




Australian Government
Department of Employment

Employment Services 2015

Exposure Draft of the Purchasing Arrangements Information Session

Overview of Presentation

- The new approach to employment services
 - Services to be tendered
 - Purchasing arrangements
 - Feedback and next steps
- 

Employment Services 2015

- Promote stronger workforce participation by people of working age and help more job seekers move from welfare to work

What is being purchased?

- Services in non remote parts of Australia:
 - Employment Provider services
 - Work for the Dole Coordinators
 - New Enterprise Incentive Scheme
- Harvest Labour Services
- National Harvest Labour Information Service

Employment Provider Services



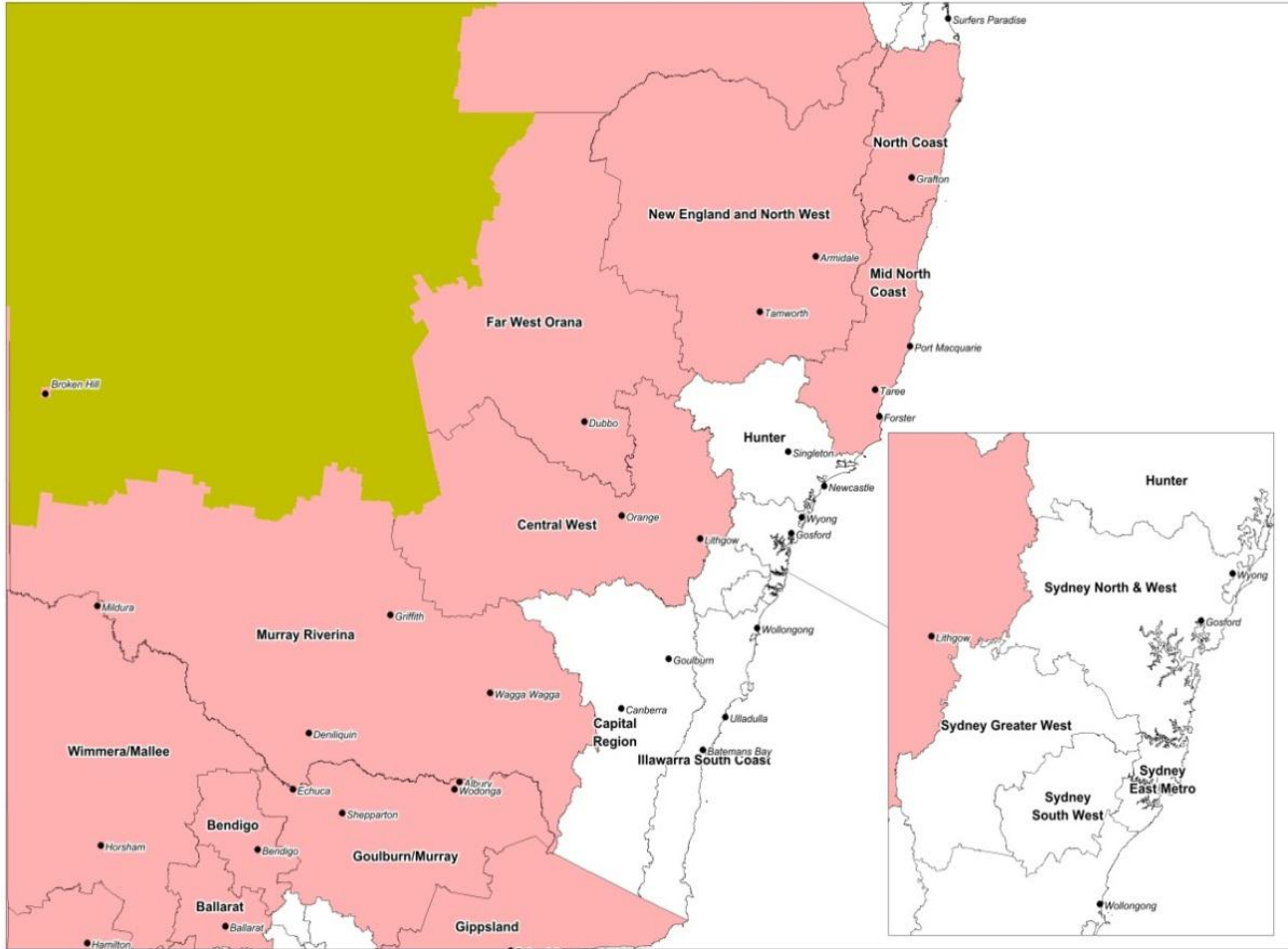
Employment Provider service objectives

- Needs of employers
- Job seeker activation and stronger Mutual Obligation
- Job outcomes
- Cut red tape




51 Employment Regions

- Access to larger pools of job seekers and employers
- Based on Australian Bureau of Statistics units and labour market features
- 29 eligible for regional loading

Employment Region Maps

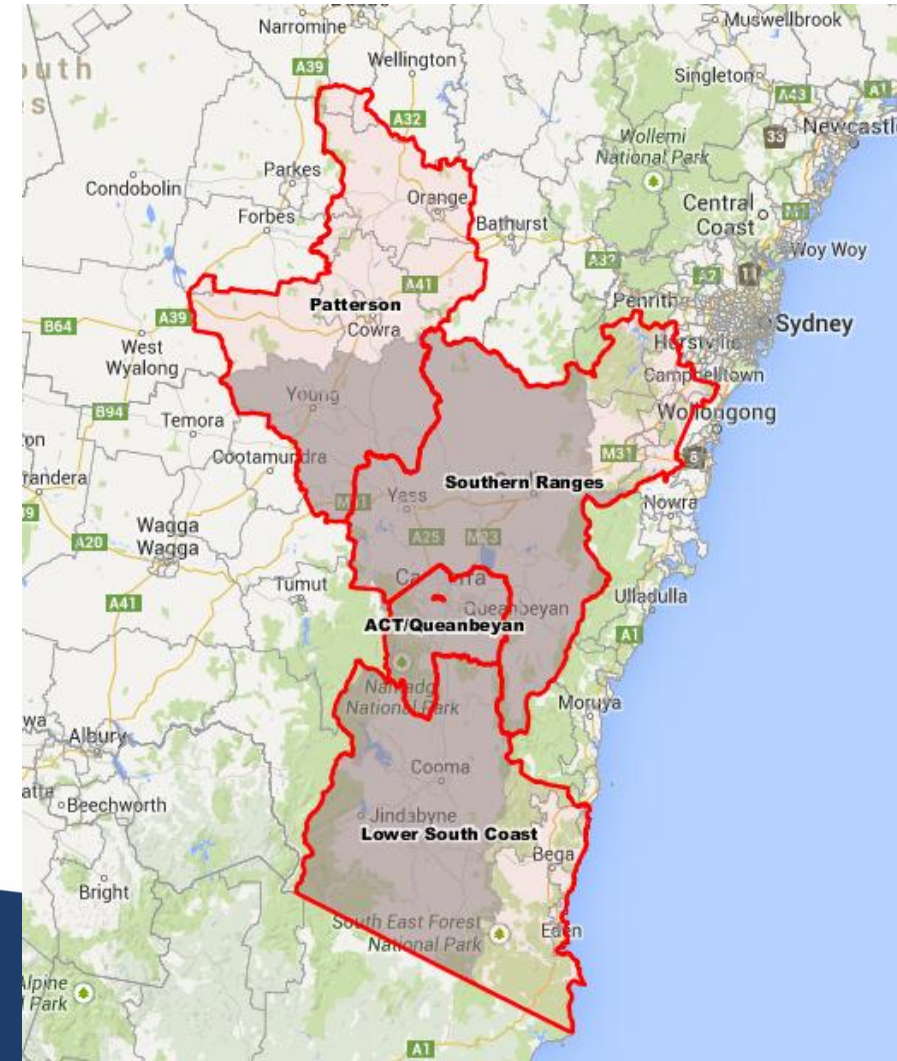




- State level shows:
 - Remote areas that are not in scope for Employment Services
 - Proposed regional loading

	Remote
	Regional Loading
	No Regional Loading

Employment Region Maps

- Employment Region level shows:
 - Current Job Services Australia (JSA) Employment Service Areas (ESA) – red lines
 - New Employment Region – grey shading



	ESA boundary
	Employment Region

Employment Providers

- Employment Providers will:
 - conduct an initial interview and negotiate a Job Plan
 - assist job seekers to be work ready
 - manage job seekers so they fulfil their Mutual Obligation
 - undertake job seeker compliance action where required
 - refer job seekers to jobs and engage with employers
 - provide post placement support

How job seekers access services

- Most job seekers will be referred by the Department of Human Services
- Eligibility is generally based on receipt of Income Support
- Job seekers will be classified into three Streams
 - Stream A are the most job competitive
 - Stream B require assistance to be work ready
 - Stream C have a combination of serious job and non-job issues
- Some job seekers can volunteer
- Change providers after 2 or 3 years

Stronger Participation Incentives for Job Seekers Under 30

- Stream A and some Stream B job seekers
- Monthly contacts with an Employment Provider to:
 - refer to jobs
 - monitor job search and Work for the Dole participation
- Wage subsidies and relocation assistance
- Related income support changes subject to legislation

Initial Interview

- Comprehensive and face to face
- Focus on available jobs for Stream A
- Identify job seeker strengths and work ready strategies for Streams B and C

Job Plan

- Individual plan
- Includes agreed activities
- Flexible, living document

Employment Fund

- Pool of funds so job seekers meet the needs of employers and get and keep a job

Stream	Employment Fund Credit (Credited once only for each new job seeker)
Stream A	\$300
Stream B	\$850
Stream C	\$1200

Additional tools

- Wage Subsidies:
 - Restart (mature age 50 years plus)
 - Youth
 - Long term unemployed people
 - Tasmanian Jobs Programme
- Relocation Assistance
- Job Commitment Bonus

Mutual Obligation

- Requirements under Social Security law
- Attend appointments
- Comply with Job Plan
- Undertake job search
- Annual Work for the Dole requirement

Annual Work for the Dole requirement

Stream	Work for the Dole requirement
Stream A	After six months of Employment Provider assistance
Streams B and C	After 12 months of Employment Provider assistance

Age	Number of hours
Up to 30 years of age	Usually 650 hours over 26 weeks (25 hours per week)
Aged 30 and up to 60 years	Usually 390 hours over 26 weeks (15 hours per week)

Managing job seeker compliance

- Employment Providers will decide if a job seeker has a reasonable excuse and if back pay is payable for missed appointments
- The Department of Human Services will be the decision maker for other compliance action

Payments to Providers

- Administration fees
- Work for the Dole places
- Outcome fees
- Mid Deed Adjustment
- Regional loading

Administration Fees

	Fee	Fee with Regional Loading
Six Monthly Administration Fee		
Youth under 30	\$355	\$444
Streams A and B		
All other job seekers	\$255	\$319
Streams A, B and C		

Work for the Dole places

Work for the Dole places	Fee
Hosted Place	\$1000
Place in a Group based activity	\$3500

Outcome payments

- Full: Payable for cessation of income support at 4, 12 and 26 weeks of employment
- Partial: Payable for 60 percent reduction of income support at 4 and 12 weeks of employment
- Verified through earnings declarations to the Department of Human Services where possible
- Education outcome for 15-17 year olds

Employers

- Job seekers with the right skills
- Job seekers with the right attributes
- Wage subsidies
- Post placement support
- Collaboration between Employment Providers

Performance framework

- Expert Reference Group
- Efficiency and effectiveness measures
- Quality Assurance Framework
- Deed compliance
- Service Guarantees
- Business reallocation

Transition

- Principles:
 - Continuity of employment services
 - Job seekers:
 - stay with their current provider where possible
 - referred to Employment Provider services taking into account their individual circumstances
 - Continue to support connections between employers and job seekers where possible
 - Support future arrangements

Work for the Dole Coordinators

Work for the Dole Coordinator Objectives

- Finding places that provide job seekers with
 - work-like experiences
 - skills that are in demand
 - relevant training

Work for the Dole Coordinators

- One per Employment Region
- Source places:
 - identify host organisations and projects
 - conduct assessments
 - establish effective working relationships
- Promote Work for the Dole
- Monitor and build capacity
- Infrastructure

Payments

- Establishment Fee
- Six monthly Service Fee
- Place Fee

Performance Framework

- Key performance indicators
- Deed compliance
- Contract reallocation

New Enterprise Incentive Scheme



NEIS objectives

- Help job seekers start-up their own small business
- Increase financial viability
- Increase off-benefit rates
- Cut red tape

NEIS Service Requirements

- Selecting eligible job seekers to undertake NEIS Training
- Assessing and approving business plans
- Monitoring the performance of the business
- Providing advice and mentor support

NEIS Payments and contracting

- Up to \$5580 for each participant
- Up to three Providers per Employment Region
- Development of a Performance Framework

Harvest Labour

Objective of Harvest Labour Services

- Supply labour to meet the needs of growers
- Mobilise workers from outside a Harvest Area
- Connect people on income support

Harvest Labour Services

- Identify, promote and refer job seekers
- Payments:
 - Service Fee of \$53 900 per quarter
 - Placement fee of \$49.50
- Harvest Areas decided through the tender process

Objectives of National Harvest Labour Information Service

- Develop and disseminate information about harvest related work

National Harvest Labour Information Service

- The Service will:
 - produce an electronic Harvest Guide
 - maintain information on the Harvest Trail website
 - deliver a free-call national telephone service
- Single provider
- Service Fees by competitive Tender

Employment Services 2015-2020 Purchasing Arrangements

Purchasing Arrangements

- Probity
- Purchasing Objectives
- Communications Protocol
- Tender Lodgement
- Selection Criteria

Probity Principles

- Fairness and impartiality
- Consistency and transparency
- Encouraging competition and participation
- Identifying and managing conflicts of interest
- Security and confidentiality
- Compliance with relevant legislative obligations and the Commonwealth Procurement Rules
- Establishing and maintaining a clear audit trail.

Purchasing Objectives

- Commonwealth Procurement Rules
- Value for money principles

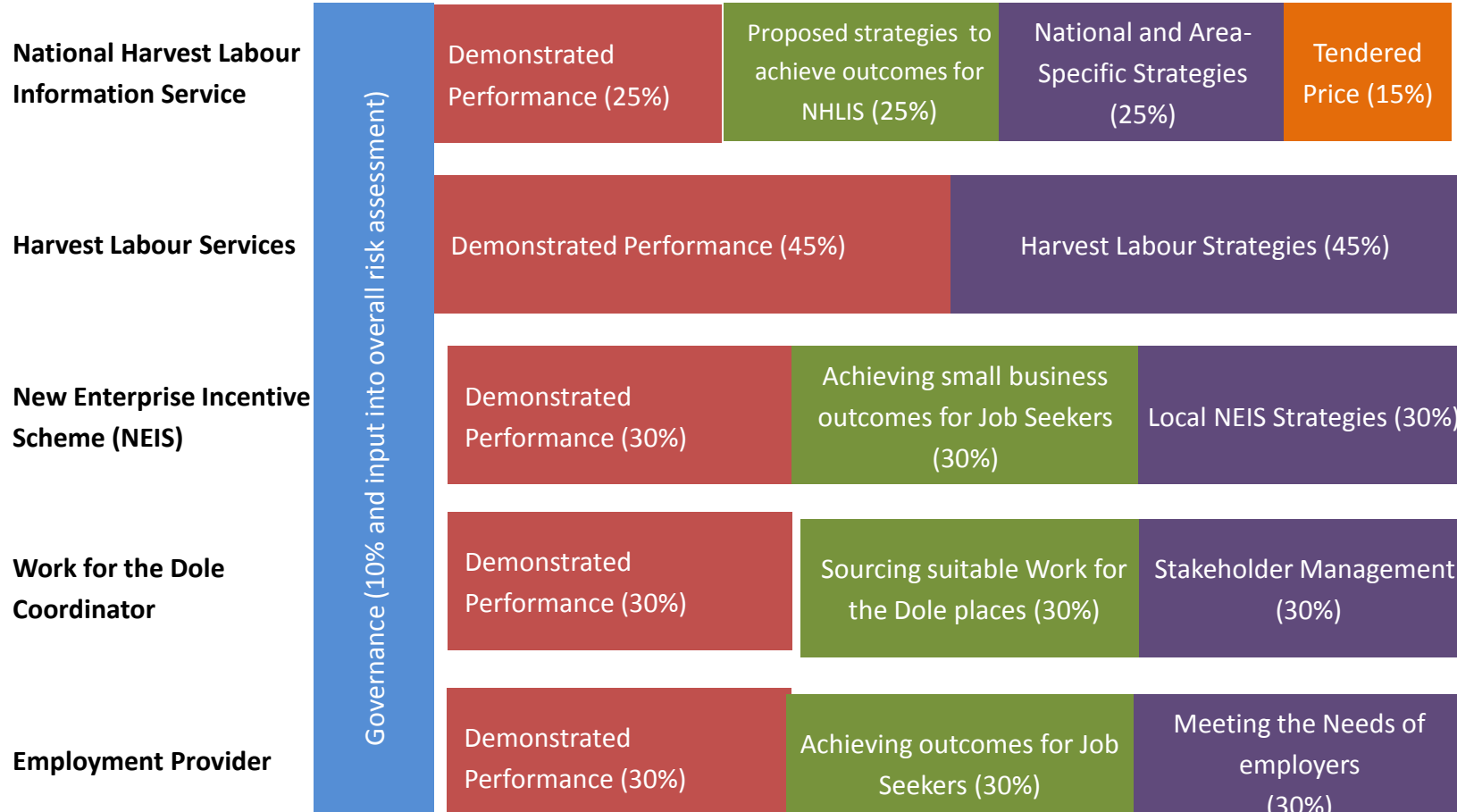
Communication Protocol

- Minimise risk
- Meetings with Ministers and the Department

Tender Lodgement

- Publishing Exposure Draft and Request for Tender
- Electronic tender lodgement conditions
- Only with AusTender (**www.tenders.gov.au**)
- Eligibility to Tender
- Australian Government employees

Selection Criteria



◀ Note
 additional requirement to demonstrate need for Harvest Labour Services in the specified Harvest Area (pass/fail)

Key dates

KEY DATES	
Release of the Employment Services 2015 Exposure Draft	25 July 2014
Information Sessions	Until 5 August 2014
Closing time and date for comments on the Exposure Draft	5pm 25 August 2014
Release of the Request for Tender for Employment Services 2015-2020	Late September 2014
Work for the Dole Coordinator Deed commences	1 May 2015
New model commences	1 July 2015

Feedback and contact details

- Feedback on implementation and purchasing
- Employment Services Purchasing Hotline
 - 1300 733 514
 - espurchasing@employment.gov.au
- www.employment.gov.au/employment-services-procurement-information
- www.tenders.gov.au

Questions

