



# New Employment Services Model

Government employment services are being transformed to deliver better services to job seekers and employers and a better system for providers.

The development of the new employment services model involved extensive consultation with more than 1400 stakeholders including job seekers, employment services providers, industry representatives, employers and peak bodies, and independent advice delivered by the Employment Services Expert Advisory Panel in its report to Government.

The new model is being trialled in two regions from 1 July 2019 before being rolled out nationally from July 2022.

## What will the new model mean for job seekers?

For job seekers, the new model will provide service options to support them to find a job, a better digital platform and more flexibility to meet mutual obligation requirements.

### Digital First

Job seekers who are job-ready and digitally literate enter Digital First and self service online. These job seekers can access online tools to help them make informed choices about their job search, as well as the Digital Services Contact Centre to help answer questions and provide advice via phone or email.

Regular job seeker assessments ensure job seekers continue to receive the right service for them. Job seekers complete and report their mutual obligations online and access assistance such as an online jobs board, job matching and training modules.

### Digital Plus

Job seekers who are job-ready but require some additional support with skills or training will enter into the Digital Plus service. These job seekers self-service online and have additional support available through the Digital Services Contact Centre.

Digital Plus job seekers have access to funding to help with transport or employment related expenses. They can be connected to an employment services or training provider for specific services such as training to help use the digital service or work skills training.

### Enhanced Services

The most disadvantaged job seekers receive Enhanced Services delivered through employment services providers. Providers deliver a professional, individualised service to help prepare and support job seekers into work.

Providers help address a job seeker's barriers to work through services such as career guidance, mentoring, vocational training, assistance in accessing non-vocational services such as counselling, work experience, job placements and post-placement support.

## **Mutual obligations**

The new model will maintain the integrity of mutual obligations by introducing a points-based system that requires job seekers to take more responsibility for their pathway to employment. Job seekers may have to undertake activities earlier and more often, but will have greater flexibility and choice. The Targeted Compliance Framework will remain in place, ensuring there are consequences for those who choose not to meet their mutual obligations.

## **What will the model mean for providers?**

Employment services providers will provide Enhanced Services through a contractual licence. There will be specialist licences in some regions and the number of licences in each region will be capped to ensure market stability.

There will be new payment structures, with higher up-front payments to support investment in early intervention. Outcome payments will continue to be used to reward moving job seekers into employment and will be the primary performance measure. Progress payments will recognise the completion of milestones towards employment, while bonuses will be available for achieving sustainable outcomes for long-term unemployed job seekers.

Providers that are issued a licence will face regular evaluations of performance incorporating feedback from employers and local stakeholders. Poor performers will not have their licences renewed and will exit the market, providing strong incentives to achieve outcomes.

## **What does the new model mean for employers?**

The digital platform will provide a better service for employers including the ability to filter and search for candidates. Enhanced services will offer work experience programs, better post placement support and targeted wage subsidies to support businesses to employ job seekers.

## **Will other employment programs continue?**

Several existing employment programs will continue to operate, complementing mainstream employment services by providing a wider range of pathways to employment. Programs to continue alongside the new model include (but are not limited to): Transition to Work, the New Enterprise Incentive Scheme, Harvest Labour Services and Youth Jobs PaTH (Prepare, Trial, Hire).

## **How and when will the new model be implemented?**

From 1 July 2019 to June 2022, key elements of the new model will be trialled in Adelaide South, South Australia and Mid North Coast, New South Wales. The new settings are being tested and evaluated, with ongoing enhancements made through a co-design process with providers, employers, industry and job seekers.

The department is working closely with providers in these regions to establish and deliver the trial.

Current jobactive contracts have been extended until June 2022 in all other regions, while elements of the new model are tested.

## **More information**

Further details will be published on the [department's website](https://dese.gov.au) (dese.gov.au) as they become available.