPA Act and may attract a range of criminal, civil or administrative remedies.
- The CPRs require that departments do not provide information about a procurement while a process is active. This is to ensure that any potential tenderers receive the same information at the same time, released through a single source (Austender), to provide a fair playing field for all applicants.
- The process of assessment and awarding of business remains confidential as much of the information considered through the process is commercial in nature.
- This means, as the department considers micropolicy that will inform Request for Tender documentation for the new program, it is unable to test this detail with stakeholders.
- As per *The Plan for Employment Services: Eight principles for Reform* in the Employment White Paper, the new parents' pre-employment program will be the first approach to the market to utilise the new principles.
- In developing new approaches to recruitment, the department recently held webinars on selling to government:
 - Brotherhood of St Laurence provided its lived experience of tendering for and delivering Transition to Work (6 and 8 February 2024) and
 - Supply Nation is presenting to First Nations suppliers today (14 February 2024) to assist in understanding the process.
- For the new program, a tender will be issued on Austender when all documentation and policy settings are finalised. Registered organisations will be invited to put forward proposals.
- The department will assess the proposals, with contracts awarded to successful tenderers. Details of successful tenderers will be published on Austender.

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Page 2 of 3

Last Cleared By
Date Last Cleared

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12 February 2024

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Consultations

- To ensure parents voices are encapsulated in the micropolicy, feedback from the consultation process is forming part of the evidence base. The consultation started in early July 2023 and concluded in September 2023. The formal consultation process consisted of four phases:
 - the pre-design phase (May to June 2023) to seek stakeholder input into what the consultation should look like, and how key stakeholders prefer to participate.
 - the design phase (July to August 2023) to understand parents' needs and goals, the kind of supports the new service could provide, the challenges they face and how the new service can support parents achieving their education or employment goals.
 - the check-in phase (August 2023) to check in with stakeholders about what was learned from the consultations.
 - the design options phase (August to September 2023) was combined with the check-in phase seeking feedback and advice from stakeholders.
- The Parents Advisory Group will be established to support the next stages of implementation. Invitations will be sent out shortly to prospective members who will be asked to provide input on:
 - program guidelines
 - resources
 - communication products
 - website material
 - user insights on IT platforms,
 - parents' insights to the evaluation
 - cultural considerations in service delivery
 - service alignment with community expectations
 - identifying any gaps in communication materials, and
 - bring broader lived experience knowledge.

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Page 3 of 3



MINISTERS' MEDIA CENTRE

Ministers of the Employment and Workplace Relations
Portfolio

Joint Media Release

7 December 2023

New pre-employment support for parents

The Hon Tony Burke MP

Minister for Employment and Workplace Relations
Minister for the Arts

Senator the Hon Katy Gallagher

Minister for Finance
Minister for Women
Minister for the Public Service

The Albanese Labor Government will introduce a new voluntary pre-employment service for parents from 1 November 2024, to replace the former government's ParentsNext program.

This is a reimagined program, that will support parents to achieve their education, employment and career goals, while keeping their family front and centre.

The design of the new program and its offerings is informed by consultation with parents and their real life experiences, and builds on the recommendations of experts, including the Women's Economic Equality Taskforce.

The service will be available to parents with young children under 6 years who are facing disadvantage and would like to access support to prepare for their future.

This is what single parents – the majority of whom are women – around the country have told the Government they want, and it's what we're delivering.

The previous government's program was punitive, counterproductive and caused harm.

The new service will provide, on a voluntary basis:

- Pre-employment activities to assist parents who want to enter or re-enter the labour market.
- Qualified and experienced mentors to support parents while they are in the service.

- Improved and more transparent access to financial support to help parents engage in the new service and build their skills and capability.

The new service has been designed based on feedback from parents about the type of support they want, and will be delivered by providers with close connections to local communities.

The Government will continue consulting with parents on what support works best for them, including through a new Parents' Advisory Group.

The current ParentsNext program will be extended until 31 October 2024, and will continue to be voluntary during that period. This will give certainty to parents taking part in the program.

For more information, visit www.dewr.gov.au/new-voluntary-parent-service (<http://www.dewr.gov.au/new-voluntary-parent-service>).

Related Entities

Provider own organisation and related entity referrals

Key Points

Workforce Australia Services, ParentsNext, and Transition to Work providers can refer clients to their own organisation or related entities to address vocational and non-vocational needs and for job placements. Please refer to **Table 1** for the number and proportion of providers that refer to own organisation/related entity by referral type.

Providers are expected to give participants choice in the services, activities and providers they engage with, including when the services or activities are delivered by a provider's own organisation or related entity. Each referral should be made in collaboration with the client and must be appropriate to their needs. The department has collated a list of self-reported provider related entities which will be updated regularly to enable accurate reporting of related entity usage.

The department monitors and reviews own organisation and related entity referrals to activities and supports. The department achieves this by:

- undertaking robust assurance and program monitoring activities to ensure referrals and associated expenditure meets Deed and/or Guideline requirement(s),
- identifying sharp practices and outlier behaviour (for example, high own organisation and related entity referral expenditure from the Employment Fund in a particular category), and
- in the case of referrals to Employability Skills Training and Career Transition Assistance, providing Workforce Australia Employment Services Providers and Transition to Work providers with access to real-time reporting, giving visibility of their compliance with the department's 50 per cent own organisation and related entity Referral Cap. The department also engages with providers regularly to address any potential non-compliance.

The department has current controls in place to monitor, limit or prohibit own organisation/related entity and subcontractor referrals which are detailed in the Background below.

The department undertakes integrity investigations where potential non-compliant behaviours by employment service providers are identified.

There are currently 31 investigations being undertaken into potential non-compliant behaviours, of these 7 relate to potential non-compliant behaviours relating to own organisation or related entity behaviours. As these investigations are currently in progress, the department cannot provide any specific details on these matters.

However, as a general position, if non-compliance is identified from these investigations:

- the department may elect to apply reasonable remedial actions under the Deed, which may include the recovery of payments where applicable, and or
- the non-compliance may lead to adverse performance results being recorded against a provider (for example, the application of demerit points for Workforce Australia Employment Services Providers with implications for future licensing decisions and/or contracts).

Workforce Australia Services

- From 1 July 2022 to 31 December 2023, under the Employment Fund, the total value of own organisation and related entity commitments was \$69,785,394 (30.3% of total Employment Fund commitments):
 - \$55,434,427 own organisation commitments
 - \$14,350,967 related entity commitments.
- Refer to **Tables 2 and 3** for a further breakdown of this information.
- Employment Fund commitments for own organisation for the period up to 30 June to 31 December 2023 have remained fairly steady, with only a slight decrease from 25.2% to 22.5%. Similarly, for related entity expenditure there was a reduction from 6.8% to 5.4%. Refer to **Table 4** for further information.
- At 31 December 2023, there had been a total of 868 job placements recorded with providers' own organisations or related entities, and 2,282 placements with another provider or a related entity of another provider. These 3,150 placements represent 1.1% of the 289,672 placements recorded under Workforce Australia Services.

- Providers may be eligible for Employment Outcomes where an own organisation or related entity job placement meets other Deed and Guideline requirements. Where an Employment Outcome is not available, it may contribute towards Progress Payments to the provider.

ParentsNext

- From 1 July 2022 to 31 December 2023, under the Participation Fund, the total value of own organisation and related entity commitments was \$3,535,428 (14.2% of total Participation Fund commitments), which includes:
 - \$2,711,267 own organisation commitments
 - \$824,161 related entity commitments.
- Refer to **Tables 2 and 3** for further information. If a breakdown by provider is requested, this is to be taken on notice.

Career Transition Assistance and Employability Skills Training

- At 31 December 2023:
 - 8 providers that deliver Workforce Australia Services can self-refer in 17 Employment Regions to Career Transition Assistance.
 - 6 providers that deliver Workforce Australia Services can self-refer in 15 Employment Regions to Employability Skills Training.
 - 7 providers that deliver Transition to Work can self-refer in 12 Employment Regions to Employability Skills Training.
 - At 31 December 2023, there had been 1,741 own organisation commencements under Career Transition Assistance and 1,459 under Employability Skills Training at a total of \$2,809,980 and \$1,100,025 respectively.
 - At 31 December 2023, there had been 107 related entity commencements under Career Transition Assistance and 417 under Employability Skills Training at a total of \$161,640 and \$316,325 respectively.
 - A breakdown by contract type is provided in **Tables 5 and 6**.

Inquiry into Workforce Australia Employment Services

- On 30 November 2023, the House Select Committee on Workforce Australia Employment Services tabled its final Inquiry into Workforce Australia Employment Services.
- The Committee sets out in Recommendation 44 that the Australian Government should:

"establish a clear default principle that:

 - *Providers are not permitted to refer participants on their caseload to training programs which they deliver, or which are delivered by a related entity except with express approval by the department which would only be expected in limited circumstances...*
 - *Providers are not permitted to use the Employment Fund to pay for activities, services, or programs that they deliver, or which are delivered by a related entity except with express approval from the department...*
 - *There should also be a safeguard that requires a client to be told in every instance when an own or related entity payment is sought from the Employment Fund, that activities funded must never be imposed by a provider on a client, and that they be advised of potential alternatives given the conflict-of-interest risk..."*
- The Government is carefully considering this recommendation at this time.

Timeline Key data on extent of own and related entity referrals

Data disclaimer please note:

- 'Own Organisation' identifies cases where the supplier/activity host/employer ABN and the provider ABN are the same.
- 'Related Entity' relationships are those identified by the department in its review of the Australian Business Register and other sources, and confirmed by Providers, current as at 12 July 2023.
- 'Related Entity' spending identifies commitments by providers to these identified Related Entities.

Table 1 – Number and proportion of current providers that have referred to own organisation or related entity, by referral type. Data from 1 July 2022 – 31 December 2023

Program	Job Placements	Activities to address vocational non- vocational needs	Services that attract reimbursement under the Employment Fund/ Participation Fund
Workforce Australia Services	43 (100% of providers)	43 (100% of providers)	40 (93% of providers)
Transition to Work	20 (54% of providers)	37 (100% of providers)	N/A (program doesn't have an equivalent Employment Fund)
Parents Next	26 (49% of providers)	53 (100% of providers)	36 (68% of providers)

Note:

- Data only includes providers with a current licence.
- Broome Employment Services is excluded from this data (due to date of implementation 1 November 2023).

Table 2 – Own organisation commitments through the Employment Fund and Participation Fund from 1 July 2022 - 31 December 2023

Program	Total Commitments	Commitments (excl wage subsidies)	Total value of own organisation commitments	% of total commitments to own organisation	% of providers that claimed against own organisation	Average total commitments to own organisation	Maximum total commitments to provider's own organisation
Workforce Australia Services Employment Fund	\$360,962,804	\$230,033,709	\$55,434,427	24.1%	88.6%	\$1,421,396	\$11,212,142
ParentsNext Participation Fund	\$24,958,259	\$24,958,259	\$2,711,267	10.9%	58.5%	\$87,460	\$483,407

Table 3 – Related entity commitments through the Employment Fund and Participation Fund from 1 July 2022 - 31 December 2023

Program	Total Commitments	Commitments (excl wage subsidies)	Total value of related entity commitments	% of total commitments to related entities	% of providers that claimed against related entities	Average total commitments to related entities	Maximum total commitments to provider's related entities
Workforce Australia Services Employment Fund	\$360,962,804	\$230,033,709	\$14,350,967	6.2%	40.9%	\$797,276	\$8,269,124
ParentsNext Participation Fund	\$24,958,259	\$24,958,259	\$824,161	3.3%	22.6%	\$68,680	\$632,173

Notes for Tables 2 and 3:

- Not all commitments result in a claim for reimbursement.
- ParentsNext Participation Fund own organisation commitments also include commitments flagged in the system as 'own organisation' by the provider, as supplier ABN details are not populated for most Participation Fund commitments.
- Calculations of own organisation and related entity commitments include all Employment Fund spend (including EST Training Block 2 course fee) or Participation Fund spend but excludes Wage Subsidies. These cannot be claimed for own organisation or related entity job placements.
- Average does not include providers with 'nil' commitments to own organisation or related entity.
- Broome Employment Services is excluded from this data.

Table 4 – Own organisation and related entity commitments through the Employment Fund 1 July 2022 to 30 June 2023 and 1 July 2023 to 31 December 2023

	Own organisation	Related Entity	Total (Inc. external commitments, excl wage subsidies)	Percentage own organisation	Percentage related entity
1 July 2022 – 30 June 2023	\$34,355,153	\$9,293,633	\$136,088,557	25.2%	6.8%
1 July 2023 – 31 December 2023	\$21,079,033	\$5,057,334	\$93,890,387	22.5%	5.4%

Note:

- Not all commitments result in a claim for reimbursement.
- Calculations of own organisation and related entity commitments include all Employment Fund spend (including EST Training Block 2 course fee) spend but excludes Wage Subsidies. These cannot be claimed for own organisation or related entity job placements.
- A small number of commitments are excluded due to unknown commitment dates.
- Broome Employment Services is excluded from this data.

Table 5 – Workforce Australia Services providers that can self-refer to Employability Skills Training or Career Transition Assistance (point in time) as at 31 December 2023.

	Employability Skills Training	Career Transition Assistance
Total number of providers eligible for self-referral	6 (14% of 43 Workforce Australia Services providers)	8 (19% of 43 Workforce Australia Services providers)
Employment Regions in which Workforce Australia Services provider can self-refer	15 (29% of 51 regions)	17 (33% of 51 regions)
Employment Regions in which the provider is subject to a 50% referral cap	11	10
Employment Regions in which the provider is exempt from the referral cap as they are the only activity provider	4	7

Note:

- There are 51 Employment Regions across Australia.
- Referral Cap only applies to the delivery of Training Block 2 as Training Block 1 attracts no government funding.
- Excludes related entities.

Table 6 – Workforce Australia – Transition to Work providers that can currently self-refer to Employability Skills Training (point in time) as at 31 December 2023

	Employability Skills Training
Total number of providers eligible for self-referral	7 (19% of 37 Transition to Work providers)
Employment Regions in which the Transition to Work provider can self-refer	12 (24% of 51 regions)
Employment Regions in which the provider is subject to a 50% referral cap	9
Employment Regions in which the provider is exempt from the referral cap as they are the only activity provider	3

Notes:

- There are 51 Employment Regions across Australia.
- This data excludes related entities.
- Transition to Work providers became subject to a 50% Referral Cap from March 2023, when Transition to Work referrals started occurring within the Department's IT Systems.

Background

- Workforce Australia Services, Transition to Work and ParentsNext providers can refer a participant to their own organisation, related entity, or sub-contractor to:
 - participate in activities to address non-vocational barriers
 - gain the skills they need to improve their employment prospects
 - place a participant in employment (including labour hire).
- The current policy settings enable participants to access:
 - coordinated wrap around support with a provider with whom they have an established relationship
 - timely professional services (e.g., mental health counselling), particularly in regional or other areas with no or limited availability
 - more flexible, rolling course commencements compared to other training organisations (such as TAFEs).

Department Controls

- Subject to specific rules, own organisation and related entity referrals can result in a progress or outcome payment to the provider, or payment for the activity, goods, or services delivered.
- The department has in place controls to monitor, limit or prohibit own/related entity and subcontractor referrals, including:
 - a prohibition on providers claiming Wage Subsidies with their own/related entities
 - a 50 per cent referral cap for Workforce Australia Services providers with an Employability Skills Training or Career Transition Assistance contract in the same Employment Region where multiple providers operate
 - policy controls relating to payment structures, such as limiting progress payments to once for a participant within each 24-month period of service, and preventing the churn of participants through a job for multiple employment outcome payments
 - policy controls relating to Employment Fund reimbursement, for example
 - a capped maximum standard rate for professional services delivered by staff employed by the provider's own organisation or a related entity
 - prohibition of purchases associated with the provision of employment services, and any services considered core services under the Deed (including for own organisation or related entity suppliers).
 - IT system controls that prevent inappropriate referrals and reimbursement in some instances
 - regular desktop monitoring and assurance activities.

- The department is continuing to explore improved methods to identify related entity relationships. These improvements will assist the department to ensure that its monitoring and assurance activities identify non-compliance in a timely and accurate manner, and to inform any required amendments to policy parameters.

Department Action

- Non-compliance is assessed under the:
 - Department's Breach Management Framework – consequences include recovery of payments, the imposition of additional documentary evidence and restricting access to categories of expenditure under the Employment Fund/Participation Fund.
 - Performance Framework – with implications for future licensing decisions and/or contracts.

Career Transition Assistance and Employability Skills Training

- CTA participants are fully funded by the Australian Government.
- For participants referred to EST Training Block 1, providers must use their own revenue to cover the cost of the program (\$1250) as they are expected to deliver the type of support covered by this training block directly (job search and workplace skills support and training).
- For EST Training Block 2, which is industry-specific training, participants are funded by the Government (\$950), and EST providers may charge the referring Workforce Australia provider up to \$300 per participant (total payment to the EST provider of up to \$1250). Workforce Australia Services providers can use the Employment Fund to pay for the up to \$300 participant cost (prior to 14 August 2023, Workforce Australia Services provider were required to use their own revenue).

Related Questions received on notice

PDR Link	Submitted By	Subject	Answer Summary
SQ23-000736	Rice, Janet	Own or related entity organisations	Request for an update to Senate Question Number 1989, including more recent data since 31 March 2023, all related entity data available by provider and employment region and number of referrals to EST and CTA. The department provided data updated to 30 June 2023 including data for related entities.
IQ23-000276	Hill, Julian	Employment Fund category	Request for related entity and own organisation data for the first 12 months of the program, including total expenditure, total number of participants assisted, total transactions and average cost per transaction by Employment Fund category. Response in progress.

Mutual Obligations Policy factsheet

Mutual Obligation Requirements

Most people who receive unemployment payments are required to meet mutual obligation requirements as a condition of receiving income support.

Balancing mutual obligations to drive participation

- Social security policy settings link eligibility for unemployment payments to mutual obligation requirements as a condition of receiving income support.
- For unemployment payments, this may mean people can have payments suspended if they do not meet requirements.
- There is evidence that well-designed activity requirements improve labour market outcomes for both job seekers and employers.
- However, if requirements are too onerous or are not accompanied by genuine quality support to find suitable employment, they can have harmful effects.
- The type of activity requirements also matter.
- Poorly designed requirements can tie up:
 - job seekers in low quality programs that exhaust both time and financial resources to attend, reducing capacity to search for suitable work.
 - employers in high administrative burden from large volumes of low-quality or unsuitable applications submitted for the purpose of meeting requirements rather than genuine applications for work.

Mutual obligations apply to:

- JobSeeker Payment,
- Youth Allowance (other),
- Parenting Payment (once the youngest child turns 6 years old) – Prior to 5 May 2023 *eligible Parenting Payment recipients with a child aged under 6 years were required to participate in ParentsNext.*
- and
- Special Benefit (nominated visa holders)

Requirements generally include:

- agreeing to a Job Plan,
- actively looking for work,
- attending provider appointments,
- participating in activities that increase the likelihood of their finding work, and
- being prepared to accept any offer of suitable employment.
- Suitable employment includes all work a person is able to do, not just that they prefer.
- Mutual obligation requirements must be appropriate and achievable for a person's individual circumstances.

Setting mutual obligation requirements

Mutual obligation requirements are included in a Job Plan

- Most participants in employment services are required to enter into a Job Plan that details their mutual obligation requirements.
 - Participants can enter a Job Plan with a person (a provider, the Digital Services Contact Centre, or Centrelink),
 - or those in Workforce Australia Online can choose to enter a Job Plan online.
- Participants must always be given the option of entering a Job Plan with a person, rather than online.

Individual circumstances must be considered when setting requirements

- Mutual obligation requirements must be appropriate and achievable for a person's individual circumstances.
- Providers must consider individual circumstances including:
 - a person's age,
 - any medical conditions,
 - caring responsibilities,
 - the state of the labour market,
 - participation opportunities for the person,
 - the length of travel time and
 - the costs of complying with requirements.
- Where participants in Workforce Australia Online seek a review of a Job Plan that they chose to enter online, these factors must also be considered.

Temporarily unable to meet mutual obligation requirements

- Where a person is temporarily unable to meet requirements, for example due to illness or incapacity, Services Australia may grant an exemption, generally for up to 13 weeks at a time (subsequent exemptions may be granted if needed).

Different requirements across services

- Specific requirements vary depending on which employment service the person has been referred to. Which service a person is referred to depends on their personal circumstances, such as age, location and whether they have disabilities affecting their capacity to work. In all services, requirements must be tailored to individual circumstances.

Workforce Australia Services and Online

- Generally, meet their mutual obligation requirements through the Points Based Activation System (PBAS) with a monthly points requirement
- Requires participation in activation points where individuals will be referred to a suitable activity if they have not already engaged in an activity.
 - generally, to Employability Skills Training after 4 months for those in Workforce Australia Online or
 - generally, to Work for the Dole after 6 months for those in Workforce Australia Services

Transition to Work

- Eligible youth may be referred where they participate in 25 hours per week of appropriate activities.

Disability Employment Services (DES)

- Individuals may be referred to DES if their primary barrier to employment is disability.
- DES participants may be required to look for a specified number of jobs, attend appointments with providers and participate in activities.

Questions on DES should be referred to the Department of Social Services.

Community Development Program (CDP)

- Individuals in remote Australia may be referred to the CDP where they may be required to look for work and attend appointments with providers.
 - Participation in activities in CDP has been voluntary since May 2021.

Questions on CDP should be referred to the NIAA

Fully meeting requirements

- Some cohorts of unemployment payment recipients are able to 'fully meet' their mutual obligation requirements if they are undertaking 30 hours per fortnight of approved combinations of paid work, approved voluntary work or approved study.

International approaches

- Most countries' income support systems are quite different to Australia's and have an unemployment insurance model. Countries with similar income support systems include the United Kingdom and New Zealand.
 - New Zealand Jobseeker Support recipients must look for work of at least 30 hours, attend appointments with Work and Income New Zealand, and participate in activities as required. Partners of Jobseeker Support recipients are also generally required to meet obligations.
 - In the United Kingdom, requirements similarly involve looking for work and attending appointments with a Work Coach
- The OECD has described Australia's compliance system as the 'most lenient' in the OECD. The United Kingdom and New Zealand both have much more stringent penalties for not meeting requirements (penalties for a first failure are equivalent to a seventh or an eighth failure in Australia respectively).
- A 2022 OECD report also ranked job search requirements and monitoring in the United Kingdom and New Zealand as stricter than Australia's.
- The Select Committee also referred to activation arrangements in Denmark and Ireland, citing lighter touch arrangements. In this context, however, it is worth noting that both countries' primary method of supporting unemployed recipients is a time-limited unemployment insurance scheme. The time-limited element of support has been shown by significant academic research to have a strong activation effect.

Government statements

The Hon. Tony Burke MP was quoted in an article by The Guardian:

- "Labor supports the concept of mutual obligations but it is critical people are not penalised unfairly. We know there's more work to do to fix employment services. That's why this Government established a Select Committee to examine the system. We're working through the Committee's recommendations to ensure we have a system focused on helping people get into work." *Welfare recipients subject to 'system error' receiving back pay*, *The Guardian*, 23 January 2024.

At Senate Estimates in October 2023, Senator the Hon. Murray Watt stated (*further statements are at Attachment K*):

- In the end it comes down to how they are designed. As I said to you, the government on the whole supports mutual obligations, and we think the community does expect that those in receipt of public support have a responsibility to seek work. But we have very strong objections to the way the mutual obligation scheme that currently exists is designed. We think it is punitive, we think it is degrading and we think it isn't about assisting people into work.

The Employment White Paper includes information on *Balancing mutual obligations to drive participation* (*further information is at Attachment L*).

Select Committee statements

The Select Committee's comments on mutual obligations and compliance have included:

- "While the Committee does not support a voluntary system, it is clear that the current approach to mutual obligations in Australia is ineffective, self-defeating, and needs reform." *Rebuilding Employment Services Report*, page 448.
- "A more nuanced approach, tailored to the individual, is required. The Committee reiterates that it is reasonable to impose baseline expectations on jobseekers. However, there must be much greater alignment between mutual obligation requirements and the overall goal of building jobseekers' capacity and supporting them to find work." *Rebuilding Employment Services Report*, page 449.
- "In determining participation requirements, it is critical to differentiate between what is appropriate and effective to support [Long Term Unemployed] or disadvantaged people and what is appropriate and effective to support those who are closer to the labour market." *Rebuilding Employment Services Report*, page 449.
- "There is also a clear need to broadly align mutual obligation requirements in the mainstream employment services system with the remote service, CDP, as part of an effort to harmonise employment services programs over time." *Rebuilding Employment Services Report*, page 452.

Recent media on the program

There has been recent media related to mutual obligations, particularly following release of the House Select Committee on Workforce Australia Employment Services' recent report. Key themes include cited opinion that mutual obligations require an overhaul, are insufficiently tailored, are disproportionate, and that mutual obligation requirements are ineffective.

- Attachment A:** The Guardian - *Australia's broken employment services system needs public provider, parliamentary review finds* (30 November 2023).
- Attachment B:** SMH, The Age, Brisbane Times, WA Today - *Nuclear bomb to kill a mosquito: Inquiry slams privatised job system* (30 November 2023).
- Attachment C:** ABC News - *Government should reclaim some employment services, shift away from harsh compliance, inquiry finds* (30 November 2023).
- Attachment D:** The Australian - *Unemployed tortured by broken job system that needs major overhaul, Labor MP claims* (1 December 2023).
- Attachment E:** Canberra Times (syndicated) - *'Hunger games' employment services system not delivering* (1 December 2023).
- Attachment F:** Canberra Times - *'Like the puppet masters': ACT employment services could face federal takeover* (1 December 2023).
- Attachment G:** The West Australian - *Major review recommends Federal Government blueprint for jobs services overhaul* (30 November 2023)
- Attachment H:** The Conversation - *Parliamentary report slams mutual obligation, calling for total overhaul of employment services* (30 November 2023).
- Attachment I:** SBS News - *A 'mosquito' and a 'nuclear bomb'. Why some Australians are struggling to find work* (30 November 2023).
- Attachment J:** The Guardian - *Welfare recipients subject to 'system error' receiving back pay* (23 January 2024)

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SB24-000105
 Data for: 31 December 2023

Related Questions received on notice

PDR Link	Submitted By	Subject	Answer Summary
<i>IQ23-000253</i>	<i>Senator Janet Rice</i>	<i>Antipoverty Centre report</i>	<i>Outline of complaint mechanisms for individual action and program assurance.</i>
<i>IQ23-000259</i>	<i>Senator Janet Rice</i>	<i>Payment suspension - overarching policy direction</i>	<i>Participants' mutual obligations must be appropriately tailored for individual circumstances and achievable.</i>
<i>PQ23-000328 to 2815</i>	<i>Senator Janet Rice</i>	<i>Policy on medical exemptions for long-term illness</i>	<i>Those with a serious illness may be eligible for a medical exemption period of up to 12 months.</i>
<i>PQ23-000327 to 2808</i>	<i>Senator Janet Rice</i>	<i>Maximum job search requirements</i>	<i>Outline of operational policy on Job Search under PBAS</i>



Inequality reporting

🕒 This article is more than **1 month old**

Australia's broken employment services system needs public provider, parliamentary review finds

Parliamentary inquiry established by Albanese government declares 'full marketisation' of \$9.5bn system has 'failed'

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Cait Kelly

Thu 30 Nov 2023 13.29 AEDT

The decades-long full privatisation of Australia's employment services system has failed, according to a parliamentary review ordered by the Albanese government that has urged Labor to re-establish a commonwealth job agency and overhaul the mutual obligations regime.

A damning review of the Workforce Australia system also called for the government to create a watchdog - as exists in disability and aged care - to monitor the

mammoth job services system and recommended the axing of a costly privatised training program.

The inquiry, chaired by Labor MP Julian Hill and established by the employment minister, Tony Burke, declared the system was frequently ineffective but was still set to cost over \$9.5bn over the next four years.

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“Despite generally good intentions, the employment services system has largely failed to improve employment outcomes for jobseekers, or more broadly to boost their capacity for social and economic participation,” Hill wrote in his foreword to the report.

However, the committee shied away from abolishing mutual obligations, the policy which forced jobseekers to complete tasks such as to apply for jobs or attend training or job coaching otherwise have their payments stopped, and said the controversial Work for the Dole scheme should remain as a last resort for some jobseekers. [Welfare](#) advocates have argued mutual obligations are ineffective and should be abolished, but the committee has said they need to be overhauled instead.

The 75 recommendations included a call to establish a large government-run provider, to be named Employment Services Australia, within the Department of Employment and Workplace Relations that would work with “jobseekers with fewer barriers to work” and “for people who are furthest from the labour market or persistently non-compliant with their obligations”.

The report does not suggest that private employment services providers be abolished from the system, though the review recommends the government consult with stakeholders about how a modern public system might be designed.

The inquiry also recommended a watchdog responsible for regulating “workforce standards and professional development; research, continuous learning and improvement activities”, advising on funding issues and handling complaints.

The committee recommended the “broadening and tailoring” of mutual obligations, including developing individual job plans for jobseekers, returning the power to suspend payments to a public servant at Services Australia.

Welfare advocates have long criticised what they consider the “punitive” nature of the current system. In the first 15 months of Workforce Australia (July 2022 to September 2023), 70.4% of participants had their payments suspended.

Welfare advocates have had a mixed reaction, with some welcoming the suggested changes and others calling for an immediate pause to payment suspensions and mutual obligations.

The Greens, the Antipoverty Centre, and the Australian Unemployed Workers' Union are calling on Burke to end mutual obligations entirely.

Antipoverty Centre spokesperson and jobseeker recipient Jay Coonan said as long as mutual obligations were in place, the system would continue to be ineffective.

“The Workforce Australia inquiry has shown again that ‘mutual’ obligations are being incorrectly applied and causing mass harm to those of us who are battling to survive on half the poverty line,” Coonan said. “Every payment suspension wreaks havoc for people trying to navigate the system.”

Under the proposed remodelled compliance regime, frontline staff would be able to “counsel clients a few times a year” before moving into compliance, which also be softened.

The commission said the controversial Work for the Dole program should be kept, but rebuilt to include more activities and “seen as a last resort for that small minority of people who fail to meaningfully engage”.

“Numerous experts have told us that the biggest obstacle to system reform is likely to be resistance by the Australian public service,” the report says, “given a decades-long belief in full outsourcing, a lack of experience in delivery and the sheer convenience of being able to blame and punish contractors for systemic failures”.

The employment services system was fully privatised in the late 1990s under the Howard government and has since faced criticism it is wasteful and ineffective. Supporters of the system maintain it is more cost-effective.

The report also recommended reinstating a sickness allowance for people unable to work and reviewing access to the disability support pension for people who have been unemployed for over five years.

Other recommendations include a base level of qualification and skills for job consultants working for providers and abolishing the [employability skills training program](#), which has included jobseekers being [advised on how to wash properly](#) and told to [use ChatGPT to apply for work](#).

Greens senator Janet Rice said the inquiry was “an important step forward”.

“There is no evidence that mutual obligations work, they do not need to be scaled back or tailored, they need to be abolished,” Rice said.

“We need to respect people’s autonomy. The solution, if someone is disengaging from these services, is not to coerce them into it, but to engage with their life circumstances and what they genuinely need. Income support should be a fundamental right, granted to anyone that needs help.”

The Australian Council of Social Service acting chief executive, Edwina MacDonald, urged the government to implement reforms that would shift it from a “system that punishes people towards one that opens up real employment opportunities”.

“We are long overdue for transformational reform to the 30-year-old employment services system in which private providers compete for the ‘business’ of helping people secure employment,” she said. “This competitive model has not worked.”

MacDonald said Work For the Dole should be replaced by a large-scale investment in wage subsidies and income support payments to be raised to the age pension rate of \$78 a day.

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‘Nuclear bomb to kill a mosquito’: Inquiry slams privatised job system



Shane Wright

November 30, 2023 – 10.55am



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The 30-year privatisation experiment with Australia’s \$9.5 billion employment services system should come to an end, a parliamentary inquiry into the sector has urged, finding the unemployed, employers and providers have been let down.

Headed by Labor MP Julian Hill, the inquiry found the current system – which contains the largest government contracts outside the Defence Department – was holding back the entire economy as it failed to properly train people or direct them to businesses that needed them while tying up employers in mountains of red tape.



An inquiry into the nation’s employment services system has found it has failed all Australians. BLOOMBERG

Instead of a network of private service providers overseen by a federal department, it said the government needed to be much more involved in ensuring services were available across the country.

Mutual obligation responsibilities would be retained for those on welfare but wound back in some cases, with the inquiry's report likening the current penalty system to "using a nuclear bomb to kill a mosquito".

The employment services sector was privatised by the Howard government, but there has been growing criticism about the types of services provided and ongoing complaints that profit-driven providers fail to adequately support older, disadvantaged or long-term unemployed people.

Despite [unemployment being under 4 per cent](#) over the past year, almost 500,000 people use employment services for more than a year. Businesses have been complaining about a shortfall of suitably qualified workers since the reopening of the economy after COVID-related shutdowns.

Hill said the current system, known as Workforce Australia, and its previous iterations were more focused on penalising people by keeping them off welfare than training them or matching them with potential jobs.

"It's harsh but true to say that Australia no longer has an effective, coherent national employment services system; we have an inefficient, outsourced, fragmented social security compliance management system that sometimes gets someone a job against all odds," he said.

"Mutual obligations need to move away from a one-size-fits-all approach that ties the system up in red tape, drives employers away and makes people less employable, and be broadened and tailored to the individual."

The committee backed the continued use of mutual obligation on welfare recipients but said the current system – under which people lose access to payments for small breaches – was too onerous, both on those accessing welfare and businesses dealing with the paperwork around potential workers.

The report found more than 70 per cent of people going through Workforce Australia had their welfare payments suspended for breaching compliance regulations. Between 35 and 50 per cent of people whose payments had been suspended more than 10 times were Indigenous Australians.

Research from Anglicare Australia suggested up to 20 per cent of people had their payments suspended even though it was not their fault.

In one case heard by the inquiry, a woman attended an appointment with a service provider but it was not recorded. The following day, she received a text saying her welfare payment was being suspended, leaving her unable to pay her rent.

The inquiry heard from businesses about the failure of the current system to direct suitably qualified prospective workers in their direction. They also complained about the red tape involved in dealing with constant job applications from people unlikely to get a job.

Among its 75 recommendations, the inquiry backed rebuilding the Commonwealth Employment Services system that was abolished in the mid-1990s. It would oversee the

connection between jobseekers and employers but use the private sector to provide certain services.

A separate regulator would be created to oversee providers, research, data collection and complaints to deal with any issues that arise across the employment service sector. Extra online support, job coaches, specialist youth employment services, targeted programs for Indigenous and non-English-speaking jobseekers, support services for employers and referrals for no-vocational barriers to work such as family violence and mental health issues were all proposed by the committee.

A common complaint heard by the inquiry was the lack of flexibility built into the contracts for employment service providers.

In one case, a woman had to attend an appointment 30 minutes from her home in person every fortnight despite working 28 hours a week and not having any job search obligations. The requirement for in-person meetings was part of the official government contract.

The report found just 12,000 of the 20,000 people employed by employment service firms were engaged in frontline services. Staff spent more than 50 per cent of their time on administration rather than working with clients and employers.

It also found that while Australia spent around half the OECD average on employment services overall, it outlaid more than average on case management, job placements and administration of benefits such as JobSeeker.

Brotherhood of St Laurence executive director Travers McLeod said bold reform was needed to address the issues revealed by the inquiry.

“The Workforce Australia inquiry has confirmed Australia’s employment services system is fundamentally broken and must be rebuilt,” he said.

Centre for Policy Development deputy chief executive Annabel Brown said the inquiry had confirmed a completely outsourced employment service system had left people “doing it tough, out of sight and out of mind”.

“Australians want a government that’s an active, useful part of their local communities,” she said.

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Shane Wright – Shane is a senior economics correspondent for The Age and The Sydney Morning Herald. Connect via [Twitter](#) or [email](#).



Government should reclaim some employment services, shift away from harsh compliance, inquiry finds

By political reporter [Jake Evans](#)

Posted Thu 30 Nov 2023 at 11:45am, updated Thu 30 Nov 2023 at 12:26pm



A select committee has found Australia's employment services need wholesale reform.

(ABC News: Emma Machan)

A parliamentary inquiry has laid the foundations for government to reinvent unemployment services, finding the system has become obsessed with "kicking people off welfare", instead of helping them.

The government-dominated committee, established in the weeks after the government's 2022 federal election win, has called for a shift away from intense compliance measures and the return of some privatised job services to government.

Its chair, Julian Hill, said the ground-up review was the first of its kind since employment services were privatised 25 years ago.

Mr Hill wrote that in that time, the sector had degraded into a system that was not helping people find work and was neglecting employers.

Key points:

- A inquiry into employment services established after Labor's 2022 election win has handed down its findings
- It found the system had degraded and was hampering jobseekers and employers
- It recommended government reclaim some services, and relax

"It's harsh but true to say Australia no longer has an effective coherent national employment services system," Mr Hill wrote. its compliance-focused approach

"We have an inefficient outsourced fragmented social security compliance management system that sometimes gets someone a job against all odds."

The committee said the system had been built on the "myth of the dole bludger" and that the extent of strict mutual obligations was "like using a nuclear bomb to kill a mosquito".

Deputy chair and former Liberal MP Russell Broadbent, who quit to the crossbench earlier this month after losing pre-selection said the inquiry had been conducted fairly.

"This report is for the future, not the past. It is worthy of consideration ... ideology played no part," Mr Broadbent said.

However, the sole remaining Liberal MP on the committee, Aaron Violi, published a dissenting report stating while he did not oppose some of the committee's recommendations, the review was considering a program that was only recently reformed and required time to settle.

"The Coalition has concerns about some of the key recommendations that have come out of this premature process that evidently seek to water down mutual obligation requirements, [and] pass on key employment service functions from the private to the public sector, which end up increasing the size of the bureaucracy, inflating the cost to the taxpayer and simply risk creating more red tape," Mr Violi wrote.

Payment system rewards providers for finding jobseekers unsuitable, short-term jobs

The committee found issues at every step in the process, from contracts with job agencies, staff at those agencies, compliance measures imposed on clients, and an unhelpful system for employers.

At the top of the chain were perverse incentives that rewarded job agencies for placing people into any job available as quickly as possible.

To maintain their government funding, employment service providers were forced to meet rigid performance outcomes that incentivised what the committee called a "work first" approach, leading to clients repeatedly being placed into short-term survival jobs, rather than sustainable work.

Within those services, staff were often unskilled and ill-equipped to deal with an increasingly vulnerable case load and had so much red tape to contend with that there was little time to focus on clients anyway, the committee found.

The services provided, and requirements imposed, often differed little regardless of someone's history, age, language barriers or any other specific need.

Meanwhile, the public service had become "passive", only contract-managing from afar.

lian Hill wrote Australia no longer had a "coherent" employment services system. (*ABC News: Adam Kennedy*)

And for jobseekers, a "mountain" of mandatory activities and compliance requirements were getting in the way of actually finding work, as well as forcing jobseekers to take "silly" irrelevant training or to apply for jobs they would never get.

The committee said because of that, employers had fled the system to avoid dealing with overwhelming numbers of inappropriate applications.

The committee concluded it would be uncontroversial to say the "full marketisation" of the system had failed.

Call to reclaim some services from private industry, personalise jobseeker services

In response to what it identified, the committee recommended a wholesale rewrite of the employment services system.

It recommended the government reclaim some services from job agencies and create Employment Services Australia (ESA), a new agency that would oversee the network and offer enhanced online services as well as face-to-face services with clients.

ESA would directly take on some cases, such as cases where people were "not ready for provider services" and needed in-depth support, while others would be referred to job agencies.

And, instead of job agencies winning funding based on "blunt" employment outcomes, a mixed funding model could provide some funding up-front, some on performance and some on other, softer, metrics — with a preference for community or specialist agencies.

The government would also rebuild its service model to recognise "people are at different points on their pathway to employment", and acknowledge employment may sometimes not even be a realistic outcome.

Part of that would also mean making services available for some people focused on wellbeing and social participation, rather than employment.

Mr Violi wrote in his dissenting report that the system could not be so lenient that people were not incentivised to look for longer-term work.

"The Coalition believes that the best form of welfare is a job," Mr Violi wrote.

"The Coalition firmly believes in maintaining a safety net while preventing a system that is vulnerable to exploitation and lacks adequate incentives for the long-term unemployed to seek permanent employment."

For employers, the committee recommended a single point of contact in a sector where they could access talent with skills specific to their needs.

It also noted the Australian government spends about half as much as other OECD nations on items such as paid internships or wage subsidies for employers.

Mr Hill wrote that change to the sector would require sustained political leadership.

"The significant and numerous issues identified in this inquiry simply cannot be addressed by mere tweaks to policies and programs," he wrote.

"They demand wholesale, large-scale reform in the coming months and years to fundamentally rebuild the Australian system."

THE AUSTRALIAN

Friday, January 12, 2024 | Today's Paper | Mind Games

Unemployed 'tortured' by broken job system that needs major overhaul, Labor MP claims

By COURTNEY GOULD

NCA NEWSWIRE
10:46AM DECEMBER 1, 2023

A scathing review of Australia's employment services has found that the system is failing and no longer serves the interests of jobseekers or employers.

The parliamentary inquiry into Workforce Australia handed down its final report on Thursday, making 75 recommendations to overhaul and fix the \$9.5bn system.

It was the first assessment of employment services since it was privatised by the Howard government 25 years ago.

Julian Hill, the Labor MP who chaired the inquiry, said full privatisation had failed and the system was, at times, "torturing unemployed people".

"We've got this Hunger Games-style culture, torturing unemployed people at times or punishing people pointlessly," he told ABC's RN on Friday.

"Motivating providers with fear ... and it's disconnected from local communities."

The inquiry found that mutual obligations – tasks a jobseeker is required to complete to avoid having their payments cut – should be wound back but not scrapped altogether.

It's despite Mr Hill likening the penalty system to "using a nuclear bomb to kill a mosquito".

"We've designed the entire system around the small minority of people who try and cheat (the system)," he said.

More than 70 per cent of people in face-to-face services in the last year have had their payments suspended, the inquiry found.

"It is a ridiculous figure and it ties the system up in red tape. The frontline staff report that they now spend more than 50 per cent of their time typing stuff into the computer for social security compliance or for administrative requirements," he said.

"There's no need for that level of payment suspensions, it causes trauma. It pushes some people into poverty when they can't pay their bills."

Instead, mutual obligations should be broadened and tailored to the individual, Mr Hill said.

There were 624,655 people in the Workforce Australia system as of September 2023.

The report recommended a new entity, known as Employment Services Australia, be established and a regulator be created to oversee providers and deal with complaints.

"Government has to have a more active role. We've got overwhelming evidence to that effect. There needs to be a public sector core to the system," Mr Hill said.

But asked if the cabinet would endorse the recommendations, Mr Hill said it was up to them.

"I believe there is an appetite for reform ... and I think we're proposing how that could be done," he said.

"We want the government to take it seriously as a serious contribution."

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'Hunger games' employment services system not delivering



By [Adrian Rollins](#)
December 1 2023 - 5:30am



The multibillion-dollar employment services system is badly failing workers and employers and needs to be scrapped and fundamentally rebuilt, according to a scathing parliamentary committee report.

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Australian Community Media

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As businesses grapple with sustained labour shortages arising from a tight labour market. a House of Representatives committee inquiry



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country down by forcing job-seekers into unsuitable short-term jobs and ignoring employer needs.

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Inquiry chair, Labor MP Julian Hill, said the market-based approach to finding jobs for the unemployed - costing taxpayers around \$1.3 billion a year - was failing.

Mr Hill said that workers were not being placed into suitable and sustainable long-term work, the needs of employers were being ignored, the system was fragmented and mired in complexity and the obligations imposed on jobseekers were counterproductive and backed by harsh and punitive sanctions.

"The system is driven by the pernicious myth of the dole bludger, reflected in a patently ridiculous level of compliance and reporting activities," the report said.

The current system was based on the flawed theory that unemployment "is an individual failing rather than a systemic concern", and that people will only make efforts to find employment only "if they are beaten hard enough".



📷 The employment services system is driven by the 'pernicious myth of the dole bludger' says inquiry chair, Labor MP Julian Hill. Picture by Elesa Kurtz

Employers complained that the system was of little value and repeatedly tried to force jobseekers into vacancies unsuited to their skills and abilities without adequate incentives or support, according to the report.

According to the report, the "highly fragmented" system was also marred by excessive competition and duplication, causing unnecessary complexity for users and a high degree of churn among operators, noting that in the last round 22 per cent of regions dumped all of their providers.

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"A hunger games-style contracting model and regulatory culture drives very high turnover in providers, leading to service disruption and devastating impacts on relationships of trust which have been built up between jobseekers and providers, and with employers," the report said.

The government has expressed concern about the effectiveness of employment services.

It is due to spend \$7.3 billion on employment services over five years to 2027-28, and in July Assistant Employment Minister Andrew Leigh flagged changes to strengthen the focus on education and training instead of pushing jobseekers into jobs that do not match their skills or experience.

The government's Australian Centre for Evaluation will also assess the effectiveness of the online support provided by employment services to job hunters.

The Australian Council of Social Services welcomed the committee's report, saying its recommendations would "transform employment services for the better".

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Acting chief executive Edwina MacDonald called on the federal government to commit to the reforms, which she said would "shift it from a system that punishes people towards one that opens up real employment opportunities".

Ms MacDonald said the fact that 600,000 people were stuck on unemployment payments showed the current system was not working.

She said the most urgent change was to end automated payment suspensions, adding that in the three months to September alone more than 280,000 had been threatened with losing income support.

"Cutting off someone's income should never be a first resort and people should be given the chance to explain their situation before their payments are impacted," Ms MacDonald said, adding that many were targeted for minor infractions, such as missing an appointment with an employment service provider that they didn't know about.

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The proposed overhaul of employment services comes as the nation's unemployment rate has hovered at or around historically low levels throughout 2023, reaching 3.7 per cent in October.

Many employers report problems recruiting the workers they need even though the long-term unemployed rate has barely shifted.

Improving the effectiveness of employment services in helping people find work that more closely matches their skills and experience is seen as part of action needed to boost workforce participation and improve the nation's weak productivity.

"While the current labour market is the hottest for decades, long-term unemployment remains stubbornly high and is not materially improving," the parliamentary committee report said.

Rather than tweaking the current system or making the obligations on jobseekers even more onerous, Mr Hill said there needed to be a complete overhaul, including a different approach to the unemployed.

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"Participation requirements will continue to be part of any system. However, the nature and extent of the current mutual obligations settings is counterproductive," the report said, adding that policy settings should "leverage not diminish" the motivation to find work.

"[Instead] consequences for non-compliance with mutual obligations are harsh, punitive, often disproportionate and simply ineffective at supporting people into work. The volume of sanctions for non-compliance...is simply out of control."

In a damning assessment of the Australian Public Service's capabilities, the report found that two decades of outsourcing had left it "detached from the realities of service delivery".

It said its firm conclusion was that the failings besetting the employment services system "cannot be addressed through mere tweaks to policies and programs. They demand wholesale and large-scale reform".

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The committee has recommended a rebuilt Commonwealth Employment Services system with a focus on supporting job hunters to build their capabilities, reduce barriers to workforce participation and greater attention to career progression.

It said there should also be much greater engagement with employers.



Adrian Rollins
Journalist



Adrian Rollins is economics correspondent for the Canberra Times

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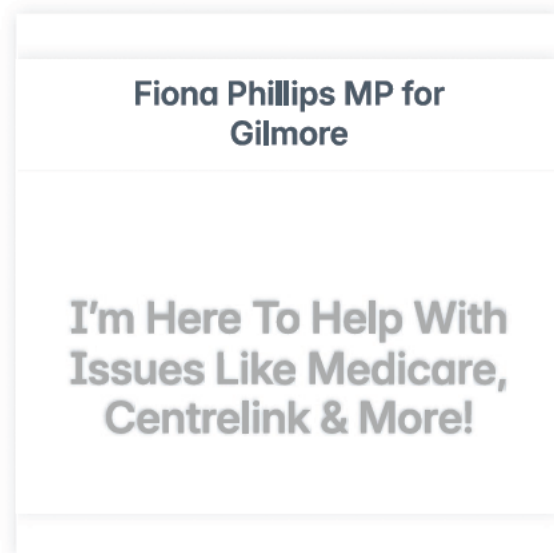
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'The puppet masters': ACT employment services could face federal takeover



By [Natalie Vikhrov](#)

Updated December 1 2023 - 7:22pm, first published November 30 2023 - 1:00pm



| 3

The federal government should consider a takeover of employment service delivery in the ACT as part of a plan to rebuild the failing system, a committee has recommended.

The recommendation comes from a damning parliamentary committee report into [the state of employment services in Australia](#), which concluded that the outsourced system was placing jobseekers into unsuitable roles and pushing away employers.

It called for the public sector to be brought to the core of employment services as part of a major system overhaul.

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Labor MP and committee chair Julian Hill said the Employment Department was "largely detached" from regional labour markets and "the day-to-day reality of supporting unemployed people back into work".

"They're like the puppet masters sitting way up in the rafters, jerkily pulling the strings, trying to control things way below on the stage," he said.

"They need to be closer to the action."

At the same time, he noted that proposed changes could face resistance from the public service.

"Numerous experts have told us that the biggest obstacle to system reform is likely to be resistance by the [Australian Public Service given a decades-long belief in full outsourcing](#), a lack of experience in delivery and the sheer convenience of being able to blame and punish contractors for systemic failures," he said.

Since being privatised in the 1990s, employment services have become one of the government's largest procurements, second only to [Defence](#).

More than \$9.5 billion will be spent on the system over the next four years.

The committee stated after decades of outsourcing, the public sector had "little corporate memory or experience of the complexities of service delivery".

The committee suggested the ACT could be used to trial a Commonwealth takeover of employment services delivery "in the relatively short term".

But its report notes that the territory be among a small number of places where the government might consider doing this.

The move would aim to rebuild the public sector's "understanding of quality service delivery" and would see the government partnering with an existing provider.

To boost the role of government in the employment services sector, the committee also recommended the creation of two entities.

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These include Employment Services Australia, a digital-hybrid service provider for jobseekers within the Employment Department and an Employment Services Quality Commission, a regulator that would be responsible for workforce standards.



📹 Labor MP and committee chair Julian Hill said the Employment Department was "largely detached" from regional labour markets and "the day-to-day reality of supporting unemployed people back into work". Picture by Sitthixay Dittavong

But the proposal has been denounced by a Liberal member of the committee, who released a dissenting report criticising the recommendation to transfer some employment service functions to the public sector.

Aaron Violi said it raised concerns about "increased bureaucracy, cost and red tape and the presupposition that government institutions are better placed to deliver these services than the private sector".

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"Involving the Australian Capital Territory as the trial site for launching this transition from private to public sectors attests to where the Government wants to go in the future," he said.

"Observers couldn't be faulted for construing this to be a part of a wider effort to set the foundation in stone for the old Commonwealth Employment Service (CES) model."

Meanwhile, the Community and Public Sector Union, the main public sector union, which has been campaign to re-nationalise employment services, welcomed the report.

"This would rebuild capacity and capability within the APS," said CPSU National Secretary Melissa Donnelly.

"It would allow the Commonwealth to play a direct role in shaping labour market changes and responding to immediate and future policy challenges and economic priorities, and it would rewrite the relationship between government and job seekers, which is hugely overdue."

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However, Ms Donnelly said the "report falls short in failing to recommend the abolition of mutual obligations".

The committee heard scathing evidence against mutual obligations, which require jobseekers to complete certain tasks to get income support, including that in some cases these hurt a jobseeker's employability.

But it recommended mutual obligations be reformed rather than scrapped all together.

The committee recommended that the government publish a transition plan for the rebuilt Commonwealth Employment Services System by the end of next year.

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Federal politics and public service reporter



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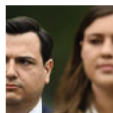
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Major review recommends Federal Government blueprint for jobs services overhaul







Katina Curtis The West Australian
Thu, 30 November 2023 9:04AM [Comments](#) [+](#)

Katina Curtis



 Services to help people get into work need a rebuild. Credit: pressmaster - stock.adobe.com

-  The services supposed to help people find jobs are not working for employers or jobseekers, are overly punitive and need a complete rebuild, a major review has told the Government.
-    While Australia's labour market is at its hottest in decades, the level of long-term unemployment is persistently high and has barely budged.

But a parliamentary committee's year-long review of the systems supposed to help

Its 650-page report, released on Thursday, paints a picture of an existing system that is not working for jobseekers, employers or service providers.

Committee chair Julian Hill said it was clear that “full marketisation has failed”.

According to the review, there are too many providers in some places and none in others, staff are overworked or not adequately skilled to help and are often tied up in red tape.



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Jobseekers, particularly those with complex needs, are not given enough help to get back into the workforce while facing swift and dire punishments for mistakes.

And employers find themselves dealing with a system that repeatedly tries to force unsuitable applicants into jobs with little incentive or support.

Instead, the committee says the system should be as streamlined and made as accessible as possible, genuinely work with employers to be flexible and respond to workforce needs.


It recommends establishing a new body, Employment Services Australia, that would offer hybrid online services to people who need less help to get a job and more intensive case management for people who are either persistently non-compliant or

The principle of mutual obligations should remain but job plans must be genuinely tailored to someone's needs and capabilities rather than a "cut and paste list of mutual obligations" forced on people if they want to get welfare payments.

It also recommends setting up a new regulator to oversee the system and ensure workforce standards and professional development, possibly integrating online job ad services such as Seek, better working with employers to fill workforce shortages, and setting up specialist youth unemployment services and for people leaving jail.

It says employers should be encouraged to lead on-the-job training and suggests specific solutions to help, such as creating a scheme of administrative traineeships in MPs' electorate offices that would give disadvantaged jobseekers skills and VET qualifications.



 Services to help people get into work need a rebuild. Credit: dusanpetkovic1 - stock.adobe.com

Mr Hill said the committee was not naive about the “ambitious proposal” it had put forward.

“Reform will require sustained political leadership, a major change in culture led by the bureaucracy and ongoing engagement by all levels of government,” he said.

Committee deputy chair Russell Broadbent, a Liberal until he quit the party a fortnight ago after losing his preselection, told Parliament the report was bipartisan and ideology had not played a part in the systemic examination.

“This report is for the future, not the past,” he said. “It is worthy - worthy of notice by the Australian people and worthy of consideration by the Australian government.”

Independent MP Rebekha Sharkie, who used to work in the sector, said he hoped the Government would not merely shelve the report to gether dust but act on it.

In a short dissenting report, Liberal MP Aaron Violi says the Coalition has concerns about some of the 75 recommendations but does not make alternative suggestions.

The jobs whitepaper released by the Treasury in September also discussed the shortcomings of employment services.

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Committee Chair Jullian Hill. MickTsikas/AAP

Parliamentary report slams mutual obligation, calling for total overhaul of employment services

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Michelle Grattan

Professorial Fellow, University of Canberra

A parliamentary inquiry has delivered a scathing indictment of Australia's employment services, finding it does not serve the interests of job seekers or employers and urging the privatised system be partially wound back.

A rigid approach to mutual obligation is killing unemployed people's motivation, employers are flooded with inappropriate applications, and people are not adequately assessed upfront, the inquiry has found.

"We have an inefficient, outsourced, fragmented social security compliance management system that sometimes gets someone a job against all odds," the committee chair, Victorian Labor MP Julian Hill, writes in his foreword to the report into Workforce Australia Employment Services.

The inquiry, done by a House of Representatives committee, finds the system can't be fixed by "tweaks".

It recommends a comprehensive rebuilding of the system with a much stronger role for government, including the establishment of a new entity within the public service to drive the system and be a “hybrid provider”.

Employment services were privatised 25 years ago and form the federal government’s biggest single procurement outside defence.

The inquiry found jobseekers are subject to “excessive – often very punitive – compliance and enforcement arrangements, which have little or no positive impact on their capacity for social and economic participation”.

The present approach “is tying the system up in red-tape and pointlessly harming productivity in providers, driving large and small businesses away from the system, and actually making many people less employable.”

The inquiry urges a more tailored approach.

This would include counselling clients several times before moving to compliance, an adjusted sanctions regime, and having “human decisions-makers” deal with key compliance functions, removing “Robo-Cancel” automation in suspending and cancelling payments.

The report, titled Rebuilding Employment Services, says stakeholders painted a picture of a scheme based on fear, excessive competition and compliance.

Participants fear doing something wrong and losing income. Providers fear the department giving them a black mark and losing their contracts. Excessive competition is to the detriment of employers and vulnerable job seekers.

The report says the public service, sitting on top of the system, “is detached and seemingly disinterested in or unaware of what actually happens at the frontline or in brokering place-based solutions, sharing best practice or encouraging innovation”.

Instead, it is focused on procurement, contract management and key performance indicators.

The employment services system is underpinned by two “flawed theories”.

“The first is that unemployment is an individual failing [...] and that clients will make efforts to secure employment if only they are beaten hard enough.

“The second is that choice and competition in human services will inevitably result in better services and improved employment outcomes, especially for vulnerable and long-term unemployed people,” the report says.

“The system is also driven by the pernicious myth of the ‘dole bluder’, reflected in a patently ridiculous level of compliance and reporting activities.

"Employers have made it clear that the system adds little value to their business, and that it repeatedly tries to force unsuitable jobseekers into vacancies without providing adequate incentives or support."

The report says "a hunger games-style contracting model and regulatory culture drives very high turnover in providers during contracting and licensing rounds". This leads to disruption and devastates trust. In the last round, some 22% of regions saw all providers removed.

The inquiry urges government be an "active steward" proving enabling services as well as some direct service delivery in "thin markets" and to rebuild capability.

"Consistent with the world's best employment systems and other human services (think TAFE, education, health or aged care) a public sector core to the employment services system must be rebuilt," Hill writes in his foreword.

"Australia must change our culture and mindset from the current paradigm where politicians obsessively contract employment services out and deny responsibility, to a system where service partners are contracted to work with government and employers in local communities."

The new entity proposed, Employment Services Australia, would be within the department of employment and workplace relations. It would be a large "digital-hybrid provider for jobseekers".

It would establish regional hubs, where possible co-located with existing services, which would undertake jobseeker assessment and referrals to services, as well as engaging with industry and employers.

The inquiry's blueprint for reform recommends dialling back excessive competition in local areas, focusing on more employer engagement, and considering integrating digital employment marketplaces, such as SEEK, LinkedIn and competitors into the system.

The committee's 75 recommendations include the government creating a permanent administrative traineeship position for disadvantaged jobseekers in the electorate office of each MP. This is to lead by example and expose all parliamentarians to the lived experiences of disadvantaged people. Each placement would last between nine and 18 months.

The report says Australia spends materially less than the OECD average on employment services overall. Taking out administrative costs and the like, Australia spends slightly more than the OECD average on case management, job placements and benefit administration. But it invests significantly less in direct job creation, start up initiatives and training.

In a dissenting report, Liberal MP Aaron Violi criticised some of the central recommendations.

“The Coalition has concerns about some of the key recommendations [...] that evidently seek to water down mutual obligation requirements, pass on key employment service functions from the private to the public sector, which end up increasing the size of the bureaucracy, inflating the cost to the taxpayer and simply risk creating more red tape.”

A 'mosquito' and a 'nuclear bomb'. Why some Australians are struggling to get work

A new report has shed light on the struggles unemployed Australians face in attempting to enter the workforce.



Mutual obligation requirements are activities job seekers are required to carry out while receiving payments from Centrelink.
Source: AAP

KEY POINTS:

- A landmark report has warned Australia's unemployment system is no longer fit for purpose.
- It found job seekers face "pointless" requirements and disproportionate punishments.
- It says the system is based on false assumptions about unemployed people.

Why is it so difficult for some Australians to find jobs?

A parliamentary committee has filtered through 300 submissions and listened to 60 hours of witness testimony to answer exactly that question.

The Workforce Australia employment services committee handed down its final report on Thursday, making 75 recommendations to fix a system it says actually hurts job seekers and employers alike.



Committee chair Julian Hill says mutual obligations are like using a "nuclear bomb to kill a mosquito". Source: AAP / Mick Tsikas

Unveiling the document, the first of its kind in a quarter of a century, committee chair Julian Hill warned the system was failing in its two main aims: supporting Australia's most disadvantaged into the workforce and ensuring value for money.

"It's harsh but true to say that Australia no longer has an effective, coherent national employment services system," the Labor MP wrote in his foreword.

"We have an inefficient, outsourced, fragmented social security compliance management system that sometimes gets someone a job against all odds."

Here are the key takeaways from the report.

READ MORE



'Thank you, goodbye': Why Centrelink is hanging up on Australia's most vulnerable

'A nuclear bomb to kill a mosquito'

Mutual obligations are a major target in the report.

Mutual obligations are the tasks a job seeker is required to complete to avoid having their payments cut — usually things like applying for jobs, and showing up to job interviews.

But the committee heard evidence that job seekers subject to mutual obligations actually took *longer* to find work than those who weren't.

The report warns job seekers are forced to complete a range of "pointless" tasks "with little or no relevance to their needs or aspirations". This includes forcing people to apply for jobs they have no realistic chance of getting, just to maintain their payments.

Government slammed for chasing millions in jobkeeper debt | SBS News



It also says punishments for failing to complete mutual obligations are "out of control", describing them as "harsh, punitive, often disproportionate and simply ineffective at supporting people into work".

Hill is particularly scathing of the mutual obligations system, which he likens to "using a nuclear bomb to kill a mosquito".

The report says the current system means providers have the wrong incentives, while employers are flooded with unrealistic job applications.

"Employers have made it clear that the system adds little value to their business, and that it repeatedly tries to force unsuitable job seekers into vacancies without providing adequate incentives or support," it says.

"In too many cases, mutual obligations are actually making people less employable."

The Antipoverty Centre said 83 per cent of applicants had received a payment suspension notice in the three months between July and September.

READ MORE



The truth about Newstart: busting the myth about 'dole bludgers'

The false beliefs driving the job seeker system

Hill argues that the system is driven by two false beliefs:

- Unemployment is always an individual's fault
- Harsh performance management will inevitably lead to better results

"This drives the belief that if you only beat disadvantaged people hard enough to do the same things over and over again they'll somehow magically get a job, and if they don't they're lazy – the pernicious myth of the 'dole-bludger'," he writes.

CALD and Indigenous specialists needed

There is a desperate need for job coaches with expertise working with various communities.

Multicultural Australia told the committee that "structural disadvantages, complex cultural transitions, disrupted education pathways, traumatic past experiences, and system biases in the labour market" often excluded newly arrived migrants and refugees

from the workforce.

The report recommends a culturally and linguistically diverse (CALD) specialist be allocated to regions with a highly multicultural population, with a specialist to cover multiple regions with smaller CALD populations.

People from CALD backgrounds should also be able to access digital support services in their own language, the report says.

"CALD, migrant, and refugee job seekers often experience significant barriers to social and economic participation, including a lack of local work experience, limited professional networks, and language barriers," it says.

It also recommends that Aboriginal Community Controlled Organisations (ACCOs) provide services to Indigenous job seekers.

"ACCOs are proven to deliver better results on average for this cohort. [They] may need to be supported through co-delivery or additional financial backing," it says.

The report suggests specialists for job seekers living with disability, and for those leaving prison, who it says face particular challenges in re-entering the workforce.

Better staff, better pay

Hill paints a bleak picture of the employment services workforce.

The committee chair writes that the sector is "in crisis", with a frontline staff turnover rate of more than 40 per cent. Many of those who remain "do not possess the skills or qualifications to support an increasingly vulnerable and heterogenous client caseload".

"So many job agency staff are compassionate, caring people who deliver great outcomes and small miracles in difficult circumstances," he writes.

"Providers overall want to help people ... [But] almost without exception staff told us that they were consistently having to fight against the system to help their clients."

That includes inefficient IT systems and draconian "red tape", which causes workers to spend more than half their time on administration, rather than with clients, Hill says.

The report calls for the sector to be "re-professionalised".

That means minimum skills and qualification standards for workers, but also wages and conditions which ensure jobs remain attractive.

SHARE



The Guardian
Stephanie Convery
23 January 2024

Welfare recipients subject to 'system error' receiving back pay

An error in the **Department of Employment's** systems has incorrectly penalised some 1200 welfare recipients by classifying them as in breach of their mutual obligations when they weren't.

The error involved what's called the "penalty zone" – a classification that's triggered when a jobseeker accrues a certain number of demerit points by failing to meet the mutual obligations requirements of welfare payments (applying for a certain number of jobs, or participating in training programs, for example).

Failing to perform a mutual obligation requirement while in the penalty zone can result in welfare payments being docked – and that's what happened to these 1200 people.

The error left participants in that "penalty zone" when they should have been removed from it, cutting their payments.

The Department of Employment identified the error in August last year, which they say dates back to 2018.

A government spokesperson told Guardian Australia all the people who were affected had been identified and are being notified about how much money they are owed.

Back payments have also commenced, with 87 people so far receiving a total of \$79,000. More than 700 people are expected to be repaid in the coming weeks.



Minister for employment and workplace relations Tony Burke. Photograph: Toby Zerna/AAP

Tony Burke, minister for employment and workplace relations, blamed the error on the previous [Coalition](#) government. He said:

As soon as my department informed me about this system failure I instructed them to start repaying people. That process is now well underway.

Labor supports the concept of mutual obligations but it is critical people are not penalised unfairly.

We know there's more work to do to fix employment services.

That's why this Government established a Select Committee to examine the system. We're working through the Committee's recommendations to ensure we have a system focused on helping people get into work.

*A previous version of this article incorrectly said there had been a Services Australia system error. This has been amended – it was a Department of Employment system error.

Senator the Hon Murray Watt – Statements on Mutual Obligations

Official Committee Hansard

SENATE EDUCATION AND EMPLOYMENT LEGISLATION COMMITTEE

WEDNESDAY, 25 OCTOBER 2023

Senator RICE: Minister, I asked you a question in question time last week about **mutual obligations**.

Senator Watt: Yes, I remember that.

Senator RICE: You answered that those in receipt of public support benefits should have some obligation on them, but you don't think it should be punitive. The Punishment for profit report found that 40 per cent of respondents said they had experienced bullying or abuse of power from their provider and 93 per cent of respondents said that **mutual obligations** had harmed their physical or mental health. We've just heard evidence that 70 per cent of people with Workforce Australia providers have had their payments suspended, and the most that they will get in response, even if outrageous things have been done to them, is an apology. Can you explain to me how **mutual obligations** do not punish people?

Senator Watt: In the end it comes down to how they are designed. As I said to you, the government on the whole supports **mutual obligations**, and we think the community does expect that those in receipt of public support have a responsibility to seek work. But we have very strong objections to the way the **mutual obligation** scheme that currently exists is designed. We think it is punitive, we think it is degrading and we think it isn't about assisting people into work.

Senator RICE: Is that how it's currently being operated under your government's watch?

Senator Watt: That is the system that we inherited and that is the system that is being reviewed through the committee that Julian Hill is chairing. There have been some pretty clear signals from the government that we intend that to change, but we need to do it in a considered way, and that's what that inquiry is doing. We support the concept of **mutual obligation**, but we want it to be about assisting people to find work, rather than it having punitive, degrading, one-size-fits-all compliance activities.

Senator RICE: Is there anything more that you can do right now, in the light of the evidence we have received about the people with Workforce Australia providers, where 70 per cent of people had their payments suspended. Isn't there action you could take to stop the system from harming people right now?

Senator Watt: We want that to be done in a considered way, based on the recommendations that are received from that inquiry, so we get it right. We don't want to have a knee-jerk reaction that we then have to amend in three months time. We want to get it right from the beginning, and we want to get it done as quickly as we can.

SENATE EDUCATION AND EMPLOYMENT LEGISLATION COMMITTEE

TUESDAY, 30 MAY 2023

Senator CASH: Minister, does the government support the concept of Work for the Dole?

Senator Watt: As the minister has made clear, we support **mutual obligations**. We want to make sure that the programs that surround that actually support people in jobs. As you know, the Work for the

Dole scheme, along with a number of other what we would call employment programs, are being considered through that select committee inquiry. Once that committee inquiry is completed, I will be able to give you a position from the government on the future of those programs.

Senator CASH: You're not ruling out getting rid of Work for the Dole?

Senator Watt: I'm saying—

Senator CASH: If we were in government I could rule it out; there would be no getting rid of Work for the Dole because of what it actually is and what it actually enables a person to do.

Senator Watt: There are questions about what it has enabled. There are questions about its effectiveness in terms of getting people into work; as there have been questions about a range of so-called employment programs that the former government ran. That's exactly what the inquiry is looking at at the moment.

Senator CASH: This is a program, though. It wasn't just the former government. It has been in place since approximately—I am happy to be corrected on this—1997. One might argue that successive governments have actually endorsed Work for the Dole as a program.

Senator Watt: One might argue that, but I would also argue that this government is serious about making sure that employment programs actually help get people into work. I think it's timely to have a look at all of these programs and see how they are working.

Senator CASH: We'll get on to ParentsNext, obviously, as a point of questioning. In your budget papers you're funding it over the next few years, but you are still not ruling out getting rid of it. Are you able to commit over the next three years to the retention of Work for the Dole, because you actually have funded it in the budget?

Senator Watt: The officials are in a better position than me to explain the rationale for providing funding in the budget papers. As I say, the government's position is that we support **mutual obligations** where they are effective, where they actually help people into work, and specific programs that are being claimed or designed to do that are being reviewed at the moment.

Senator CASH: If the committee was to recommend abolishing Work for the Dole, would you therefore abolish it?

Senator Watt: Again, that's a hypothetical question. I don't know what the committee is going to recommend.

Senator CASH: In terms of **mutual obligation**, the government does support **mutual obligation** as it is currently in place?

Senator Watt: We support **mutual obligations**. A critical part of that is ensuring that programs which are said to help people find employment actually do so. There's not much point pouring taxpayers' money into programs that are ineffective. If there are opportunities to make programs more effective then our government is keen to do that.

Senator CASH: Is **mutual obligation** currently the subject of the review that's being undertaken?

Mr Smyth: Yes, it is.

Senator CASH: It is; thank you. Are you able to guarantee, based on your comments, that **mutual obligation** will be part of the new employment services system?

Senator Watt: Again, you've heard me explain our policy position on **mutual obligations**.

Senator CASH: I don't want to put words into your mouth. 'We support **mutual obligation**, but' is what I heard.

Senator Watt: We support **mutual obligations**, I guess I would say and—rather than 'but'—we want to make sure that the programs that are supposed to deliver **mutual obligations** are effective and help get people into work.

Senator CASH: One might say you support a **mutual obligation** system that is a '**mutual obligation light**' system compared to what—

Senator Watt: I don't know why you would take that from what I have said.

Working Future: The Australian Government's White Paper on Jobs and Opportunities

Balancing mutual obligations to drive participation (p.160)

“Current social security policy settings link eligibility to requirements to attend appointments with employment services providers and engage in activities. This can include applying for jobs, participating in education or training, and going to job interviews. For working age payments, these obligations mean people can have payments suspended if they do not meet requirements. Well-designed activity requirements improve labour market outcomes. However, if requirements are too onerous or are not accompanied by genuine quality support to find suitable employment, they can have harmful effects. Overly strong obligations can push people to become ‘the hidden unemployed’ as they stop searching for work and move on to payments with less onerous conditions or leave payment without finding work.

The type of activity requirements also matter. Poorly-designed obligations can tie up job seekers in low quality programs that exhaust both time and financial resources to attend, reducing capacity to search for suitable work. They can have consequences for employers too, such as high administrative burden from large volumes of low-quality or unsuitable application submitted for the purpose of meeting obligations rather than genuine applications for work. Well-designed obligations can support better outcomes for both job seekers and employers.”

PALM Worker Exploitation

- The wellbeing of Pacific Australia Labour Mobility (PALM) scheme workers is of central importance to the Australian Government and our Pacific and Timor-Leste partners.
- Addressing Risks of exploitation is central to new scheme settings and APS program delivery.
- Exploitation of workers is not tolerated, including where workers are coerced to leave the scheme, or their migrant status is used to threaten and coerce.
- Relevant data is in SB24-000117 – PALM Operational Data

Worker protection measures

- PALM workers are employed under the same industry awards and legislation as Australian workers.
- PALM scheme employers are vetted and must meet stringent criteria to participate in the scheme:
 - Australian workplace laws, including work health and safety
 - Immigration requirements
 - Provision of sufficient hours of work
 - Accommodation standards.
- The monitoring and compliance framework includes site visits, regular reporting requirements, and a 24-hour PALM support service line.
- The PALM scheme settings (above legislated minimums) provide a level of protection for PALM workers, aligned to participating country expectations for protection of workers, recognising the work is performed in sectors at high risk for non-compliance with workplace laws and the restrictions applied to mobility visas.

Legislative and broader Government reforms

Additional worker protections arising from broader Government reform to address employer non-compliance, including temporary migrant worker exploitation, such as:

- Progressing reforms so migrant workers can more readily report exploitation without fear of negative impacts on their visa status and remain in Australia to pursue workplace justice.
- Introducing amendments to the *Migration Act 1958* through the *Strengthening Employer Compliance Bill 2023*, including prohibition notices to stop employers from hiring additional temporary migrant workers where the employer has been found to have breached specified workplace laws. The Bill passed both Houses of Parliament on 7 February 2024. It is yet to receive Royal Assent.
- Under the auspices of the Workplace Relations Ministers Meeting, Victoria and the Commonwealth are developing a harmonised model for national labour hire regulation by June 2024. This model will apply to PALM labour hire employers once operational.
- Criminalising intentional wage theft in the *Fair Work Legislation Amendment (Closing Loopholes Act) 2023*, and
- Increased civil penalties for underpayment-related contraventions of the *Fair Work Act 2009* through the *Closing Loopholes No. 2 Bill 2023*.

Refer questions related to *Migration Act 1958* changes (*Strengthening Employer Compliance Bill 2023*) to the Department of Home Affairs.
Refer questions related workplace legislative changes that address employer non-compliance and labour hire licencing scheme to Workplace Relations.

Strengthened worker safeguards in the new PALM scheme Deed and Guidelines

Changes to the Deed and Guidelines strengthen the Government’s ability to target non-compliant employers and stamp out exploitation, including:

- Increased transparency for deductions, including for accommodation and transport costs.
- Employer-led worker portability (with worker agreement) to ensure workers are offered sufficient hours in line with Deed requirements.
- Strengthening minimum hour requirements—phased transition to these requirements to ensure employers undertake workforce planning prior to the changes (short term workers: minimum 30 hours per week every week from 1 July 2024. Long term workers: full-time hours from 1 October 2023).
 - PALM scheme employers must cover accommodation and transport costs for workers if workers are offered less than 20 hours of work in any week; costs cannot be recovered from workers.
- Requirements for employers to have Welfare and Wellbeing Support Person and Welfare and Wellbeing Plan for all workers.
- Requirement to invite the FWO and relevant unions to Arrival Briefings and provide flexibility to permit their attendance (e.g. rescheduling, video link).
- PALM scheme employers must ensure a weekly minimum take-home pay of \$200 each week.
- Cultural competency training for PALM employers.
- New grievance management processes and strengthened monitoring processes.

Other PALM measures to support workers:

- The Government’s investment in insourcing:
 - recognises the APS as a trusted, efficient, and effective partner to deliver the scheme’s domestic operations, and puts **APS staff at the centre of policy and robust program delivery**, fulfilling the Government’s election commitment to reduce waste, build capability, and reinvest in the APS
 - co-locates the scheme’s domestic delivery functions to the department responsible for workplace matters, enhancing scheme operations and supporting immediate linkages with other regulatory bodies, such as the Fair Work Ombudsman and policy regulators responsible for legislation to improve Australia’s workplaces for Australian workers and migrant workers. This ensures timely advice and swift resolution of matters relating to migrant exploitation for PALM scheme workers.
- A sustainable funding model that is responsive to the demand driven scheme delivers capacity for appropriate assurances required to ensure PALM workers are protected.
- Expanding the PALM scheme’s regional presence, providing on the ground support to workers and employers and allowing the department to quickly respond to emerging issues and concerns. A regional presence of APS staff provides on-the-ground intel and responsiveness, increasing transparency.

Examples of PALM worker exploitation

- Long hours
- Low earnings
- Unfair deductions
- Sexual exploitation
- Wage theft and underpayment
- Threats, including using migration status to coerce
- Non-compliant accommodation

Responding to PALM worker exploitation allegations

- Investigate allegations
- Compliance action that can include conditions on participation, suspension or termination
- Encourage workers to contact DEWR and/or relevant agencies (as above)
- Report to Australian Border Force (ABF), Fair Work Ombudsman (FWO), police and/or state labour hire regulators

How we know about it

- Migrant Workers’ Taskforce Report
- Harvest Trail Inquiry Report
- Parliamentary committee reports and inquiries
- Academic reports
- Contact with workers and Approved Employers
- Contact with unions, employer groups and civil society
- Tip-offs and/or allegations
- Media

Allegations of PALM worker exploitation

- Media – Bundaberg doorstop (October 2023)
- Media – ‘Shanty town’ shame (April 2023)
- Media – Linx and modern slavery (July 2023)
- Media – Labour Hire Firm allegedly underpaid visa farm workers (November 2022)
- Media – Pacific Island farm workers in Bundaberg (September 2022)
- Senate Select Committee Hearing on Job Security

Contracts and Consultancies

Strategic Commissioning Framework (SCF)

- Under the SCF, procuring consultants is only appropriate if:
 - There is a **need for independent advice** (for example, due to requirements in legislation or an assurance need) and it cannot be sourced from within the APS. This should be used on a one-off or limited basis.
 - There is a **temporary need for unique specialist, innovative, technical, and in-demand skills**, at a level that would be inefficient to retain internally. That is, there is not an enduring demand for the skill.
 - There is a genuinely **urgent and/or unforeseen need for a skill or capability** in an area that is an enduring function, and extra support is needed while capability building, or recruitment processes are underway.

Consultancies

- DEWR's use of consultancies is reducing:

Total Number of Active Consultancy Contracts	Total Contract Commitment Value (GST inclusive)
1 July 2022 to 31 December 2022	
55	\$20,298,419.24
1 July 2023 to 31 December 2023	
35	\$9,257,501.97
As at 31 December 2023	
25	\$7,488,428.32

A reduction of 10 consultancy contracts due to these contracts expiring prior to 31 December 2023.

Contracted amounts

- Between 1 July 2022 and 31 December 2023, DEWR had **4,231 active contracts** (including consultancy contracts) with a total value of **\$9,697,926,503.24**:
 - 515 contracts relating to Employment Services** (services that help job seekers overcome barriers and develop the skills they need to gain employment which are delivered through a network of not-for-profit and for-profit employment services providers) with a total value **\$5,994,119,695.38 (12.2% by number of contracts or 61.8% by value)**.
 - 318 contracts related to Education and Training Services** (this covers the Skills for Education and Employment program, the Job Ready Program and Foundation Skills for your Future Development Project) (**7.5% by number of contracts or 17.2% by contract value**).
 - In summary**, both **Employment Services and Education and Training** have a total number of **833 contracts** during the reporting period from 1 July 2022 – 31 December 2023 with a total value of **\$7,659,688,254.95**. This represents **19.7% of total contracts and 79% of the total contract value**.
 - As at 31 December 2023, DEWR had **1,741 active contracts** with a total value of **\$8,445,178,129.53**.

Use of the 'Big 7'

- Less than **2% of total contracts since 1 July 2022 relate to the Big 7** (Accenture, BCG, Deloitte, EY, KPMG, PWC, McKinsey) - 53 contracts, 20 consultancy arrangements and 33 non-consultancy arrangements with a **total value of \$40,957,908.55**.
 - total **committed contract value** of active Big 7 consultancy contracts since 1 July 2022 is **\$12,496,003.97**.
 - total **committed contract value** of active Big 7 non-consultancy contracts since 1 July 2022 is **\$28,461,904.58**.
 - total **spend value** on the Big 7 for the first half of FY 2023-24 is **\$3,499,302.45**.
- As at 31 December 2023, DEWR has 15 active contracts with the Big 7 valued at **\$23,221,198.71**. The number of active contracts with the Big 7 has dropped by 2 contracts valued at \$1,300,261.00 compared with 1 September 2023.

Progress on contract novations for PricewaterhouseCoopers (PWC) to Scyne

The following 4 contracts were entered into under panel arrangements managed by other agencies (DTA and SA). DEWR cannot novate/vary the contracts until the head agreements are novated/varied by the Panel Manager. Once advised, DEWR will novate/vary the contracts that are deemed appropriate for Scyne to continue to deliver services.

Panel	Contract Description		Contract start	Contract end	Contract value	Status
SON3413842 Digital Marketplace Panel 1.0	1	Identity and Access Management Services (non-consultancy)	1-Jul-22	30-Jun-24	\$5,073,200.00	Panel yet to vary Head Agreement. DEWR cannot progress contract variation until DTA advise.
	2	ICTSR 221973 - CyberArk Licenses (non-consultancy)	21-Dec-22	17-Jun-24	\$964,586.94	
	3	Onboarding of Complementary Programs onto Digital Platform (consultancy)	21-Feb-23	20-Feb-24	\$770,000.00	
SON3678370 Internal Audit Services	4	Audit Services (non-consultancy)	3-Feb-22	30-Jun-25	\$1,282,905.00	Panel yet to novate Head Agreement. DEWR cannot progress contract novation until Services Australia advise.
Total Active Contracts:			4 active contracts		Total Committed Value:	\$8,090,691.94

Attachments

- [Attachment A](#) – Recent QoNs and media

Attachment A

Related Questions received on notice

PDR Link	Submitted By	Subject	Answer Summary
SQ23-000176	O'Sullivan, Matt	Saving by External Labour Hire	At the October 2022 Budget a savings measure was applied to the department for Savings from External Labour and Savings from Advertising, Travel and Legal Expenses of \$11.742 million as published in the department's 2022-23 Portfolio Budget Statement, page 25. This savings measure has been applied proportionately to the department's internal budget, resulting in a reduction of funding to the department's business areas.
PQ23-000279	Paterson, James	Technology manufactured or sold by DJI	DEWR does not use technology manufactured or sold by DJI

Recent Media

Title	Summary
Two new consulting inquiry hearings Australian Financial Review 31 Jan 2024	Major consulting firms will be obliged to travel to Canberra in February when they are called to appear before the Senate inquiry into consulting. Two hearing date are scheduled for February 9 and 23. The big four are likely to be asked about the personal tax arrangement of their partners, PwC is most likely to be quizzed about the progress of its reform push after its tax leaks scandal, while KPMG could once again be asked to explain why they do not power mapping despite evidence to the contrary.
Big four partners face 'Career-ending' fines in PwC fallout' Australian Financial Review 10 Dec 2023	The big four accounting firms will be hit with penalties of up to \$782.5 million for breaching the tax agent code of professional conduct under an overhaul proposed by the government in response to the PwC tax scandal. Corporations and significant global entities – which would capture KPMG, Deloitte, EY and PwC – face a maximum penalty of the greatest of either \$15.6 million or 10 % per cent of aggregate turnover to a cap of \$782.5 million; each of the firm's partners would face the maximum penalty for individuals. The Tax Practitioners Board would need to apply to the Federal Court to have civil or criminal penalties imposed.
DEWR contact centre staff callout poor conditions The Mandarin 6 Dec 2023	The Community and Public Service Union (CPSU) has stated that the problem with DEWR is that the employer only starts the clock running for paid work time once the call centre worker has fully logged into all four applications needed to do their job, which takes time and is unpaid. Having been escalated, it's now an issue that will necessarily cross the desk of DEWR secretary Natalie James. The CPSU said in a statement that staff "who work in Contact Centres within [DEWR] are being refused access to breaks and not being paid for the time it takes to set up and pack down."
Stuart Robert procurement probe referred to NACC by audit committee The Mandarin 13 Sep 2023	A parliamentary probe into how consulting firm Synergy 360 won deals with Services Australia and the National Disability Insurance Agency and potential links to former minister for government services Stuart Robert has handed its investigation to the National Anti-Corruption Commission (NACC). A statement from the Joint Committee of Public Accounts and Audit (JCPAA) said that "concerning reports were received of alleged financial impropriety, improper relationships and undisclosed conflicts of interest with parties receiving contracts from the Commonwealth", but that these were contested.

The Guardian: Faulty claims

Key Points – Recoveries of funds

- The Guardian on 12 February 2024 published the article "*Workforce Australia job agencies forced to return \$8.5m in taxpayer funds after huge surge in faulty claims*". In this article it was claimed that recoveries in the first year of Workforce Australia (2022–2023) were more than double the previous financial year.
- The department is committed to ensuring employment service provider's compliance with Deed and guideline requirements.
- The department prioritises its assurance and deterrence activities to focus its resources on areas of greatest importance and to ensure participants receive high quality, value for money, employment services. The key assurance and deterrence priority areas for the department include:
 - ensuring a high quality of service is provided to Participants;
 - promoting assurance education and best practice strategies;
 - assuring own organisation expenditure; and
 - maintaining a high level of payment integrity.
- Under the Workforce Australia Services Deed 2022–2028, where the department identifies a provider has been overpaid, action is undertaken to recover any funds the provider was not entitled to.
- Recoveries occur for a variety of reasons and are undertaken at a claims level and by program. Recoveries could be the result of:
 - Continuous Assurance of Payment Integrity (formerly Random Rolling Sample) assurance program.
 - Targeted Assurance activities.
 - Investigations.
 - Ongoing program monitoring and assurance activities.
 - Self-identification from employment service providers.
- There are generally three mechanisms by which payments are identified for recovery. Of those around:
 - 49.1 per cent of recovered monies came from payments identified for recovery through program assurance activities;
 - 43.8 per cent through provider initiated self-disclosure; and
 - 7.2 per cent through contract management activities.
- The value of recoveries vary from year to year depending on the nature and scope of tip-offs, assurance and program monitoring activities. The department has also over time invested in more sophisticated assurance and program monitoring tools and resources to ensure expenditure meet relevant Deed and/or guideline requirements.
- The most common reasons for recoveries are where investigations demonstrate the provider has no or inadequate documentary evidence when claiming payments, or that expenditure was not eligible according to deed and guidelines.
- Where large values are being recovered by the department, discussions with providers are had to ensure transparency with the provider. Where a provider chooses to not offset future payments against debts owed to the department, payment can be made through traditional tax invoicing.

- Providers have the ability to identify through the Department's IT system, ESS Web, the claims that have been recovered. Claims that have been recovered can also be identified through some QLIK apps, however, there are some variables to this.

Key Points – Outcome Payment criticisms

- The Guardian also noted Workforce Australia Service providers can claim outcome payments where a client found their own employment. Workforce Australia Employment Services Providers are eligible to claim Employment Outcome Payments when participants achieve 4, 12 and 26-Week Employment Outcomes. Outcome payments are paid to providers regardless of whether the provider or participant sources the job and recognises the work that providers do in ensuring participants are equipped with the skills to find work and remain employed.
- Outcome payments range from \$240 for a Partial 4-week Outcome to \$5,000 for a Full 26-week Outcome and also account for a participant's assessed level of disadvantage. A Very Long-Term Unemployment (VLTU) Bonus is payable in addition to some Employment Outcomes for the most disadvantaged participants with payments ranging from \$1,000 to \$4,000. To meet eligibility for Outcome payments, providers must ensure that participants are not placed into employment which is considered unsuitable (e.g. adult industry), as defined in Departmental Guidelines and the Workforce Australia Deed of Standing Offer 2022-2028.

Key Points – Related entity/own organisation criticisms

- The Guardian also raised criticisms regarding employment service providers claiming payments by referring clients to training courses provided in-house or through a related entity. Whether a training course is suitable for a Participant will depend on their individual circumstances. In cases where complaints about the suitability of a course are received, departmental contract managers follow up with the Provider to reinforce their requirement to deliver flexible and customised activities tailored to a Participant's needs.
- The department undertakes robust assurance and program monitoring activities to ensure expenditure meets Deed and/or Guideline requirement, identify sharp practices and outlier behaviour (for example, high own organisation and related referral expenditure from the Employment Fund in a particular category). Where inappropriate behaviour or practice is identified, the department will seek further information from Provider and seek recoveries where applicable.
- Recoveries are part of business-as-usual activities, with the most common reasons relating to inadequate documentary evidence or ineligible expenditure under the Deed and Guidelines.
- Where outlier behaviour regarding value for money with own organisation and related entity suppliers is identified, the department seeks further information from providers to demonstrate their compliance with the Deed and Employment Fund guideline requirements.
- If non-compliance is identified from these investigations:
 - the department may elect to apply reasonable remedial actions under the Deed, which may include the recovery of payments where applicable, and or
 - the non-compliance may lead to adverse performance results being recorded against a provider (for example, the application of demerit points for Workforce Australia Employment Services Providers with implications for future licensing decisions and/or contracts).

Key Points – Related entity/own organisation criticisms

- The Guardian also noted that while the number of complaints (between 2020-21 and 2023-24) had trended down, it still accounts for 7.5 percent of all calls.
- The National Customer Service Line (NCSL) provides a mechanism for job seekers, employers and interested members of the public to ask questions and provide feedback about employment services.

Last Cleared By **s 22(1)**
 Date Last Cleared 13 February 2024

OFFICIAL

SB24-000162
 Data for: N/A

- The department’s complaints handling process is consistent with the Commonwealth Ombudsman’s Better Practice Complaints Handling Guide.
- The department’s ‘closing the loop’ complaints process ensures the complainant receives the outcome of their complaint via email and is aware of the next steps if they are dissatisfied with the outcome. The email will detail the outcome of the complaint and the option to request a review if they are not satisfied.
- If a participant does not feel comfortable discussing their complaint with their provider site manager, they may contact the provider head office.
- The NCSL makes a follow-up call to the participant within 3 business days to confirm if the discussion with the provider was successful, and if any further assistance can be provided by the department.
- The top five complaint topics raised by Workforce Australia Participants (including Parents Next and Transition to Work) received by the NCSL during the period 1 July 2022 to 31 December 2023 are listed below. Note the Guardian article reported the top three reasons of complaints in its article.

	Topic	Proportion
1	Inappropriate or inadequate service	30.52%
2	Dissatisfied with employment consultant allocated by provider	14.67%
3	Unprofessional behaviour by provider	11.70%
4	Transfer - Better Servicing Transfer actioned	12.02%
5	Provider not honouring obligations	5.06%

Timeline

Critical date	Event or action
12 February 2024	Article “Workforce Australia job agencies forced to return \$8.5m in taxpayer funds after huge surge in faulty claims” published on The Guardian website.

Program participation

N/A

Funding summary

Financial Year	Recoveries \$	% Provider Initiated
2019-20	\$2,083,765	65%
2020-21	\$3,710,522	80%
2021-22	\$3,137,603	56%
2022-23	\$8,558,253	18%

Expenditure/Budget

N/A

Attachments

[Attachment A](#) – Guardian Article

[Attachment B](#) – Summary of Guardian media request and response from department



Inequality reporting

Workforce Australia job agencies forced to return \$8.5m in taxpayer funds after huge surge in faulty claims

Exclusive: Money returned to department by privatised employment services agencies doubled in 2022-23 amid apparent crackdown

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Cait Kelly

Mon 12 Feb 2024 01:00 AEDT

Australia's outsourced job agencies have been forced to hand back more than \$8.5m in government payments in one year - more than double the previous 12 months - after an apparent crackdown on faulty claims.

Under Australia's employment services system, providers are funded with so-called "outcome payments" for placing their clients into employment or courses and they can claim reimbursements for money spent assisting jobseekers prepare for work.

The Workforce Australia scheme, which is under review by the Albanese government, is expected to cost more than \$9.5bn over the next four years, amid sustained criticism that the privatised system is ineffective and prone to waste and roting.

Data obtained by Guardian Australia shows in the past four financial years, the government has recovered \$17,490,143 from employment services providers, with \$8,558,253 of that recovered in 2022-23 alone.

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And while a majority of recouped payments have generally been returned to the department at the job agencies' initiative, only 18% of the funds clawed back in 2022-23 was returned proactively.

Asked why there had been an uptick over that year in funds recovered, a Department of Employment and Workplace Relations spokesperson said the recoveries vary "year to year" depending on "program monitoring activities".

Recoveries from all employment programs

Note: the Financial Year is derived from the recovery date and is not necessarily the year the claim was created or approved.

Financial Year	Recoveries \$	% Provider Initiated
2019-20	\$2,083,765	65%
2020-21	\$3,710,522	80.0%
2021-22	\$3,137,603	56.0%
2022-23	\$8,558,253	18.0%

The spokesperson said the most common reason for recovery was because the provider supplied “inadequate documentary evidence” when claiming payments or had wrongfully made a claim.

They said the money was recovered after the random sampling of expenditure and more targeted investigations.

“The department has also over time invested in more sophisticated assurance and program monitoring tools,” the spokesperson said.

Complaints received by the National Customer Service Line (NCSL) by financial year

	2020-2021		2021-2022		2022-2023		2023-2024 YTD	
	Number of calls	% of total	Number of calls	% of total	Number of calls	% of total	Number of calls	% of total
Complaint*	39,831	17.3%	21,827	10.9%	18,943	7.50%	8,184	7.50%
Total calls/contacts	230,392		201,021		252,882		108,442	

Top three reasons for complaints


	Topic
1	Inappropriate or inadequate service
2	Dissatisfied with Employment Consultant allocated by Provider
3	Unprofessional behaviour by Provider

Separate data shows between 2020-21 and 2023-24, the department received 88,785 complaints to the hotline about job providers. While the number has trended down, complaints still account for 7.5% of all calls.

The top reasons for the complaints were for inappropriate or inadequate service, dissatisfaction with their consultant or unprofessional behaviour.

Fewer jobseekers have interacted directly with outsourced employment consultants since the [Coalition introduced Workforce Australia](#) in 2022, with many now completing their job search obligations through an online portal.

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The National Employment Services Association chief executive, Kathryn Mandela, said there were “varied circumstances” that “contribute to an automated or manual claim for payment being made in error”, including administrative mistakes and system errors .

“The current employment services payment, compliance, assurance and performance systems imposed by government on providers of employment services create a significant administrative burden,” Mandela said.

“Over 50% of frontline’s staff time, is consumed with meeting government administrative requirements.”

In December, Guardian Australia **reported a jobseeker’s allegations** that her provider, APM, claimed it referred her into work that she got herself, which could trigger publicly funded incentive payments. In other instances, out-of-work Australians have said their providers offered them cash incentives to lie about their employment status.

Jeremy Poxon, the policy officer for the Australian Unemployed Workers Union, said they believed “providers [were] incorrectly or inappropriately claiming payments on a far larger scale than the Department’s recovery figures reflect”.

“Providers currently funnel millions of public funds through their own companies, related entities and in-house training courses and programs,” he said.

“The failed ParentsNext program is a perfect example, where providers claimed the Participation Fund to refer participants **to their own courses**.

“[Providers] should not be permitted to refer participants on their caseload to training programs.

“Ultimately, the government needs to stop outsourcing employment services to private entities that will always bend or break their rules to suit their business interests.”

A **parliamentary review** ordered by the Albanese government found in November that the full privatisation of Australia’s employment services system had failed. It called on the government to re-establish a commonwealth job agency and overhaul the mutual obligations regime. The government is yet to respond to its findings.

Article count **on**

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Editor, Guardian Australia



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Inequality reporting

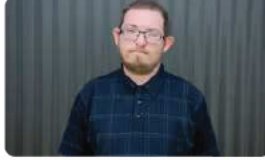
No way to 'budget' out of cost-of-living crisis for low-income earners, report finds

4 Feb 2024



Larry was paid \$4.20 an hour in Australia. It's not enough to live on - but it's completely legal

27 Jan 2024



Jobseeker endured 11 weeks without Centrelink payments but was still forced to attend job agency appointments

20 Jan 2024



Renewed calls for Labor to ditch work for the dole scheme as major charity walks away

18 Jan 2024



More than h applying for violence pay rejected, dat

15 Jan 2024



Most viewed

8 January 2024 – Request from the Guardian

I am looking for some information on how much money has been recouped from job agencies due to audits, self-identification by agencies or other methods.

In 2023 how many fees were recouped by the department? Can I also have the data for 2021 and 2020?

Of the total number of recouped fees in the past three years, what percentage (and number in real terms) has been returned through self-identification from job agencies?

And:

In 2023 how many complaints were made by clients to the department about their current or former job agencies?
 Can I also have this data for 2022 and 2021?
 Can I have a breakdown of the top three reasons or types of complaints if possible?

15 January 2024 – Response from the Department

Question

I am looking for some information on how much money has been recouped from job agencies due to audits, self-identification by agencies or other methods.

In 2023 how many fees were recouped by the department? Can I also have the data for 2021 and 2020?

Of the total number of recouped fees in the past three years, what percentage (and number in real terms) has been returned through self-identification from job agencies?

Response

The Department undertakes recoveries from employment services providers where the expenditure did not meet relevant Deed and/or Guideline requirements.

Recoveries can be identified through:

- Random sampling of expenditure.
- Targeted Assurance activities.
- Investigations.
- Ongoing program monitoring and assurance activities.
- Self-identification from employment service providers.

The table below provides a breakdown of recoveries from all employment programs administered by the department.

Financial Year	Recoveries \$	% Provider Initiated
2019-20	\$2,083,765	65%
2020-21	\$3,710,522	80%
2021-22	\$3,137,603	56%
2022-23	\$8,558,253	18%

Note: the Financial Year is derived from the recovery date and is not necessarily the year the claim was created or approved.

Question								
<i>In 2023 how many complaints were made by clients to the department about their current or former job agencies?</i>								
<i>Can I also have this data for 2022 and 2021?</i>								
<i>Can I have a breakdown of the top three reasons or types of complaints if possible?</i>								
Response								
A breakdown of complaints received by the Department through the National Customer Service Line (NCSL) and recorded in the Department's Customer Relations Management System is provided below. This includes data for complaints made against Workforce Australia (or jobactive), ParentsNext, Transition to Work, Community Development Program and Disability Employment Services.								
<i>Table 1 Complaints received by the National Customer Service Line (NCSL) by financial year</i>								
Reason for contact with NCSL	2020-2021		2021-2022		2022-2023		2023-2024 YTD	
	Frequency	% of total	Frequency	% of total	Frequency	% of total	Frequency	% of total
	Complaint*	39,831	17.29%	21,827	10.9%	18,943	7.5%	8,184
Total Records	230,392	100.0%	201,021	100.0%	252,882	100.0%	108,442	100.0%
Top three complaint themes received by NCSL in the period.								
<i>Table 2 - Complaint Reasons</i>								
Topic								
1	Inappropriate or inadequate service							
2	Dissatisfied with Employment Consultant allocated by Provider							
3	Unprofessional behaviour by Provider							
19 January 2024 – Request from the Guardian								
Why was there such a big jump in the 2022/23 in money recovered?								
22 January 2024 – Response from the Department								
Question: <i>Why was there such a big jump in the 2022/23 in money recovered?</i>								
Response:								
The value of recoveries vary from year to year depending on the nature and scope of assurance and program monitoring activities. The department has also over time invested in more sophisticated assurance and program monitoring tools and resources to ensure that service and expenditure meets the relevant Deed and/or Guideline requirements.								

24 January 2024 – Request from the Guardian

Would I be able to have a breakdown of the top five reasons the monies were returned - in relation to not meeting the relevant Deed and/or Guideline requirements?

25 January 2024 – Response from the Department

Question: *Would I be able to have a breakdown of the top five reasons the monies were returned - in relation to not meeting the relevant Deed and/or Guideline requirements?*

Response:

The most common reasons for recoveries are where investigations demonstrate the provider has no or inadequate documentary evidence when claiming payments, or that expenditure was not eligible according to deed and guidelines.

Alice Springs / Central Australia plan

What does the package entail?

The *Better, Safer Future for Central Australia* package

The *Better, Safer Future for Central Australia* package, announced by the Prime Minister on 6 February 2023, is being developed to respond to the *Central Australian Regional Controller's Report into Alcohol Related Harm in Central Australian Communities*.

The Australian Government has committed \$250 million through the plan, focusing on:

- Improved community safety and cohesion
- Job creation – particularly in the communities that surround Alice Springs – including urgent changes as part of replacing the Community Development Program (CDP)
- Better services – including improving health services in surrounding communities
- Preventing and addressing the issues caused by Foetal Alcohol Spectrum Disorders
- Investing in families – including by better supporting elders and parents, boosting domestic violence services
- On country learning – improving school attendance and completion through caring for culture and country.

Current status of the policy

What measures is DEWR implementing as part of the *Better, Safer Future for Central Australia*?

DEWR is implementing the Remote Training Hubs (Hubs) measure as part of *Better, Safer Future for Central Australia (Central Australia Plan)*.

- This measure was announced on 13 February 2024 and allocates \$30.2 million under Phase Two of the \$250 million of the Central Australia Plan.
- The Hubs intend to generate opportunities for young people, supporting 'Job Creation' and enhancing 'On-Country learning' as identified by the Prime Minister under the Central Australia Plan.
- Funding will be used to design and establish a network of up to seven remote training hubs to connect and enable communities to access training in the skills they need, on-Country. Mentors and local solution brokers will be engaged to work directly with the Hubs and local community members to support learners and align training offerings with job opportunities.
- This measure was informed by community consultations undertaken by the Office of the Central Australia Regional Controller and endorsed by the Central Australia Plan Aboriginal Leadership Group and will involve DEWR, NIAA and the Northern Territory Government working in partnership with Central Australian communities to establish the Hubs.

What are the proposed changes to the Community Development Program?

Any questions relating to the Community Development Program (CDP), New Jobs Trials, the Indigenous Advancement Strategy (IAS), Tailored Assistance Employment Grants (TAEG), or the Indigenous Skills and Employment Program (ISEP) should be directed to the NIAA.

Stakeholders consulted

What have communities in Central Australia been saying they need?

The National Indigenous Australians Agency has been coordinating consultations, which have taken place in almost every remote community in Central Australia. Common themes include lack of basic services such as infrastructure (water, service delivery and overcrowded housing), disempowerment and voices being unheard.

- Communities acknowledge the role that jobs (employment) plays in making communities stronger.
- They would like more say over activities and how they are delivered.
- There is some frustration with the cultural competency of service providers, indicating a desire to be serviced directly by governments.
- They also want real jobs with real wages, with training delivered in community and clear employment pathways for young people (school leavers).
- There are jobs that could be done in community, by local people, if people had the right skills and/or equipment (tools).

Overwhelmingly, the Government has heard that communities want First Nations ownership of the solutions to these challenges, as well as shared governance and decision making.

DEWR Engagement

The department is conscious of the need to listen to community and ensure any response meets the needs and aspirations of the local people and organisations on the ground. Designing and delivering services in partnership with Aboriginal and Torres Strait Islander peoples is core to the *National Agreement on Closing the Gap*.

It is important that we balance expectations around the need to develop the package and ensuring community engagement. DEWR staff members have actively engaged with and listened to the requests from those with authority in their community. Out of the 19 communities consulted, DEWR visited the following 14 communities plus a number of outstations connected with each community:

- Alice Springs (Mparntwe)
- Areyonga
- Atitjere
- Haasts Bluff (Ikuntji)
- Kintore
- Laramba
- Santa Teresa
- Ntaria (Hermannsburg)
- Mount Liebig
- Papunya
- Ti Tree (6 Mile)
- Willowra
- Yuelamu
- Yuendumu.

To date, departmental officials have actively engaged through a range of governing and consultative forums, including:

- The Central Australia Plan Aboriginal Leadership Group
- Interdepartmental committees
- The Social Order Response Implementation Council (which includes the Central Australia Regional Controller and the Alice Springs Mayor)
- Central Land Council Executive
- Bilateral discussions with each of the NT Government departments and the NIAA.

Any detailed questions around the Commonwealth's program of engagement or governance arrangements should be directed to the National Indigenous Australians Agency.

Does DEWR have a presence in Alice Springs?

The DEWR Northern Territory (NT) State Office has a presence in the NT – operating from Darwin. It services Alice Springs on a fly-in fly-out basis.

Under the Local Jobs Program we have an Employment Facilitator (EF) based in Darwin and their Support Officer is based in Alice Springs. These roles help collect local labour market intelligence and identify potential labour market interventions, looking to help employers meet their labour shortages and address barriers for job seekers to take up work – (set out in the Local Jobs and Skills Plan which is developed with local stakeholders who meet monthly).

How many individuals are supported by DEWR in Central Australia?

In Central Australia, the Alice Springs Local Government Area (LGA) is the only location where Workforce Australia services are delivered. Those living in communities, outstations and the Alice Springs town camps are supported by the Community Development Program administered by the National Indigenous Australians Agency.

Number of individuals (% of total caseload) in the Alice Springs LGA (as at 31 December 2023).

Cohort	Workforce Australia Services		Workforce Australia Online		Transition to Work		ParentsNext	
	Number	%	Number	%	Number	%	Number	%
Total caseload	960	100.0%	110	100.0%	120	100.0%	160	100.0%
Indigenous	825	85.9%	60	54.5%	115	95.8%	145	90.6%
Under 25 years	160	16.7%	25	22.7%	120	100.0%	40	25.0%
Age 25 - 34	260	27.1%	30	27.3%	N/A	N/A	80	50.0%
Female	480	50.0%	50	45.5%	60	50.0%	160	100.0%
Male	480	50.0%	60	54.5%	60	50.0%	5	3.1%
CALD	40	4.2%	15	13.6%	5	4.2%	5	3.1%
PWD	190	19.8%	15	13.6%	5	4.2%	15	9.4%
Homeless	215	22.4%	5	4.5%	20	16.7%	20	12.5%
Ex-offender	270	28.1%	5	4.5%	25	20.8%	10	6.3%
Parent	160	16.7%	10	9.1%	5	4.2%	160	100.0%
Mental Health*	460	47.9%	5	4.5%	-	-	5	3.1%
Drug & Alcohol*	45	4.7%	5	4.5%	5	4.2%	5	3.1%

**Individuals identified as having mental health conditions or drug/alcohol issues are only those who have had diagnosed conditions confirmed through an Employment Services Assessment (known as an ESAT) conducted by Services Australia.*

Next steps, including consideration by Government where expected

DEWR is implementing the Remote Training Hubs measure in consultation with the Central Australia Plan Aboriginal Leadership Group, local communities, the OCARC, NT and federal governments.

Last Cleared By	s 22(1)
Date Last Cleared	13 February 2024

BACKGROUND

Central Australian Regional Controller's Report into Alcohol Related Harm in Central Australian Communities

On 24 January 2023, the Prime Minister and the Chief Minister of the NT met with a number of stakeholders in Alice Springs regarding alcohol related harm and crime occurring in the town. As a result, immediate alcohol restrictions were implemented for three months, and the office of the Central Australia Regional Controller (OCARC) was established.

This report from the OCARC sets out alarming statistics for domestic violence and alcohol related harm. It is clear that action must be taken to address the unacceptable levels of harm being faced by residents in town camps and nearby remote communities, including the harm being suffered by visitors from outlying remote communities and including other states.

Many of these issues are not new to Central Australia, nor the NT more broadly. All are closely related to the disproportionate disadvantage that Aboriginal people face at every level in our society and are visible on essentially every social index, including but not limited to:

- overrepresentation in the criminal justice system and in detention
- poorer health outcomes, including life expectancy, child mortality rates, suicide rates, and child development
- higher rates of alcohol and other drug (AOD) addiction and misuse
- poorer education and training outcomes, and fewer employment opportunities

Alcohol prohibitions

The objective of the *Stronger Futures in the Northern Territory Act 2012 (Cth)* (the Stronger Futures Act) was to continue alcohol prohibitions introduced through the Northern Territory Emergency Response in prescribed areas and gave the Commonwealth Government powers to amend Northern Territory legislation applying to Community Living Areas and Town Camp Living Areas.

The Stronger Futures Act automatically expired in 2022. Communities that had a General Restricted Areas (GRA) in place prior to the Commonwealth Government's statutory interference continued to have alcohol restrictions (noting that these were not all uniform). Communities that did not have a previous GRA ceased to have alcohol restrictions unless they opted in to maintain restrictions through an interim alcohol protected area under the Liquor Act 2019.

Data and operational intelligence obtained through NT Government operations and regular statistical reporting has indicated that there has been an increase in alcohol-related harm from November 2022 to present that warrants consideration of urgent action, particularly as it relates to the consumption of takeaway alcohol.

Alcohol consumption is believed to have had a devastating impact on assaults, domestic violence, emergency department presentations and property offences.

Report recommendations

1. The NT Government make urgent amendments to the Liquor Act 2019 that will see town camps and nearby remote communities return to alcohol free areas, with a clear path forward if the community wishes to introduce responsible drinking options, upon the development of a Community Alcohol Management Plan.
2. The NT and Commonwealth Governments continue to work together to deliver needs-based funding to the relevant service providers in the Northern Territory as a matter of priority, so that the cycle of intergenerational trauma and disadvantage can truly begin to be broken.

UNDER EMBARGO UNTIL THE 2023-24 PAES IS TABLED IN THE PARLIAMENT

MYEFO/PAES A3

KEY MESSAGES

- The 2023-24 Portfolio Additional Estimates Statements (PAES) includes measures announced since the 2023-24 Budget, including through the 2023-24 MYEFO.
- These measures build on the Government’s investment in employment, workplace relations, and skills and training included in the 2023-24 Budget that also support key priorities, including the Employment White Paper, the release of the Migration Strategy and Closing Loopholes Reform.
- Key measures include:** Turbocharging TAFE Centres of Excellence, implementation of a new voluntary pre-employment service for parents, employment services trials, and funding to support Closing Loopholes reforms and workplace safety measures, including a prohibition on engineered stone.
- The **National Skills Agreement has been agreed** with the states and territories, where the Government is providing up to \$12.6bn. Of this, DEWR will manage \$3.7bn for payment to States through Treasury, including \$217m in DEWR retained funding.
- DEWR total expenses of \$ 6.3bn in 2023-24 (↑\$744.4m since 2023-24 Budget PBS)
 - Departmental expenses of \$930.3m in 2023-24 (↑\$92.2m since 2023-24 PBS)
 - Administered expenses of \$5.3bn in 2023-24 (↑\$652.2m since 2023-24 PBS), not including Treasury
- DEWR ASL of 3,714 in 2023-24 (↑157 since 2023-24 PBS) driven by additional ASL for the new voluntary pre-employment service for parents, employment services trials, National Skills Agreement, and migration reforms.
- Key changes in program expenses since 2023-24 Budget include: an increase of \$660m in 2023-24 for Boosting Apprenticeship Commencements; a reduction in employment services spending of \$312.4m over 4 years as a result of the Better Targeting Employment Services measure (which will be redirected to other priorities in the portfolio; and an increase of \$241.8m over 4 years to the Coal LSL special appropriation.

KEY MEASURES

\$ in millions across FEs (2023-24 to 2026-27) including DEWR and portfolio entity impacts.
Refer to PAES Table 1.2 (p. 19-21) and MYEFO 2023-24 (p. 237-243)

Spending Measures led by EWR Portfolio

- Employment Services Trials: enhancing support for digital participants (\$37.2m)
- New Voluntary Pre-Employment Service for Parents (total of \$20.9m; inc DEWR savings of \$15.2m)
- Programme for the International Assessment of Adult Competencies Survey (\$11.2m)
- Review of Australian Apprenticeships and Incentives (\$5.4m)
- Closing Loopholes (total of \$94.6m; inc \$14.7m for DEWR. Govt will also collect \$85.8m in non-tax revenue)
- Future of the Seacare Scheme (total of \$1.4m; inc \$0.5m for DEWR and \$0.9m for Seacare)
- Prohibition on the Use of Engineered Stone – communications strategy (\$9.3m)
- Review of the Safety, Rehabilitation and Compensation Act 1988 (\$4.3m)

Savings Measures led by EWR Portfolio

- Better Targeting Employment Services (total savings of \$266.1m; inc DEWR savings of \$312.4m)
- Employment and Workplace Relations – reprioritisation (savings of \$16.2m)

Other Measures with EWR Portfolio impacts (DEWR / portfolio entity impact only)

- Employment White Paper (\$9.4m)
- Home Affairs-led measures
 - Australia’s Humanitarian Program (\$5.2m)
 - Migration System Integrity (\$4.5m for DEWR; \$33.3m for ASQA)
 - Migration System Reforms (\$7.8m for DEWR; \$3.9m for FWO)
- Restart Wage Subsidy for Disability Employment Service Participants – extension (\$0.03m)
- Funding for Territories (\$0.3m)

¹ Totals may not add up due to rounding.

² Departmental expenses include expenses not requiring appropriations.

³ Treasury Payments (S&T) refers to payments for skills programs made to the State and Territories through Treasury.

⁴ Skills and Training Total consists of: DEWR O2 Skills and Training, Australian Skills Quality Authority and Treasury payments to States and Territories.

⁵ Workplace Relations Total consists of: DEWR O3 Workplace Relations, Asbestos and Silica Safety and Eradication Agency, Comcare, Fair Work Commission, Office of the Fair Work Ombudsman and Safe Work Australia.

POINT-TO-POINT 2023-24

	Admin (\$m) ¹	Dept (\$m) ^{1,2}	Total (\$m) ¹
DEWR Expenses as at 2023-24 Budget	4,696.6	838.1	5,534.8
Measures	-40.0	52.9*	12.8
Movement of Funds	29.0	6.0	35.0
Changes in Parameters	12.9	-	12.9
Other Variations (e.g. estimates variations)	650.3	33.3	683.7
Net Change	652.2	92.2	744.4
DEWR Expenses as at 2023-24 PAES	5,348.9	930.3	6,279.2

* Including capital

POINT-TO-POINT ACROSS FEs (2023-24 to 2026-27)

	Admin (\$m) ¹	Dept (\$m) ^{1,2}	Total (\$m) ¹
DEWR Expenses as at 2023-24 Budget	17,540.1	3,251.1	20,791.2
Measures	-390.5	156.1*	-234.4
Movement of Funds	31.3	10.9	42.1
Changes in Parameters	67.7	7.0	74.7
Other Variations (e.g. estimates variations)	833.3	77.9	911.2
Net Change	541.8	251.8	793.6
DEWR Expenses as at 2023-24 PAES	18,081.9	3,502.9	21,584.8

* Including capital

ASL

	2023-34	Net change
O1 Employment and Workforce	1,918	74
O2 Skills and Training	1,374	64
O3 Workplace Relations	422	19
DEWR Total	3,714	157

Note: Corporate ASL is allocated to Outcomes for PAES reporting.
Net change is calculated as ASL in the 2023-24 PAES less ASL in the 2023-24 PBS.

Refer to PAES Table, 2.1.1 (p.33) for O1, 2.2.1 (p.36) for O2 and 2.3.1 (p.42) for O3.

EXPENSES 2023-24

	Admin (\$m) ¹ (Net change)	Dept (\$m) ^{1,2} (Net change)	Total (\$m) ¹ (Net change)
DEWR	5,348.9	930.3	6,279.2
	(+652.2)	(+92.2)	(+744.4)
O1 Employment and Workforce	1,857.3	494.4	2,351.7
	(-62.8)	(+41)	(-21.9)
O2 Skills and Training	2,855.1	343.4	3,198.5
	(+648.8)	(+41.8)	(+690.6)
O3 Workplace Relations	636.5	92.5	729.0
	(+66.3)	(+9.4)	(+75.7)
Portfolio Agencies	0.1	737.8	737.9
	(-0.4)	(+78.8)	(+78.4)
Treasury Payments (S&T)³	2,367.9	-	2,367.9
	(+467.8)	(nil change)	(+467.8)
Skills and Training Total⁴	5,223.0	343.4	5,566.4
	(+1,116.6)	(+44.6)	(+1,161.2)
Workplace Relations Total⁵	636.6	830.4	1,466.9
	(+65.8)	(+88.3)	(+154.1)

Note: Net change is calculated as expenses for 2023-24 in the 2023-24 PAES less expenses for 2023-24 Budget.

Refer to PAES Table 2.1.1 (p.32) for O1, 2.2.1 (p.34) for O2 and 2.3.1 (p.42) for O3

EXPENSES ACROSS FEs (2023-24 to 2026-27)

	Admin (\$m) ¹ (Net change)	Dept (\$m) ^{1,2} (Net change)	Total (\$m) ¹ (Net change)
DEWR	18,081.9	3,502.9	21,584.8
	(+541.8)	(+251.9)	(+793.6)
O1 Employment and Workforce	7,623.1	1,925.3	9,548.5
	(-592.9)	(+108.3)	(-484.6)
O2 Skills and Training	7,961.7	1,225.6	9,187.3
	(+760.5)	(+118.9)	(+879.5)
O3 Workplace Relations	2,497.1	352.0	2,849.1
	(+374.1)	(+24.7)	(+398.8)
Portfolio Agencies	0.4	2,961.0	2,961.4
	(-1.6)	(+352.5)	(+350.9)
Treasury Payments³	10,046.7	-	10,046.7
	(+2,502.9)	(nil change)	(+2,502.9)
Skills and Training Total⁴	18,008.4	1225.6	19,234.0
	(3,263.4)	(+98.2)	(+3,361.6)
Workplace Relations Total⁵	2,497.5	3,061.0	5,558.5
	(+878.9)	(+436.3)	(+1,315.2)

Refer to PAES Table 2.1.1 (p.32) for O1, 2.2.1 (p.34) for O2 and 2.3.1 (p.42) for O3

UNDER EMBARGO UNTIL THE 2023-24 PAES IS TABLED IN THE PARLIAMENT

Labour Hire Contractors in DEWR

Key Points

- The Government is committed to **creating secure jobs in the APS** and to only utilise contractors and labour hire when it is suitable and when required.
- The **Strategic Commissioning Framework** released by the Australian Public Service Commission on 1 December 2023 is part of the Government's commitment to reduce inappropriate outsourcing, prioritise direct employment and strengthen APS capability. It requires that **core work be done by APS employees**, with outsourcing allowed in limited circumstances. "Core" means work essential to delivering the enduring functions of an agency, required on a regular and ongoing basis.
- Procuring contractors or labour hire is only appropriate if:
 - APS recruitment processes have been unsuccessful** or are unlikely to be successful (e.g. due to a competitive labour market)
 - there are **genuine periods of high demand for staffing** beyond what should be reasonably expected of an agency that are also unlikely to reoccur in future. APS employees should still be the first resort in this circumstance
 - there is a **temporary need to backfill a vacancy** to meet critical business needs, pending a recruitment process or while APS capability uplift is underway.
- The Government passed the **Closing the labour hire loophole** measure as part of the *Fair Work Legislation Amendment (Closing Loopholes) Act 2023*.
- The measure prevents wages in enterprise agreements and other covered employment instruments from being undercut by the use of labour hire. A determination of terms and conditions made under s 24 of the *Public Service Act 1999*, such as DEWR's s 24 Determination, is specifically included as a covered employment instrument under paragraph (c) of the definition of that term in s12 of the *Fair Work Act 2009*.
 - Pay obligations** under this measure commence **1 November 2024**. Obligations arise if a Regulated Labour Hire Arrangement Orders (**RLHA Order**) is made by the Fair Work Commission, labour hire employees must be paid no less than the 'full rate of pay' (as defined in s 18 of the *Fair Work Act 2009* to include overtime, shift penalties, allowances, bonuses, and any other separately identifiable amounts) that would be payable to them under our s 24 Determination.
- The Department of Finance's mandatory People Panel will provide DEWR with greater visibility of **contractor hourly rates as the department will set an agreed rate** (equivalent to APS pay rates under the DEWR Determination plus a casual loading to compensate for absence of employee entitlements) for each contractor at the time of engagement.
- The People Panel commenced on 7 August 2023. It is mandatory for DEWR to use this panel when **entering into new labour hire arrangements**. The People Panel does **not include labour hire workers for ICT or digital roles**. As at 31 December 2023, DEWR has engaged **3 Non-ICT contractors under the People Panel** with many existing contractors having being extended on current contracts that have extension options still available.
- ICT and digital roles will continue to be procured from **The Digital Transformation Agency (DTA) Panel**. When engaging new ICT and digital labour hire contractors, from 1 March 2024 DEWR will request that the labour hire firm provide us with the charge rate breakdowns which will provide visibility of the hourly rates paid to the contractors to ensure pay obligations are met. Given this is not agreed under the Deed/Master Agreement, the vendors are not obliged to provide this information.
- DEWR will be **proactively managing all of its external labour hire arrangements** and continue to monitor its **labour hire contract data to ensure that the people who work for us are appropriately equitably remunerated and ensure we are in a good position to respond to any ongoing applications under the new process**.

- We will be instructing areas not to exercise an option to extend without obtaining the **required information to support pay parity assurance**. Our preference is that labour hire contractors are engaged under the People Panel for Non-ICT engagements. Reporting on this will commence monthly over the next 9 months ahead of the November deadline.

Background

Workforce Summary

APS/Contractor	31 Jul-22	31 Jul-23	31 Dec 23
Contractor Headcount	1,256 (29%)	761 (18%)	786 (17%)
APS Headcount	3,019 (71%)	3,574 (82%)	3,916 (83%)
Total Workforce	4,275 (100%)	4,335 (100%)	4,702 (100%)

Labour hire contractor numbers by group

Group	ICT	Non-ICT	Total
Corporate and Enabling Services	462	34	496
Employment and Workforce Group	9	163	172
Skills and Training Group	43	27	70
Workplace Relations Group	s 47F(1)	19	s 47F(1)
Jobs and Skills Australia	21	6	27
Total	537	249	786

- DEWR's budgeted ASL in the 2023-24 Budget increased primarily to insource work previously performed by labour hire firms in DEWR contact centres (248 ASL) and the Pacific Australia Labour Mobility (PALM) Scheme (190 ASL).
- An additional 157 ASL was provided through MYEFO, primarily for New Parents Program and ParentsNext (49 ASL) Employment Services Trials (29 ASL) Strategic Apprentices Review (10 ASL) and National Skills Agreement (13 ASL) and for JSA (12 ASL).

DEWR	2022-23	2023-24
Budgeted ASL	2,915	3,714

- To reduce reliance on external labour hire and to build internal capability, DEWR is continuing to convert external labour hire roles, such as service delivery and administration roles, to new ongoing APS positions where possible.
- By 31 December 2023 we had **converted a number of positions** including significant rebalancing of the workforce profile in Contact Centres Branch. Contact Centres Branch is progressing 40 APS commencements in January and recruiting to fill a further 100 APS positions in Canberra and Perth (which should also allow it to further reduce the use of labour-hire).

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SB24-00057
Data for: 1 July 2022 to 31 December 2023

Contact Centres Contractor/APS	1 July 2022	31 December 2023	Movement
Contractor Headcount	322	163	-159
Movement in APS Headcount	49	218	169

- **Further work is continuing to reduce use of labour hire contractors and reprofile the workforce.** External labour hire will continue to be used as a part of DEWR's overall workforce to deliver our outcomes including for specialist and surge roles.

DEWR Actions

What steps is the department taking to convert specialist/ ICT labour hire positions in the future?

- Digital Solutions Division (DSD) has finalised its Division ICT Workforce Strategy. The Strategy includes a focus on APS uplift, Digital Entry Level Program intake, and becoming an employer of choice in the government ICT environment.
 - DSD increased its APS footprint by 30 positions (9% APS growth) in 6 months up from 333 in June 2023 to 363 in December 2023.
 - DSD is committed to increasing entry level programs recruitment, with the division **planning to welcome 20 digital apprentices, cadets and graduates in 2024**, compared to 7 digital cadets and graduates in 2023.
- **DEWR is expanding APS recruitment across geographical locations** for specific technology skills and potentially establishing ICT Hubs outside of Canberra such as Sydney, Melbourne, Newcastle and Adelaide.

Why aren't more conversions occurring across DEWR?

- The conversion of labour hire employees needs to happen in a staged approach to ensure balance between the department's short-term and long-term needs, our ability to deliver on Government policies in the next few years, and the availability of labour in the market, noting recruitment activities are progressing.

Related Questions received on notice

PDR Link	Submitted By	Subject	Answer Summary
SQ23-001196	Cash, Michaelia	Shortest and longest term of labour hire contractors	The department was established from 1 July 2022. As at 31 October 2023, shortest labour hire contractor engagement by the department is 35 calendar days and the longest is 995 calendar days. The longest contract continues beyond 31 October 2023.

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Page 2 of 2

Productivity Factsheet

What is Productivity?

Productivity refers to how much output can be produced with a given set of inputs i.e., output per unit of input. Output refers to a quantity of goods and services produced in a given time period.

Productivity increases when more output is produced with the same amount of inputs, or when the same amount of output is produced with less inputs.

Productivity may be attributed to an individual entity, an industry, sector, or to the whole economy.

Measures of Productivity

Different measures of productivity exist. The main measures are:

Labour Productivity—output per person or hour worked. Factors that can affect labour productivity include workers' skills, technological change, management practices and changes in other inputs (such as capital).

Capital productivity—output per unit of capital used in production. Factors that can affect capital productivity include technological changes and changes in other factor inputs (such as labour).

Multifactor Productivity (MFP)—defined as output per unit of combined inputs. Combined inputs typically include labour and capital, but can be expanded to include energy, materials, and services.

Why Productivity is Important?

Productivity growth matters because it is the primary means by which Australians will be able to achieve improvements in their standards of living over the long-term.

Economy-wide productivity improvements can provide economic benefits such as higher wages for workers, lower prices for consumers, higher profits for firms and stronger economic growth overall.

Key Drivers of Productivity Growth

Macroeconomic stability: economic stability, including low and stable inflation and a freely-floating exchange rate, promotes growth in investment and employment.

Business efficiency: policy settings like tax, competition, regulatory, skills, workplace relations and employment settings can incentivise businesses to operate more efficiently, for example by adopting more modern equipment or upskilling their workforce.

Economic resilience: responsive labour, capital and financial markets increase the ability of the economy to absorb shocks.

Capabilities: settings that promote collaboration between science and industry, upskilling and entrepreneurship can all improve human capital and innovation.

Latest Productivity Data (ABS)

- Up to the September quarter 2023, seasonally adjusted labour productivity (as measured by GDP per hour worked) **rose by 0.9 per cent over the quarter and fell by 2.1 per cent over the year.**
- For 2022-23, in original terms (seasonally adjusted data not available), capital productivity rose by 2.1 per cent over the year, while multifactor productivity fell by 0.5 per cent.

Long-term Slowdown in Productivity Growth

Quarterly and annual productivity measures can be volatile and subject to revision. **Longer term (over-the-cycle) measures are more useful for comparison.** All measures followed positive growth over the last complete growth cycle, although labour productivity and multifactor productivity growth experienced a downward trend over time.

- While labour productivity growth has been slow, capital productivity growth has been even slower with an extended period of decline from 1998 to 2018.
- Multifactor productivity growth has been slow.

Labour Productivity Growth is Down

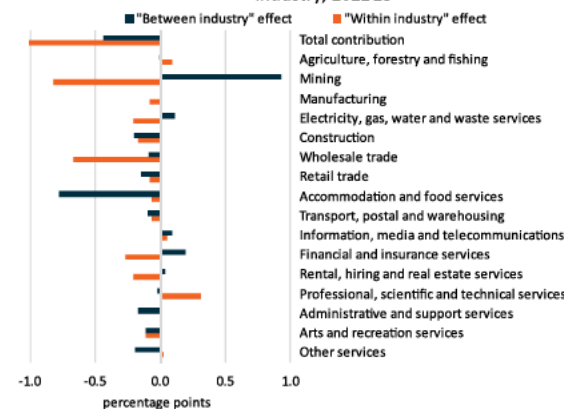


Source: ABS, Australian System of National Accounts, 2022 -23

- This chart shows how labour productivity changed annually and over each productivity growth cycle (in ABS original terms).
- Labour productivity declined sharply in 2022-23, noting that this is not a complete cycle yet. **The recent fall in labour productivity is due to a greater rise in total hours worked than gross value added, as Australia's economic growth has slowed down over the past year while employment growth has remained relatively strong.**
- Labour productivity rose 2.2 per cent per year on average in the first growth cycle (from 1998-99 to 2003-04) but slowed to 1.4 per cent per year on average over the last complete productivity cycle (from 2017-18 to 2021-22).

Contribution to Productivity Growth

Figure 2: Contribution to Market Sector LP Growth- by Industry, 2022-23



Source: ABS, Estimates of Industry Multifactor Productivity, 2022 -23

- Falls in labour productivity within the mining and wholesale trade industries contributed the most to the fall in growth of labour productivity in the market sector.
- The growth in hours worked in more productive industries like mining offset the shift of labour to less productive industries (e.g., accommodation and food services).

International Labour Productivity Comparison

- Average labour productivity for OECD countries fell (by 0.3 per cent compared to Australia's 2 per cent fall) in 2022, the most recent internationally comparable year. Given 2022's productivity growth figures are affected by temporary major shifts in the composition of the workforce (due to it being the first "post-lockdown" year), 2021 provides a useful point of reference for international comparisons. Australia ranked 14th out of 38 countries in the OECD for labour productivity growth in 2021, when Australia's productivity growth stood at 1.6 per cent compared to an OECD average of 0.7 per cent.
- Australia has a higher per hour productivity than the international average, but lower than in the US.

Data – Insecure Work

Adverse impacts of insecure work

Evidence (cited in the Employment White Paper, Senate Select Committee on Job Security and the Fair Work Commission's Modern Awards Review 2023-24 Job Security Discussion Paper) shows serious negative consequences from insecure work such as poorer physical and mental health, and financial instability.

- *There is no definition of insecure work – it is multifaceted*

The Fair Work Commission's Job Security Discussion Paper identified some of the commonly understood indicators of insecure work, which include:

- low, unpredictable or irregular income
- irregular, fragmented and/or unpredictable hours
- limited access or lack of access to paid leave, redundancy and other entitlements
- poor and/or limited security of tenure
- uncertainty around hours or duration of employment
- social and/or physical isolation, and
- low worker control.

It notes that the common thread across these different dimensions appears to be the lack of certainty and control experienced by workers in relation to the circumstances of their employment (*FWC – Discussion Paper Job Security, 18 December 2023*).

Job security and strong, sustainable wage growth at the centre of the Government's agenda and workplace relations reforms

- The Employment White Paper outlines the Government's vision for a dynamic and inclusive labour market in which everyone has an opportunity for secure and fairly paid work (Objective 2).

Secure Jobs, Better Pay means FWC must now consider job insecurity and secure work in its decisions and limits use of fixed-term contracts

- Job security is an object of the Fair Work Act (s3) and
- The modern awards objective includes secure work (s134).
- Fixed term contracts limited to 2 years or 2 contracts – whichever is shorter. Commenced on 6 December 2023. Exceptions allow genuine use to continue beyond limits. Additional time limited exceptions introduced through regulations sunset on 30 June 2024.

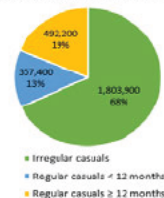
Closing Loopholes focuses on closing loopholes to ensure that job security, pay and conditions, are not being undercut, regardless of status

- **Labour hire:** FWC can make orders that labour hire employees must be paid at least what they would receive under a host businesses' enterprise agreement. Commenced on 15 December 2023.
- **Casuals:** Bill currently before the Parliament would introduce a fair and objective definition and provide a clearer pathway for casuals to move to permanent employment.
- **Employee-like workers:** Bill currently before the Parliament would allow the FWC to set minimum standards for employee-like workers and provide protection from unfair deactivation from a digital labour platform.

Some people in insecure work have patterns of work akin to those of permanent employees

One third of casuals have regular work

2.7 million casual employees in Australia (ABS Characteristics of employment, August 2022)



Source: ABS Characteristics of Employment, August 2022 (latest available data on irregular and regular casuals).

- 32% of casual employees had regular working arrangements, i.e. guaranteed minimum hours each week and earnings or hours that don't vary each week.¹
- Regular casuals are most likely to be employed in Health care and social assistance, Accommodation and food services, and Retail trade.

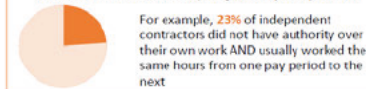
19 % of employees (73,000) on fixed term contracts have been with their employer for more than 2 years and on contracts lasting 2 years or less

- Until this year, the proportion of Australian workers who are fixed-term contractors had remained relatively stable over the last decade.
- In August 2023, 2.9 per cent of employees (345,400 employees) were fixed-term contractors, the lowest proportion since the series began in 2014 and well below the 3.4 per cent recorded in August 2022 (389,700) (*ABS Characteristics of Employment, August 2023*).
- Over a quarter (25.8 per cent or 89,100) of fixed-term contractors worked in the education and training industry, with 20.5 per cent (70,800) working in the public administration and safety industry and 19.3 per cent (66,700) working in the health care and social assistance industry (*ABS Characteristics of Employment, August 2023*).
- Latest data on **rolling fixed-term contracts** is August 2022. It shows 18.8% of fixed-term contractors were **long-term workers on rolling fixed-term contracts** (*ABS Characteristics of Employment, August 2022*).

Not all independent contractors may be genuinely independent

In August 2023, the overall number of independent contracts was 1,048,900.

ABS data show that not all of the 1.1 million independent contractors in Australia may be genuinely independent



Characteristics of Employment, August 2022. Please note that August 2022 is the most recent data on whether independent contractors had authority over their own work.

DATA: Headline indicators of insecure work have remained broadly stable but when unpacked, insecure work remains prevalent (Attachment A – Data Detail)

- In September 2023, the rate of **multiple job holders** was 6.6% of employed people (or 955,600 people).
 - The rate of multiple job holding had been roughly stable for the past two decades, peaking at 6.7% in March and June 2023.
- In June 2023, there were 327,100 workers (or 2.3% of all employed people) employed in the **Labour supply services industry**.
 - The incidence of labour hire employees has declined since its peak in March 2020 (2.7%).
- In November 2023, there were 2.7 million **casual employees** (22.5% of all employees) (*ABS, Labour Force Detailed, November 2023*).
 - Until the onset of COVID-19, the incidence of casual employees had been steady at around 25% for the last two decades.
- Data on the Australian digital platform economy is only emerging and estimates have historically varied.
- In its first publication on **digital platform workers**, the ABS found that 0.96% of the employed population (the department estimates this to be around 135,000 workers) reported undertaking digital platform work in the last 4 weeks (June 2023).
 - A 2019 Victorian National Survey suggested that 7.1% of the workforce participated in digital platform work over a 12-month period; while Uber estimated that 150,000 workers used its platform.

The prevalence of job insecurity differs by gender

- Job insecurity affects men and women in different ways (all 2023 data with the exception of labour hire workers which are from 2019-20):
 - Most labour hire workers (61.4%) and digital platform workers (66%) are male.
 - Most casual employees (53.0%) and fixed-term employees (58.9%) are women.

Work continuing on longer term reforms

- In 2024, the department will consult with state and territory governments, unions and industry to develop, where it is practical, portable entitlement schemes for Australians in insecure work.
- The Fair Work Commission has commenced the **Modern Awards Review 2023-24**, which is considering, among other things, whether modern awards terms support the new *Fair Work Act* objective of promoting job security and the need to improve access to secure work.
 1. The Employment White Paper states that 60% of casual workers work regular hours (p50) this figure refers to the percentage of all casuals that usually worked the same hours per week in main job i.e. it doesn't take into account whether they were guaranteed a minimum number of hours or if their pay varied or not.
 2. Employment White Paper states 6.6% people holding multiple jobs (p49). This is out of date as it is from 2019. Most recent data is *ABS, Multiple Job-Holders, June 2023*

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2023–24 February Estimates
SB24-000010 – Attachment A

Attachment A: Data Detail

Casual Employees

There are 2.7 million casual employees (22.5% of all employees) who do not have paid leave entitlements (ABS, *Labour Force Detailed*, November 2023). Until the onset of COVID-19, the incidence of casual employees was steady at around 25% for the last two decades.

Chart 1: Casual employees as a proportion of all employees, 2014-2023



Source: ABS, *Labour Force, Australia, Detailed*, November 2023.

More than half (53.0%) of all casual employees are women.

The following industries reported the highest casual incidence in November 2023:

- Accommodation and food services (62.4%);
- Agriculture, forestry and fishing (47.5%); and
- Arts and recreation services (39.5%).

Source: ABS, *Labour Force Detailed*, November 2023.

There were **851,100 casual employees who have regular working arrangements** (guaranteed minimum hours and either hours or earnings do not vary from one pay period to the next) (ABS, *Characteristics of Employment*, August 2022).¹

- More than half of all casuals with regular working arrangements are **women** (53.4%), and 55.4% work **part-time**.
- Regular casuals are most likely to be employed in **Health care and social assistance**, **Accommodation and food services**, and **Retail trade**.
- There are 492,200 casuals who have had **regular work** for 12 months or more.

¹ Note that these are the most recent data on regular working arrangements. The release of the August 2023 ABS, *Characteristics of Employment* microdata into TableBuilder is expected in early 2024.

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Page 1 of 4

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2023–24 February Estimates
SB24-000010 – Attachment A

Over **two thirds of casual employees (around 1.8 million employees) have irregular working arrangements** where minimum hours are not guaranteed, and either hours or earnings/income can vary from one pay period to the next.

Around a quarter (24.5%) of casual part-time workers reported **underemployment** in August 2022.

Independent contractors

There are around 1.0 million independent contractors (or 7.5% of all employed persons) (ABS, *Characteristics of Employment, August 2023*). The proportion of Australian workers who are independent contractors has remained relatively stable over the last decade at around 8-9% of all employed persons.

Most independent contractors do not have paid leave entitlements – they are people who operate their own business and contract to perform services for others without having the legal status of an employee.

In August 2023:

- over two thirds (69.4% or 727,600) of independent contractors were **men**; 30.6% (321,300) were **women**
- **men** had a higher incidence of working as independent contractors: 9.9% of men were employed as independent contractors compared with 4.8% of women
- the main industries of employment for independent contractors were **Construction** (26.5%), **Professional, scientific and technical services** (14.0%) and **Health care and social assistance** (13.0%).

As at August 2022 (most recent available data), most independent contractors worked **full-time** in their main job (59.8% or 669,200 persons).

Fixed term contracts

345,400 employees (2.9% of all employees) are working on fixed term contracts (ABS, *Characteristics of Employment, August 2023*). Until 2023, the proportion of Australian employees who worked on fixed-term contracts had remained relatively stable over the last decade at 3-4%.

In August 2023:

- 30.3% of all employees on fixed term contracts (104,600) had been **with their employer for over two years**.
- More than half (58.9%) of employees engaged on fixed term contracts were **women**.
- 71.7% of fixed term contractors were employed **full-time**.
- 20.2% of employees engaged on fixed term contracts were **casual employees**.
- The bulk of employees engaged on fixed-term contracts worked in **Education and training** (25.8%), **Public administration and safety** (20.5%) or in **Health care and social assistance** (19.3%).

Rolling fixed term contracts

- As of August 2022, 18.8% of fixed term contractors (73,000) **were long-term workers on rolling fixed-term contracts** (had been with their employer for over 2 years and contract length was 2 years or less). (ABS, *Characteristics of Employment, August 2022*, unpublished Tablebuilder data)

OFFICIAL

Page 2 of 4

OFFICIAL

2023–24 February Estimates
SB24-000010 – Attachment A

Employees paid by a labour hire firm

There were **327,100 workers (or 2.3% of all employed people) employed in the Labour supply services industry** (ABS, *Labour Hire Workers, June 2023*, using *Labour Account, June 2023*). The incidence of labour hire employees has **increased over the past two decades** but has declined from its peak of 2.7% in March 2020.

- Most labour hire workers (61.4%) were **men** (ABS, *Labour Hire Workers, June 2023*, using *Jobs in Australia, 2019-20*).
- Most labour hire workers (81.2%) were **full-time** (ABS, *Labour Hire Workers, June 2023*, using *Characteristics of Employment, August 2022*).
- Most labour hire workers (83.6%) were **casual employees** (ABS, *Labour Hire Workers, June 2023*, using *Characteristics of Employment, August 2022*).
- Labour hire employment is often short-term – most labour hire workers (62.6%) had been **with their current employer for less than one year** (compared to 26.0% for all employees) (ABS, *Labour Hire Workers, June 2023*, using *Characteristics of Employment, August 2022*).
- **Median hourly earnings** for labour hire workers were \$34.90, compared with \$37.30 for all employees (ABS, *Labour Hire Workers, June 2023*, using *Characteristics of Employment, August 2022*).

Digital platform workers

Data on the Australian digital platform economy is only emerging and estimates have historically varied.

In its first release of experimental data on digital platform workers, the ABS has estimated that in 2022-23, 0.96 % of the employed population reported undertaking digital platform work in the last four weeks. The Department estimates this to be roughly 135,000 digital platform workers as at June 2023.

Digital platform workers were more likely to be:

- **Men** (66% of digital platform workers compared to 52 per cent of all employed).
- **Younger workers** (48.1% of digital platform workers were aged under 35, compared with 38.5% of all employed).
- **Multiple job holders** (11% of digital platform workers reported they were multiple job holders in the Labour Force Survey, compared with 6.7% of all employed).
- **Undertaking part-time or full-time study** (around 21% of digital platform workers were undertaking part-time or full-time study, compared with 11% of the broader population).
- The majority of digital platform workers (53%) undertook **less than 10 hours of paid per task work**.
- **The most popular digital platform** tasks undertaken included food delivery (35%) and personal transport (27%).
- The motivation of the majority (54%) of digital platform workers is to **supplement income**.

OFFICIAL

Page 3 of 4

OFFICIAL

2023–24 February Estimates
SB24-000010 – Attachment A

Earlier estimates of the size of the digital platform economy (published before the onset of the COVID-19 pandemic) ranged from 0.8 % of the workforce, or approximately 100,000 workers (HILDA²), to 7.1 % of the workforce, or 909,500 workers (Victorian National Survey).³

In 2023, Uber indicated that more than 150,000 rideshare and food delivery workers used the Uber platform to work each month.⁴

Multiple job holders

In September 2023, the rate of **multiple job-holding** was 6.6% (or 955,600 people) of all employed people, down from a series high of 6.7% (962,900) in June 2023 and 6.7% (953,600) in March 2023 (ABS, *Multiple job-holders*, September 2023).⁵ Until September 2021, the rate of multiple job holding had been roughly stable between 5% and 6% for the past two decades.

- **Women** were more likely to be multiple job holders: 7.9% of employed women held multiple jobs, compared with 5.6% of employed men.
- Multiple job-holders worked an average of 29.9 hours per week in their main job and 9.4 hours in their secondary jobs (or 39.3 hours per week total). Single job-holders tended to work 35.1 hours per week in their job.
- **Young workers** (ages 15-24) were the most likely to be multiple-job holders, with 7.2% of the age group holding multiple jobs, the highest incidence across all age groups.

² R Wilkins et al., 'The Household, Income and Labour Dynamics in Australia Survey: Selected Findings from Waves 1 to 20', Melbourne Institute: Applied Economic & Social Research, University of Melbourne, 2022, p. 89.

³ P McDonald. et al, 'Digital Platform Work in Australia: Prevalence, Nature and Impact (Digital platform work in Australia)', commissioned by the Victorian Department of Premier and Cabinet, 2019.

⁴ Uber, 'Flexibility works', <https://www.uber.com/au/en/u/gig-reform/>, accessed 28 June 2023.

⁵ The Australian Bureau of Statistics defines multiple job-holders as people who work for more than one employer during the same period. A multiple job-holder can be actively employed by different employers in the same industry or across multiple different industries. The rate of multiple job-holding is calculated as the proportion of workers having more than one job over all workers.

OFFICIAL

Page 4 of 4

OFFICIAL

2023–24 February Estimates
SB24-000010 – Attachment B

Attachment B: Fixed term contracts

The Secure Jobs, Better Pay Act introduced a limitation on the use of fixed term contracts, which commenced on 6 December 2023.

- Limitations on the use of fixed term contracts (including maximum-term contracts) beyond two years or two consecutive contracts (whichever is shorter), including renewals.
- If the limit is breached, contract considered a contract of permanent employment (section 333G).
- The limitations improve job security by placing new limits on rolling fixed term contracts for jobs that would otherwise be permanent.
- The *Fair Work Amendment (Fixed Term Contracts) Regulations 2023* also commenced on 6 December 2023 and include time limited exceptions for some roles.
- The changes only apply to new contracts entered into after 6 December 2023. However, any contract that was in place prior to the commencement will be counted towards the limits (section 333E(4)).

Limited exceptions in legislation to allow fixed term contracts beyond the limits where genuinely necessary and appropriate (section 333F):

- Performing a discrete task for a fixed period involving specialist skills
- Performing work in relation to a training arrangement (Apprentices and trainees)
- Undertaking essential work during a peak demand period (such as a harvest)
- Undertaking work during an emergency or temporarily replacing another employee on long leave (such as workers compensation leave)
- Earning above the high-income threshold (including pro rata for part time employees). Threshold \$167,500 since 1 July 2023
- Where the work is funded in whole or in part by government for a period greater than 2 years and there are no reasonable prospects of renewal
- A time-limited governance position
- Where permitted under a modern award

Regulations provide for additional exceptions for contracts made between 6 December 2023 and 30 June 2024 in certain roles:

- Organised sport – roles in particular organised sporting bodies to perform work as certain types of athletes, coaches, performance support professionals or match officials. Employees for international events for high performance sport.
- Organisations funded (in whole or part) by a philanthropic entity or testamentary gift or contribution
- Employees covered by the Higher Education Industry – Academic Staff Award 2020 or the Higher Education – General Staff Award 2020
- Employees covered by the Live Performance Award 2020 who enter a contract for 12 months or less.
- The intent of the time limit of 30 June 2024 is to allow parties to progress discussions regarding the ongoing use of fixed term contracts within their sectors.

Stakeholders have sought guidance on legislated exceptions

Stakeholders have sought guidance about how the exceptions will operate.

- The impact on service providers that may be funded whole or in part through government funding exception (333F(1)(f)).
 - For example, not-for-profit sector have sought guidance on the use of grant funding to employ staff on fixed term contracts where there is a requirement that there be no reasonable prospects of renewal, arguing it is too high a threshold to meet due to short-term government funding.
 - ‘No reasonable prospects’ is a deliberately high threshold and not intended to cover all government funding. Some employers may need to review their employment practices to better support ongoing employment arrangements for their workforce.
- A definition of ‘specialist skills’ is not included to allow industries to identify genuine specialisation without risk of creating a narrow exclusion which may have unintended consequences (333F(1)(a)).

The Fair Work Act prevents use of fixed term contracts where substantial reason is to avoid redundancy and payment in lieu of notice

- The charities and not-for-profit sector argue the uncertainty around government and non-government funding arrangements restricts their ability to provide ongoing employment, and they are unable to fund redundancy costs.
- Redundancy payments would only be required where there is a genuine redundancy in that the work is no longer needed to be performed by anyone. Where there is recurrent funding, the practical reality of redundancy may never eventuate. Provisions in the Fair Work Act allowing for termination of employment remain.
- There are existing restrictions in the Fair Work Act (s123(2)) which prevent the use of fixed term contracts if the substantial reason for employing the employee in that way is to avoid obligations to redundancy payments and payment in lieu of notice.

Interaction between fixed term limitations and modern awards

- The exception at 333F(1)(h) recognises the Fair Work Act framework allows modern awards to include provisions related to the use of fixed term employment for specific sectors and industries.
- An employer or employee can apply to the Fair Work Commission for a determination to vary a modern award to resolve any difficulty relating to the interaction between the modern award and the fixed term limitations.

Fixed term Contract Information Sheet

- The Fair Work Ombudsman has published a Fixed Term Contract Information Statement, with employers required to give the statements to employees when they are offered a new contract of employment that is for a fixed term.
- The statement will assist employers and employees understand the limitations on the use of fixed term contracts, and any obligations or rights that arise because of the improper use of fixed term contracts.

Dispute resolution is available

- If a dispute cannot be resolved at the workplace level, one party may refer the dispute to the FWC.
- The FWC must deal with the dispute, which could include consent arbitration (section 333(3)).
- The Federal Circuit and Family Court of Australia, and Magistrates Courts can deal with disputes under the small claims procedure, including disputes about whether an exception applies and whether that employee should instead be permanent (section 548).
- Contravening the fixed term limitations is a civil remedy provision.

The department has consulted widely and stakeholders continue to seek further exceptions

- As of 1 January 2024, there have been 62 confidential consultations in developing the Regulations.
- Following the commencement of the Regulations in December 2023, the department wrote to sector employer and employee representatives seeking an update on discussions for ongoing arrangements by 1 March 2024.

Employer groups continue to seek further exceptions via regulation following the implementation of the regulations. For example:

- The Australian Higher Education Industrial Association and Association of Australian Medical Research Institutes seeking exception for research and development roles.
- The charities and not for profit sector for government and/or philanthropic funded roles.

Recent Media coverage on fixed term contracts

Research:

- “imposing unworkable restrictions on this form of employment could have **huge impact on viability of the nation’s research effort**”. *Australia the loser with new workplace laws* (AHEIA, media release, 11 August 2023)
- “Australian medical research institutes could lose the ability to conduct “high-quality, lifesaving research” because of Labor’s industrial relation changes, with the sector warning some may fail while other could be saddled with extra costs of up to \$3m a year.” *IR threat to lifesaving research* (The Australian, 19 January 2024)

Charities:

- “The independent peak body representing charities has raised the prospect of increased costs for community organisations and broken budgets as a result of the introduction of new fixed-term contract changes.” *Charities warn IR change will be costly* (The Weekend Australian, 20 January 2024)

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	WHOLE OF DEWR
1	Net Zero
2	Data – Gender Equality
3	Economic Factsheet
4	Employment White Paper
5	DEWR Closing the Gap
6	Alice Springs/ Central Australia Plan
	COPORATE AND ENABLING SERVICES
7	Cyber Security
8	DEWR at a Glance
9	Overtime entitlements review
10	Enterprise bargaining
11	Campaigns - Fee free TAFE + Engineered Stone
12	Non-ongoing workforce
13	Contracts & Consultancies
14	Travel, rideshare and gifted airline memberships
15	MYEFO/PAES A3
16	Labour hire Contractor in DEWR
	WORKPLACE RELATIONS
17	WR Reform Agenda 2024
18	Closing Loopholes – Impact Analysis
19	Closing Loopholes Act
20	Closing Loopholes No.2 Bill
21	National Construction Industry Forum
22	WR Consultations
23	Silica and engineered stone
24	Data - Wages
25	Data – Insecure Work
	EMPLOYMENT AND WORKFORCE
26	ParentsNext Factsheet
27	New Voluntary Program for Parents
28	Related Entities
29	Establishment of Workforce Australia and Outcomes of related ANAO Audit Brief
30	Target Compliance Framework
31	Wage subsidies data on cohorts and occupations
32	Employment Fund
33	Work for the Dole
34	Online Employment Services Trials
35	Top Employers using Workforce Australia Services - Labour Hire analysis
36	Time to Work Employment Services factsheet
37	Better targeting employment services (MYEFO)
38	Mutual Obligations Policy factsheet
39	Employment Services Reform – Workforce Australia Inquiry, CDP, DES
40	Productivity Factsheet
41	New PALM scheme settings
42	PALM Worker Exploitation
43	The Guardian: Faulty claims



SKILLS AND TRAINING	
44	Women in Apprenticeships
45	Fee Free TAFE delivery
46	Apprenticeships and Skills shortages
47	Australian Apprenticeship Support Network / Procurement
48	New Energy Apprenticeships /Mentoring Program
49	Foundation Skills Program Redesign/Procurement
50	Australian Skills Guarantee
51	Women in VET
52	Nuclear powered submarine program (NPSP)
53	International Students and Skills
54	Job and Skills Australia and Governance Arrangements
55	Jobs and Skills Councils
56	VET Quality and Integrity
57	VET Students affected by delayed student loans IT issue
58	University Accord / tertiary policy
59	New Training Hubs Network for Central Australia
60	Closing the Gap Skills Data
61	Commonwealth Funding for Skills and NSA
62	Five-year National Skills Agreement
63	Relative Performance of Sectors