

Report on performance

Employment

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Outcome 1: Efficient and effective labour market assistance

The Department of Employment and Workplace Relations contributes to the achievement of Outcome 1 by providing income support for eligible people and by managing and delivering labour market programmes. It seeks to maximise unemployed Australians' ability to find work—particularly those people who face the most severe barriers to employment. Outcome 1 is also responsible for managing the Australian Government's employment, pre-employment and specialist services contracts.

Highlights

- All purchasing, systems development and preparation of social security and programme guidelines required for implementation of the Welfare to Work reforms through the Australian Government's employment services from 1 July 2006 were completed.
- Australian Government employment, pre-employment and specialist services were consolidated and refined, and there was continued growth in job outcome rates, particularly for priority groups.
- Purchasing arrangements for employment, pre-employment and specialist services were finalised successfully.
- Job placement levels for Parenting Payment recipients and people with disability (job seekers who self-identify as having a disability and those who are receiving a Disability Support Pension) reached a record high. This includes placements for eligible welfare recipients volunteering for assistance from Job Network and other services.
- The number of recipients of working age income support payments decreased, and average fortnightly earnings of recipients of Newstart Allowance and Youth Allowance (other) increased.
- The RapidConnect initiative was implemented successfully.
- Job Network members and other Job Placement organisations made more than 638 200 job placements, exceeding the annual target.
- Over 50 000 job seekers were assisted by Disability Employment Network members in 2005–06; this included over 23 000 new commencements.
- The case based funding model for Disability Employment Network (formerly Disability Open Employment Services) members was implemented.
- The Indigenous Employment Programme provided more than 10 000 employment and training opportunities for Indigenous Australians.

- A record number of new private sector companies joined the Corporate Leaders for Indigenous Employment Project, bringing the total to 82 signatories.
- The Support the System that Supports You media campaign was launched in September 2005 to deter and prevent debt and incorrect payment among income support recipients.
- The Cyclone Larry—wage assistance programme was implemented as an immediate response to the damage caused to businesses by tropical cyclone Larry on 20 March 2006.

2

Key priorities

In 2005–06 the key priorities for Outcome 1 were as follows:

- Implementation of policy directions associated with the Welfare to Work reforms through various Outcome 1 programmes, taking the initiative in placing people in jobs.
- Ensuring that the suite of Outcome 1 programmes—including services transferred from the Department of Family and Community Services as a result of machinery of government changes—provide an integrated service to the relevant participants, among them people with disability, parents and Indigenous Australians.
- Supporting the Welfare to Work initiative
 - purchase employment services that constitute the elements of the *Active Participation Model*, noting that contracts for the majority of these services expired in 2005–06
 - develop related departmental systems.
- Effectively managing working age payments.

CHART 2.1

Organisational structure for Outcome 1, 30 June 2006

Deputy Secretary Employment Malisa Golightly	
Employment Business Services Group Manager Michael Manthorpe	Centrelink and Stakeholder Management Joan ten Brummelaar
	Contract Management Susan Devereux
	Employment Communications Meredith Fairweather
	Employment Services 2006 Purchasing Ali Jalayer
	Employment Services Purchasing Darren Hooper
Employment Systems Group Manager Stephen Moore	Employment Systems Support Julie Polson
	Programme Operations Tim Prydon
	Sydney Application Development Mark Webb
	Welfare to Work—Contracts and Monitoring Rodney Lee Walsh
	Welfare to Work—Job Seeker Development Brenda Parkes
Income Support Initiatives Group Manager Marsha Milliken	Payment Initiatives Sue Beitz
Intensive Support Group Manager Jo Caldwell	Employment Services Performance Susan Monkley
	Indigenous Employment Programme Lynne Stevenson
	Intensive Support Services Stephen Powrie <i>A/g</i>
	Job Network Capability Nicole Pietrucha
Job Search Support Group Manager Anthony Parsons	Employment Exchange Matthew James
	Transition and Participation Janine Pitt
	Work Experience Sharon Stuart
Specialist Services and Income Support Group Manager Lynne Curran	Disability Employment Services Ian McInnes
	Employment Pathways Cathy Walters <i>A/g</i>
	Income Support Programme Ray Jeffery <i>A/g</i>
	Payment Integrity and Assurance Tony Waslin
	Vocational Rehabilitation Taskforce Jennifer Chadwick

CHART 2.2

Outcome 1, the interrelationship between the output groups, outputs and organisational units, 30 June 2006

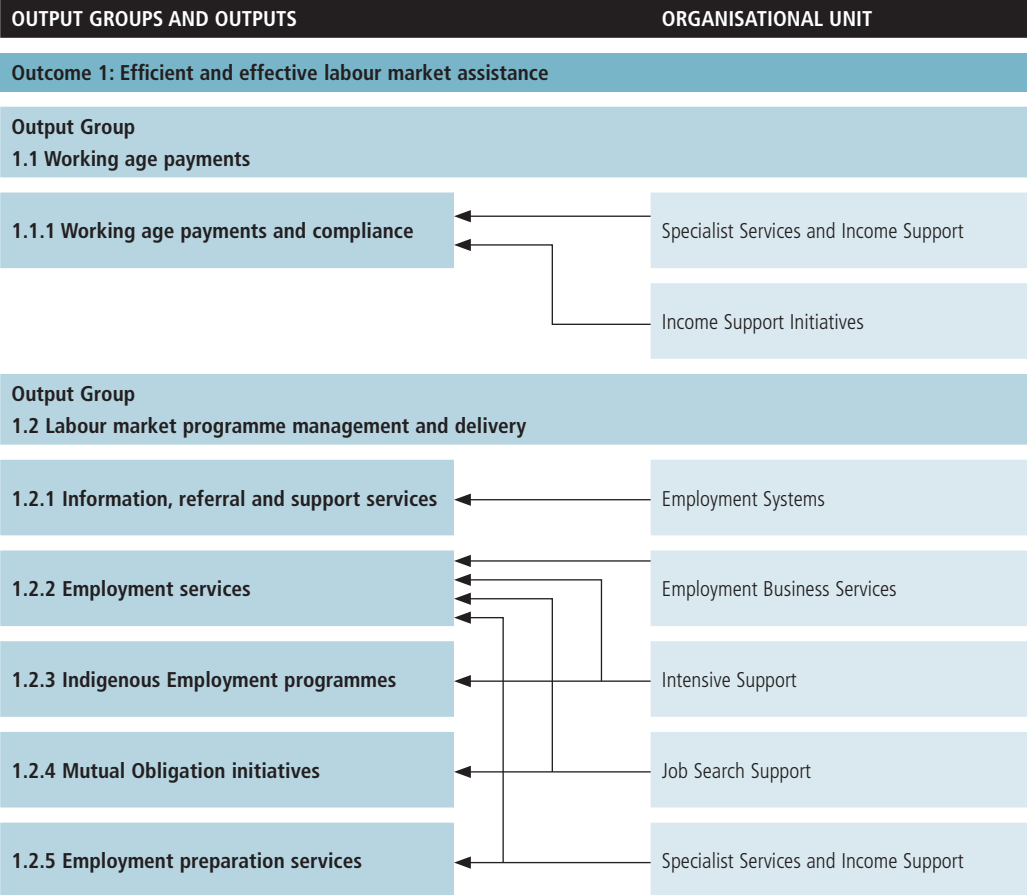


TABLE 2.1

Outcome 1: financial and staffing resources summary, 2005–06 (\$'000)

OUTCOME 1	Budget PBS (2005–06) ^a		Additional Estimates and supplementary additional estimates (2005–06) ^b		Other Adjustments (2005–06) ^c		Estimated Actual (2005–06) ^d		Actual expenses (2005–06)		Variation (2005–06)		Budget (2006–07)	
	A	B	C	D = A + B + C	E	F = E - D	G							
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000							
ADMINISTERED EXPENSES														
Job Network	1 240 666	57 153	(47 819)	1 250 000	1 241 850	(8 150)	1 405 921							
Work for the Dole	181 639	0	(10 200)	171 439	155 458	(15 981)	217 618							
Transition to Work	12 031	0	(808)	11 223	12 031	808	0							
Indigenous Employment	77 716	0	0	77 716	77 710	(6)	76 785							
Job Placement, Employment & Training (JPET)	19 908	39	(305)	19 642	19 799	157	20 338							
Green Corps	24 495	0	830	25 325	25 117	(208)	24 912							
Employment Assistance and Other Services	222 210	(3 000)	10 000	229 210	226 089	(3 121)	254 692							
Personal Support Programme	62 149	0	0	62 149	63 715	1 566	84 565							
Payment to Voluntary Work Agencies	3 847	0	(932)	2 915	2 186	(729)	3 913							
Rehabilitation Services	125 739	0	0	125 739	125 739	0	172 852							
Disability Support Pension	8 478 905	(49 409)	(142 894)	8 286 602	8 256 566	(30 036)	8 705 066							
Mature Age Allowance	156 190	7 010	(1 020)	162 180	162 667	487	92 815							
Newstart Allowance	4 594 089	119 053	(181 677)	4 531 465	4 527 720	(3 745)	5 353 553							
Parenting Payment Single	5 166 726	(106 000)	(232 795)	4 827 931	4 818 425	(9 506)	4 880 132							
Parenting Payment Partnered	1 283 527	(11 474)	(45 950)	1 226 103	1 229 878	3 775	1 293 544							
Sickness Allowance	86 592	703	(2 252)	85 043	85 415	372	85 076							
Youth Allowance	503 339	25 198	1 851	530 388	535 595	5 207	582 033							
Mobility Allowance	96 488	(127)	804	97 165	95 872	(1 293)	145 688							
Partner Allowance Pension	423 459	10 110	1 057	434 626	436 871	2 245	373 877							
Partner Allowance Benefit	180 169	(13 268)	(4 958)	161 943	162 217	274	125 366							
Utilities Allowance	0	0	7 997	7 997	8 172	175	7 493							
Widow Allowance	510 234	(5 931)	(9 495)	494 808	492 836	(1 972)	506 809							
Pensioner Education Supplement	77 049	3 018	145	80 212	78 550	(1 662)	75 908							
New Compliance Framework	0	0	0	0	0	0	5 736							
Cyclone Larry—wage assistance	0	86 549	0	86 549	16 288	(70 261)	37 092							
Total Administered expenses	23 527 167	(33 075)	(658 421)	22 988 370	22 856 766	(131 604)	24 531 784							

TABLE 2.1 (CONTINUED)

Outcome 1: financial and staffing resources summary, 2005–06 (\$'000)

OUTCOME 1	Budget PBS (2005–06) ^a	Additional Estimates and supplementary additional estimates (2005–06) ^b	Other Adjustments (2005–06) ^c	Estimated Actual (2005–06) ^d	Actual expenses (2005–06)	Variation (2005–06)	Budget (2006–07)
	A	B	C	D = A + B + C	E	F = E - D	G
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
PRICE OF DEPARTMENTAL OUTPUTS							
Output Group 1.1 Working age payments							
Output 1.1.1—Working age payments and compliance	9 172	11 759	792 392	813 323	807 778	(5 545)	898 756
Subtotal Output Group 1.1	9 172	11 759	792 392	813 323	807 778	(5 545)	898 756
Output Group 1.2 Labour market and programme management delivery							
Output 1.2.1—Information, referral and support services	1 057 184	(384)	(803 355)	253 445	250 815	(2 630)	242 066
Output 1.2.2—Employment services	104 538	(194)	1 480	105 824	104 066	(1 758)	107 247
Output 1.2.3—Indigenous Employment services	31 178	(56)	(993)	30 129	29 701	(428)	29 188
Output 1.2.4—Mutual Obligation initiatives	29 171	(53)	(674)	28 444	28 557	113	28 688
Output 1.2.5—Employment preparation services	3 973	(7)	81	4 047	4 942	895	4 345
Subtotal Output Group 1.2	1 226 044	(695)	(803 460)	421 889	418 081	(3 808)	411 534
Total Departmental Expenses	1 235 216	11 065	(11 069)	1 235 212	1 225 859	(9 353)	1 310 290
Funded by:							
Revenue from government (appropriations) for departmental outputs	1 235 216	0	(4)	1 235 212	1 241 584	6 372	1 310 290
Revenue from other sources	5 736	0	3 453	9 189	8 906	(283)	9 522
Total price of departmental outputs	1 240 952	0	3 449	1 244 401	1 250 491	6 089	1 319 812
Total for Outcome 1	24 768 119	(22 010)	(666 037)	24 232 771	24 091 531	(141 240)	25 851 596
Average staffing level	1 995	(20)	0	1 975	1 977	2	2 005

a Original 2005–06 budget estimate, as published in the 2005–06 Portfolio Budget Statements—refer to this document for further information on estimates.

b Additional estimates, as published in the 2005–06 Portfolio Additional Estimates—for further information on changes to estimates.

c Other adjustments include 632 transfers to/from other agencies, adjustments to departmental expenses associated with internal restructuring and prioritisation of expenditure and adjustments to administered expenses as a result of actual experience.

d Estimated actual for 2005–06, as published in the 2006–07 Portfolio Budget Statements.

The operating environment in 2005–06

Economic conditions and employment

The Australian economic growth rate was a solid 2.7 per cent for 2005–06. The main contributors to economic growth were private fixed capital formation and household consumption expenditure. Growth in the resource-intensive states of Queensland and Western Australia continued to outpace that in the rest of the country.

Employment increased over the year by 178 300, or 1.8 per cent. Strong jobs growth was recorded in a number of industries, among them health and community services, construction, and property and business services. Full-time employment accounted for 60 per cent of all jobs created in 2005–06. Full-time employment increased by 107 000, or 1.5 per cent and part-time employment by 71 300, or 2.5 per cent.

Participation and unemployment

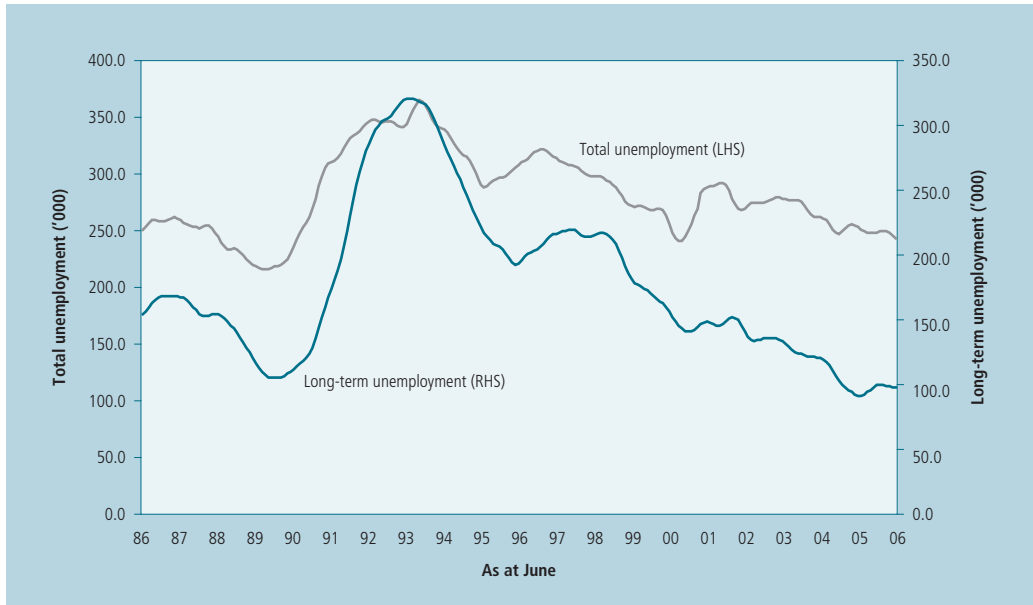
Australia's participation rate, the proportion of civilian working age population engaged in or available and looking for work, increased by 0.1 percentage points to a record 75.7 per cent. Despite strong labour market conditions encouraging more people to enter the labour market, the unemployment rate fell to 4.9 per cent in June 2006, close to a thirty year low.

Long-term unemployment

Despite a slight increase in the number of unemployed people in 2005–06, long-term unemployment—that is, people unemployed for 12 months or more—fell by 1200, or 1.3 per cent, in 2005–06.

CHART 2.3

Total unemployment and long-term unemployment: trend data, June 1986 to June 2006 ('000)

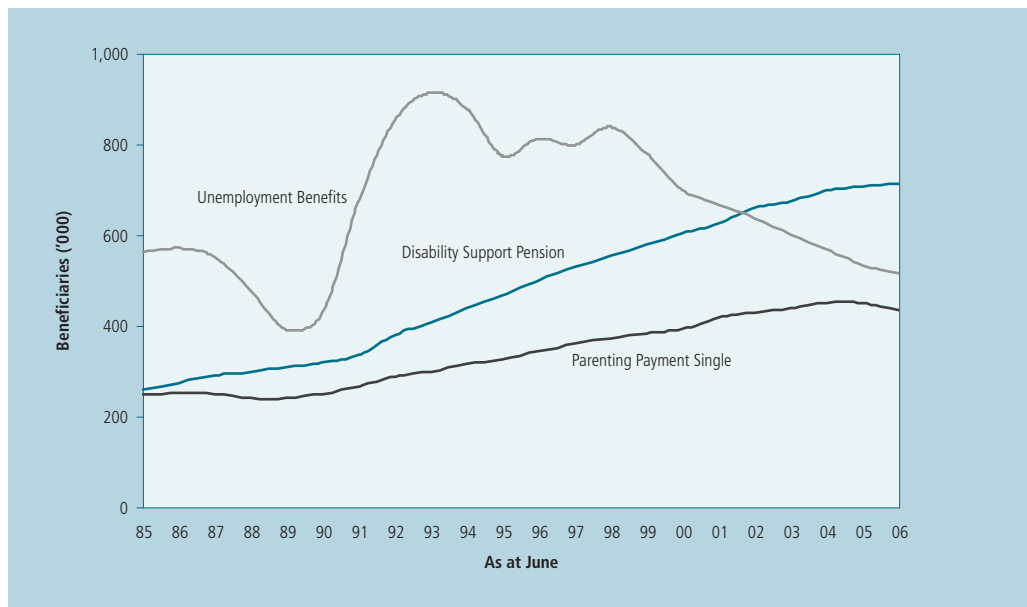


Source: ABS 2006, *Labour Force, Australia, Detailed—electronic delivery*, Cat. no. 6291.0.55.001, Australian Bureau of Statistics, Canberra.

Unemployment and welfare dependency

CHART 2.4

Number of unemployment and selected non-activity tested benefit recipients, 1985 to 2006



Source: DEWR Administrative data

The number of people receiving unemployment benefits continued to decline. The number of recipients of the Disability Support Pension and Parenting Payment (Single) increased over the twenty-year period to June 2006; however, the rate of increase is now slowing for Disability Support Pension recipients and the number of Parenting Payment (Single) recipients decreased in the financial year.

Performance information: Outcome 1

Australian Government employment policies and programmes aim to maximise the ability of unemployed Australians to find work, particularly those with the most severe barriers to employment. This focus is reflected in the outcome effectiveness measures for Outcome 1 (see Table 2.2).

TABLE 2.2

Outcome effectiveness measures: Outcome 1

Impact	Performance indicators
Maximise ability of unemployed Australians to find work	The average duration of unemployment relative to labour market performance Comparative labour market experience <ul style="list-style-type: none"> – Long term unemployed – Indigenous Australians – Mature aged – People of culturally and linguistically diverse backgrounds – Sole parents – People with a disability – Young people

Changes in the average duration of unemployment per labour force member provides an indication of unemployed people’s ability to find work. Chart 2.5 provides details of this measure for June 1978 to June 2006. In the 12 months to June 2006 the average duration of unemployment per labour force member remained at about 2.1 weeks, the lowest level in more than 20 years.

CHART 2.5

Outcome effectiveness measure 1: average duration of unemployment per labour force member, June 1978 to June 2006



Source: Based on data from ABS 2006, *Labour Force, Australia, Detailed—electronic delivery*, ABS Cat. no. 6291.0.55.001, Australian Bureau of Statistics, Canberra, and ABS SuperTABLE UM1, seasonally adjusted and trended in DEWR.

The department also monitors the average duration on full-rate unemployment allowance—Newstart and Youth Allowance (other)—see Table 2.3. The average duration on full-rate unemployment allowance continued to trend down in 2005–06: building on the 8.5 per cent fall in 2004–05, it decreased by a further 3.9 per cent. This sustained improvement reflects the solid growth in full-time employment over the year. Allowance data are available for all disadvantaged target groups, as shown in Table 2.4.

TABLE 2.3

Outcome effectiveness measure 2: average duration on full-rate unemployment allowance^a, June 2003 to June 2006 (weeks)

Measure	2003	2004	2005	2006	Trend
Average duration on full-rate unemployment allowance	48.5	44.8	41.0	39.4	Decrease

a For clients in receipt of the full rate of Newstart or Youth Allowance (other) at the end of June each year, the average duration those clients had been in receipt of the full rate of payment.

TABLE 2.4

Average duration on full-rate unemployment allowance^a, by disadvantaged group, June 2003 to June 2006 (weeks)

Client group	2003	2004	2005	2006	2005–06 % change	Trend
Long-term unemployed	167.4	164.9	164.6	161.7	-1.8%	Decrease
Indigenous Australians	58.6	54.8	50.5	47.6	-5.7%	Decrease
Mature age ^b	75.0	64.9	59.3	56.5	-4.7%	Decrease
Culturally and linguistically diverse background ^c	54.4	48.4	42.8	40.6	-5.1%	Decrease
Single parents	42.9 ^d	45.0	49.0	49.1	+0.2%	Increase
People with disability	79.8	76.2	80.0	67.4	-15.8%	Decrease
Young people ^e	17.3	16.7	14.4	14.1	-2.1%	Decrease
All client groups	48.5	44.8	41.0	39.4	-3.9%	Decrease

a For clients in receipt of the full rate of Newstart or Youth Allowance (other) at the end of June each year, the average duration that those clients had been in receipt of the full rate of payment.

b Age 45 years or more.

c Other than people from main English-speaking countries.

d Following a change in the identification methodology for single parents, the average duration on unemployment allowance for June 2003 was re-estimated.

e 15–20 year olds.

The reduction in the average duration on full-rate unemployment allowance for people with disability between June 2005 and June 2006 was primarily related to an increase in the number of clients with longer durations of unemployment moving into employment during 2005–06. This resulted in a higher proportion of recipients with shorter durations of unemployment in June 2006 and a decrease in the average overall.

Output performance measures

The effectiveness and efficiency of the department's policy advice, research, business partnerships and programme management is measured against a series of performance indicators. Results for individual outputs for Outcome 1 are reported and discussed in the following sections. Research and evaluation outputs are discussed under Outcome 3.

2

Output Group 1.1: Working age payments

Contribution to Outcome 1

Output Group 1.1 contributes to Outcome 1 by providing financial assistance for people who are looking for work, are participating in employment preparation programmes, or are currently unable to work or prepare for work. The output group contributes to the outcome in several ways:

- providing to Ministers and key stakeholders advice and information on programme matters
- monitoring and analysing payment trends
- monitoring and analysing payment accuracy and payment compliance
- overseeing the effective delivery of the programme by Centrelink.

Output 1.1.1, Working age payments and compliance, is the sole output for Output Group 1.1.

Administered items

The administered items associated with Output Group 1.1 are as follows:

- Disability Support Pension
- Mature Age Allowance
- Mobility Allowance
- Newstart Allowance
- Parenting Payment (Partnered)
- Parenting Payment (Single)
- Pensioner Education Supplement
- Sickness Allowance
- Youth Allowance (other)
- Partner Allowance (Benefit)
- Partner Allowance (Pension)
- Widow Allowance
- Utilities Allowance.

Output 1.1.1: Working age payments and compliance

Disability Support Pension

Disability Support Pension provided means-tested income support payment for people with a permanent physical, intellectual or psychiatric impairment who, because of their impairment, are unable to work for at least 30 hours a week at award wages or to be re-skilled for such work within two years. Special rules apply for people who are blind.

The number of Disability Support Pension recipients increased by 0.8 per cent, from 706 782 recipients in June 2005 to 712 163 recipients in June 2006.

The majority of Disability Support Pension recipients are aged between 45 and 64 years. The majority of recipients are male. During 2005–06 there was a recorded decline of 1.1 per cent in the number of males on the Disability Support Pension. The percentage of female recipients (currently 41.6 per cent) continued to increase in line with the closure of other forms of income support payment, such as Wife Pension and Widow B Pension, and the increased Age Pension qualifying age for women (currently 63 years).

The three largest categories of disability for recipients of the Disability Support Pension are musculo-skeletal and connective tissue conditions, psychological and psychiatric conditions, and intellectual and learning conditions. The proportion of recipients in each of these categories has remained largely unchanged in recent years.

As part of the Australian Government's Welfare to Work reforms, from 1 July 2006 new claimants for the Disability Support Pension will not be eligible for the payment if they can work 15 hours or more a week where wages are at or above the relevant minimum wage. These people will be assessed for Newstart Allowance, Youth Allowance (other) or another, more appropriate payment. Receipt of Newstart Allowance or Youth Allowance (other) will give people with disability access to the full range of vocational and pre-vocational services to assist them with job preparation and job search activities to help find employment consistent with their capacity. People who were receiving the Disability Support Pension on 10 May 2005 will not be affected by these changes.

Mature Age Allowance

Mature Age Allowance provides income support to jobless people aged 60 years to Age Pension age who have been receiving another income support payment for more than nine months, face difficulty gaining employment, and have no recent workforce experience. The payment has been closed to new claimants since 20 September 2003, and will be completely phased out by 19 September 2008. People who would previously have been eligible for Mature Age Allowance can now apply for Newstart Allowance.

Mature Age Allowance is a closed payment and recipient numbers have continued to decline. In June 2006 there were 12 038 recipients, a reduction of 42.3 per cent compared with June 2005. It is expected that by the closure date of 19 September 2008 there will be no more recipients of the allowance. Those who exit the payment mainly transfer to the Age Pension.

Mobility Allowance

Mobility Allowance is a non-means tested income supplement to help with transport costs for people with disability who are in employment, vocational training, a combination of work and training, voluntary work or job search and are unable to use public transport without substantial assistance.

The number of Mobility Allowance recipients increased by 5 per cent, from 49 215 recipients in June 2005 to 51 669 recipients in June 2006. Of people receiving the allowance, 86.5 per cent also receive the Disability Support Pension. As part of the Welfare to Work reforms, from 1 July 2006, Mobility Allowance will be increased for recipients of Disability Support Pension, Newstart Allowance or Youth Allowance (other) who work 15 hours or more a week at award wages, or are looking for such work under an agreement with an employment services provider.

Newstart Allowance

Newstart Allowance provides income support for eligible job seekers aged between 21 years and Age Pension age. Recipients satisfy an activity test by seeking and accepting suitable work and participating in activities to improve their employment prospects.

The number of Newstart Allowance recipients decreased by 3.3 per cent from 453 614 recipients in June 2005 to 438 560 recipients in June 2006. This is the lowest level since 1990.

Parenting Payment (Partnered and Single)

Parenting Payment provided income support for low-income people with principal care of at least one dependant child aged less than 16 years. Parenting Payment (Single) is payable to single parents and Parenting Payment (Partnered) is payable to partnered parents. Parenting Payment is payable to only one member of a couple.

Between June 2005 and June 2006 the number of Parenting Payment (Single) recipients declined by 3.5 per cent, from 449 000 to 433 370. The number of Parenting Payment (Partnered) recipients declined by 4.4 per cent, from 167 000 in June 2005 to 159 719 in June 2006.

As part of the Australian Government's Welfare to Work reforms, from 1 July 2006 Parenting Payment will be payable to the principal carer of a child under the age of 6 if the carer is partnered or under the age of 8 if the carer is single. People receiving Parenting Payment prior to 1 July 2006 will continue to receive payment until their youngest child turns 16, provided they remain otherwise eligible.

Pensioner Education Supplement

The Pensioner Education Supplement is a fortnightly payment of up to \$62.40 (at June 2006) to certain income support recipients, mainly Parenting Payment (Single) and Disability Support Pension recipients, who are participating in approved full- or part-time study.

The number of people receiving the Pensioner Education Supplement increased by 3.2% to 53 646 compared to June 2005.

Sickness Allowance

Sickness Allowance is a means-tested income support payment for people who are temporarily incapacitated for work or study as a result of illness, are unable to work or study, and who have a job or course of study to return to.

In June 2006 there were 7510 recipients of Sickness Allowance, a 10.2 per cent decrease from the 8367 recipients in June 2005.

Youth Allowance (other)

Youth Allowance (other) is a means-tested income support payment available to eligible young people aged between 16 and 20 years who are seeking or preparing for paid employment or are temporarily unable to work.

In June 2006 there were 75 186 recipients of Youth Allowance (other), a decrease of 5.5 per cent since June 2005, when there were 79 573 recipients. The number of Youth Allowance (other) recipients as a proportion of the total Youth Allowance population remains stable, at 21.5 per cent.

Partner Allowance

Partner Allowance provides assistance to mature age people who are partners of income support recipients and face difficulty gaining employment and have no recent workforce experience.

Partner Allowance was closed to new claimants on 20 September 2003. People who would previously have been eligible for the payment can now apply for Newstart Allowance.

Partner Allowance recipient numbers have declined in recent years as a result of the allowance's closure to new claimants. In June 2006 there were 60 489 recipients of Partner Allowance, a decline of 15.5 per cent compared with June 2005, where there were 71 615 recipients.

Widow Allowance

Widow Allowance provides income support for older working age women who no longer have a partner and have no recent workforce experience.

The allowance is being phased out. From July 2005 new grants have been made only to women who were born on or before 1 July 1955.

In June 2006 there were 44 603 Widow Allowance recipients, a 0.6 per cent increase compared with the 44 329 recipients in June 2005.

Supplementary labour market assistance payments

- *Community Development Employment Projects Participant Supplement.* This is a fortnightly payment of \$20.80 to assist with the cost of participating in a Community Development Employment Project.
- *Education Entry Payment.* This is a lump-sum payment of \$208, payable once annually, to assist with the cost of beginning approved study. It is available to people who qualify for the Pensioner Education Supplement; people who have received income support for at least 12 months might also be eligible. In 2005–06, 83 898 people received an Education Entry Payment.
- *Employment Entry Payment.* This is a lump-sum payment of up to \$104 (or up to \$312 for Disability Support Pension recipients), payable once annually, to assist with the cost of beginning employment. It is available to certain working age payment recipients who have received income support for at least 12 months and meet other criteria. Parenting Payment (Single) recipients who start work are not subject to the 12-month waiting period. In 2005–06, 116 231 people received an Employment Entry Payment.
- *Language, Literacy and Numeracy Supplement.* This is a fortnightly supplement of \$20.80 to assist people on eligible income support payments with the costs associated with participation in the Language, Literacy and Numeracy Programme.
- *Utilities Allowance.* This is an income support supplement paid to income support recipients of age pension age to assist with their household bills. In the 2006–07 Budget it was announced that the allowance would be extended to recipients of Mature Age Allowance, Partner Allowance and Widow Allowance who are not of age pension age. A one-off Utilities Allowance payment of \$102.80 was paid by 30 June 2006 to each household with

a person eligible for Mature Age Allowance, Partner Allowance or Widow Allowance at the time of the Budget announcement, in May 2006.

- *Work for the Dole Supplement.* This is a fortnightly supplement of \$20.80 to assist with the cost of participating in Work for the Dole.

Highlights

- The 2005–06 Budget made provision for a suite of changes to working age payments, to help people move from welfare to work. The majority of changes to allowances, pensions, supplements, and ancillary payments and services were implemented on 1 July 2006.
- The proportion of Parenting Payment recipients with earnings is increasing. In June 2006 the figure for Parenting Payment (Single) recipients was 35 per cent; compared with 32 per cent in June 2005. The equivalent figures for Parenting Payment (Partnered) recipients were 13 per cent in June 2006 and 12 per cent in June 2005.
- The number of Parenting Payment (Single) recipients is declining after years of steady growth; it decreased by 3.5 per cent between June 2005 and June 2006. The number of Parenting Payment (Partnered) recipients also decreased by 4.4 per cent in the reporting year.
- Growth in the number of recipients of the Disability Support Pension slowed, from 1.4 per cent in 2004–05 to 0.8 per cent in 2005–06.
- The number of Youth Allowance (other) recipients fell by 5.5 per cent, from 79 573 in June 2005 to 75 186 in June 2006.
- At 22 per cent, the proportion of Youth Allowance (other) recipients with personal income was higher than in June 2005, when it was 21 per cent.

Performance results

TABLE 2.5

Performance indicators and actual performance: Output 1.1.1, Working age payments and compliance

Performance indicator	Target	Result
Quality		
Level of satisfaction of Ministers with provision of advice ^a	Effective or above (3.0)	292 briefs submitted, with average rating of 3.9 (target met)
Centrelink deliver services to the standards agreed with DEWR in the Business Partnership Arrangement (BPA)	Agreed standards are met ^b	Centrelink met agreed standards. For further information, see Centrelink Gateway services (Output 1.2.1)
Quantity		
Accuracy of working age payments	95%	97% (target met)
Percentage of income support recipients with earnings ^c :		
– Newstart Allowance (NSA)	16%	16% (target met)
– Mature Age Allowance (MAA)	7%	6% (target not met)
– Partner Allowance (PA)	8%	8% (target met)
– Widow Allowance (WA)	10%	10% (target met)
– Disability Support Pension (DSP) ^d	9%	10% (target met)
– Youth Allowance (other) (YA(o))	18%	22% (target met)
– Parenting Payment Single (PPS)	30%	35% (target met)
– Parenting Payment Partnered (PPP)	11%	13% (target met)
Percentage of income support recipients who leave payment within the first 3 months		
– NSA	35%	33% (target not met)
– YA(o)	25%	39% (target met)
Percentage of income support recipients who leave payment within first 12 months		
– NSA	75%	75% (target met)
– YA(o)	58%	84% (target met)
Price	\$813.594m	\$808.107m (0.67% below budget)
Administered funds		
– Disability Support Pension	\$8 286.602m	\$8 256.566m (0.36% below budget)
– Mature Age Allowance	\$162.180m	\$162.667m (0.30% above budget)
– Mobility Allowance	\$97.165m	\$95.872m (1.33% below budget)
– Newstart Allowance	\$4 531.465m	\$4 527.720m (0.08% below budget)
– Parenting Payment (Partnered)	\$1 226.103m	\$1 229.878m (0.31% above budget)
– Parenting Payment (Single)	\$4 827.931m	\$4 818.425m (0.20% below budget)
– Pensioner Education Supplement	\$80.212m	\$78.550m (2.07% below budget)
– Sickness Allowance	\$85.043m	\$85.415m (0.44% above budget)
– Youth Allowance (other)	\$530.388m	\$535.595m (0.98% above budget)
– Partner Allowance (Benefit)	\$161.943m	\$162.217m (0.17% above budget)
– Partner Allowance (Pension)	\$434.626m	\$436.871m (0.52% above budget)
– Widow Allowance	\$494.808m	\$492.836m (0.40% below budget)
– Utilities Allowance	\$7.997m	\$8.172m (2.19% above budget)

a Ministers are asked to assess briefs based on their timeliness and presentation and the quality of advice. The scale is 1 (poor), 3 (effective) and 5 (outstanding).

b Indicators are rapid referral to Job Network services, accurate application of the assessment in a timely way, and rapid reconnection of job seekers.

c PPS and PPP recipients with earnings were current at 9 June 2006 and advised earnings for their pay fortnight with an entitlement period end date between 27 May 2006 and 9 June 2006.

DSP recipients with earnings were current or suspended at 9 June 2006 and advised earnings for their pay fortnight with an entitlement period end date between 27 May 2006 and 9 June 2006. NSA, MAA, PA, WA (excluding CDEP and zero-paid recipients) and YA(o) recipients with earnings were current at 16 June 2006 and advised casual earned income (in dollars) plus continuing earned income (in dollars) in the preceding fortnight.

d The methodology for calculating this figure was revised in 2005–06 to bring it into line with the other allowance calculations. Data for 2004–05 have been recalculated at 10 per cent using the new methodology.

Programme performance

The proportion of benefit recipients with earnings increased slightly during 2005–06, and results for most individual payments either met or surpassed estimates.

For Mature Age Allowance the percentage of recipients with earnings was 6 per cent (target 7 per cent). The allowance has been a closed payment since 20 September 2003, and the current recipient population is ageing and less likely to be in the workforce and receiving earnings.

For Newstart Allowance, the actual annual average result was 97 per cent of the target. This indicator is subject to seasonal variation because of the number of new grants of payment in any quarter.

Commentary

Payment integrity and assurance

To minimise the risk of fraud and incorrect payments, the department purchases payment integrity services from Centrelink. Income support payment integrity has four components:

- prevention—system and procedural processes to minimise the risk of incorrect payments, and interventions to increase payment recipients’ knowledge of their responsibility to provide correct and timely information to Centrelink
- deterrence—maintaining and extending payment integrity measures and document verification procedures and promoting the likelihood of detection and possible criminal prosecution
- detection—quick identification of incorrect payments and associated debts
- recovery—efficient processes for recovering monies from people not entitled to receive those monies taking into account their ability to repay.

The department requires Centrelink to:

- maintain and support systems and procedures that maximise the effectiveness of the overall strategy
- consult with the department on proposed improvements to systems and procedures that will support the strategy
- meet its obligations for the quantity and quality of its activities to maintain the integrity of the system
- carry out payment and eligibility reviews in a timely manner and report on effectiveness to the department
- maintain systems and procedures that enable it to pursue prosecution activities as purchased by the department
- monitor, analyse and provide relevant and assurable management information that confirms Centrelink’s performance.

The department is also working with Centrelink to develop further strategies to prevent incorrect payments being made.

The Random Sample Survey Programme

The department uses the Random Sample Survey Programme to provide assurance about the accuracy of working age income support payments.

The Random Sample Surveys select recipients for review for each payment type. The surveys are a point-in-time assessment of recipients' circumstances and are designed to establish the value of total outlays accurately paid.

TABLE 2.6

**Level of Payment Accuracy Determined from Random Sample Surveys—
1 July 2005 to 31 March 2006**

Payment type	Estimated rate of accuracy ^a (per cent)
Disability Support Pension	98.1
Newstart Allowance	96.0
Parenting Payment (Partnered)	93.9
Parenting Payment (Single)	97.2
Youth Allowance (other)	92.4
Total^{bc}	96.7

a The figures are based on a statistical estimation of the level of accuracy of payments.

b Results do not include a measure for the level of fraud as yet unidentified resulting from recipient non-disclosure.

c Table does not reflect the number of individual recipient records that may be in error.

A review of the Random Sample Survey Programme was conducted in 2004–05; as a result, funding was allocated in the 2005–06 Budget to continue the programme with the following improvements:

- larger sample sizes to improve confidence intervals and provide more robust data for analysis—an increase from about 8550 to 17 000 reviews a year
- changes to operational aspects, including increasing the department's involvement in the process and using third party information to enhance reviews.

The Random Sample Surveys provide benchmark data on the level of incorrect payment and information on the causes and sources of variation, debt and error. Continuous sampling and reviewing of recipient entitlements provide trend data for correctness of payment, and offer opportunities for further policy development and procedural simplification. The Random Sample Survey does not report on the accuracy of individual recipient records.

Reviews of recipient compliance

In addition to the Random Sample Survey Programme, the department has a review programme to assist in maintaining the integrity of administered payments.

Information obtained from Centrelink's Integrated Review System mainframe data shows that 2 925 777 reviews were completed in the reporting year. As a result of the reviews, 109 911 recipients had their payment cancelled; 387 888 debts, with an estimated value of \$316 086 665, were raised; 269 959 payments were reduced; and 127 025 payments were increased.

The Centrelink annual report provides information about the service delivery aspects of payment integrity, including reviews, data-matching programmes, profiling and fraud control. The details that follow relate to specific areas of fraud and compliance activity in 2005–06.

DATA MATCHING

Centrelink data are interrogated to identify inconsistent recipient circumstances, including incorrect earnings, multiple identities, incorrect rental information, and incorrect information about dependants in care. Matches are done with Job Network members to verify participation requirements. Matches are also done with other government agencies—including the Australian Taxation Office, the Department of Immigration and Multicultural Affairs, the Defence Housing Authority, Comsuper, AUSTRAC (the Australian Transaction Reports and Analysis Centre) and state and territory Births, Deaths and Marriages—and with overseas social security agencies. There were 582 174 reviews of this type in 2005–06.

IDENTITY FRAUD

Identity fraud reviews are conducted in conjunction with other agencies, including the Australian Federal Police. There were 13 146 such reviews conducted in 2005–06.

SERVICE PROFILING

Service profiling is used to identify characteristics that could suggest an increased risk of incorrect payments. There were 930 863 such reviews carried out in 2005–06.

THE CASH ECONOMY

Cash Economy Investigation Teams have continued their investigations of industries suspected of commonly supporting the cash economy. Recent examples where cancellations of payment occurred are the taxi and tow-truck industries. The teams are usually made up of officers from Centrelink, the Australian Taxation Office and the Department of Immigration and Multicultural Affairs. Australian Federal Police support is sought when required. The teams work to detect people engaging in cash economy activities and to deter others from doing so.

THE SUPPORT THE SYSTEM THAT SUPPORTS YOU MEDIA CAMPAIGN

The Support the System that Supports You media campaign aims to prevent debt and incorrect payment among income support recipients, through improving voluntarily compliance with

notification obligations. The campaign was launched in September 2005. In 2005–06 the campaign resulted in 448 704 changes in circumstances reported and an additional 43 773 public tip-offs.

DEBT PREVENTION

Debt prevention is an integral part of payment service delivery. Feedback from recipients highlights the importance of their being able to understand the information held on their records in order to avoid debt. An Account Statement was developed and distributed to help recipients in reporting changes in their circumstances and in future, statements will be provided quarterly.

DEBTS RAISED AND RECOVERED¹

In 2005–06, 1 010 308 debts were raised. This comprised 646 388 debts to be recovered and 363 920 debts that were waived in accordance with provisions of the *Social Security Act 1991*. A further 186 818 potential debts were finalised following verification that there was no debt. In 2005–06, \$489 203 389 of working age payment debt was recovered by Centrelink and its contracted mercantile agents.

Outlook for 2006–07: Output Group 1.1

Priorities for Output Group 1.1 during 2006–07 will be to continue to contribute to the implementation of the Government's Welfare to Work reforms and related legislation and operational policy, and further improvements to business assurance processes for working age payments.

Output Group 1.1 will continue its contribution to Outcome 1 in the following ways:

- monitoring the impact of Welfare to Work on recipient populations
- delivering working age income support payments in accordance with the legislation and policy guidelines and timeliness and accuracy standards
- implementing and monitoring a new Centrelink Business Partnership Agreement that captures the changes arising out of Welfare to Work.

¹ The Youth Allowance (other) components included in these figures are estimates because Youth Allowance debt data includes both student (the responsibility of the Department of Education, Science and Training) and other Youth Allowance debts.

Output Group 1.2: Labour market programme management and delivery

Contribution to Outcome 1

Output Group 1.2 contributes to Outcome 1 by achieving efficient and effective labour market assistance through the provision of an integrated suite of programmes designed to help people prepare for employment or to help them into work.

Output Group 1.2 delivers the following outputs:

- information, referral and support services—including the Centrelink Gateway services and online employment information services
- management of employment, pre-employment and specialist services—including Job Network, the Job Placement, Employment and Training programme and the Personal Support Programme
- management of Rehabilitation Services, Employment Assistance and Other Services—including the Disability Employment Network (formerly Disability Open Employment Services)
- management of programmes under the Indigenous Employment Policy
- management and support of Mutual Obligation initiatives—including Work for the Dole.

Administered items

The administered items associated with Output Group 1.2 are as follows:

- Job Network
- Work for the Dole
- Transition to Work
- Indigenous Employment
- Job Placement, Employment and Training (JPET)
- Green Corps
- Employment Assistance and Other Services
- Personal Support Programme
- Payment to Voluntary Work Agencies
- Rehabilitation Services
- Cyclone Larry—wage assistance programme.

Output 1.2.1: Information, referral and support services

Output 1.2.1 covers information, referral and support services, including Centrelink services and online employment systems to support the delivery of employment services, specialist and pre-employment services.

The department works with Centrelink on a range of employment-related services, including:

- registration, classification and assessment of job seekers
- referral of job seekers to appropriate services—in particular, employment service providers
- services for Indigenous Australians
- reconnection of job seekers to employment service providers after their participation has been interrupted
- job seekers' compliance with activity test requirements.

The department also develops and supports software used by providers of Australian government employment services.

Highlights

- The RapidConnect programme was successfully implemented. In 2005–06, 94 per cent of RapidConnect job seekers had an appointment booked within two working days of contacting Centrelink.
- Information technology was successfully delivered to support newly tendered employment services contracts and Welfare to Work initiatives. The department worked with Centrelink, the Department of Human Services and the Department of Immigration and Multicultural Affairs in the development of joint information technology solutions.
- The *Australians Working Together* Better Assessment measure ceased on 30 June 2006, and was replaced by Welfare to Work Job Capacity Assessments. Of the 118 000 Better Assessment referrals made during 2005–06, 111 500 were completed by 30 June. The remainder were completed in August 2006 in line with key performance indicators.
- A strong partnership arrangement was maintained between the department, Centrelink and the Department of Human Services.

Performance results

TABLE 2.7

Performance indicators and actual performance: Output 1.2.1, Information, referral and support services

Performance indicator	Target	Result
Quality		
Level of satisfaction of Ministers with provision of advice ^a	Effective or above (3.0)	11 briefs submitted, with average rating of 4.0 (target met)
Level of satisfaction of service providers with contracted information and support services	80% satisfied	93% satisfied (target met)
Centrelink deliver services to the standards agreed with DEWR in the BPA	Agreed standards are met. ^b	Centrelink met agreed standards. For further information, see 'Centrelink Gateway services' below
Employment IT applications: defect density for important defect types measured by the mean defect density from the International Software Benchmarking Standards Group (ISBSG) repository of major defects	Benchmark: Mean defect density (major severity) = 19 defects/1000 function points (to be measured 4 weeks after the software release)	10 (target met)
Quantity		
Employment IT applications services cost	Benchmark: \$1 000 per function point	\$1 576 per function point (target not met) ^c
Number of referrals		
– Personal Support Programme (PSP)	45 000	35 267 (target not met)
– Vocational Rehabilitation (VR)	47 000	48 125 (target met)
Ratio of commencements to referrals for funded programmes		
– PSP	75%	80% (target met)
– VR	56%	53% (target not met)
Price	\$258.541m	\$254.504m (1.56% below budget)

- a Ministers are asked to assess briefs based on their timeliness and presentation and the quality of advice. The scale is 1 (poor), 3 (effective) and 5 (outstanding).
- b Indicators are rapid referral to Job Network services, accurate application of the assessment in a timely way, and rapid reconnection of job seekers.
- c Cost per function point result is larger than KPI due to:
 - Significant inter project dependencies giving greater than normal complexity;
 - Welfare to Work was an extremely complex set of projects especially in terms of the business scenarios;
 - Higher than previous average market rate for IT staff;
 - The impacts of having a high number of stakeholders and dependencies including external agencies and,
 - As indicated in international benchmarks—e.g. ISBSG, changes made to existing complex systems take longer than building the equivalent number of function points in a green-fields scenario.

Programme performance

Throughout 2005–06 existing complex systems were enhanced to support welfare to work and other programme changes. The department's focus on building and maintaining quality IT products was reflected in the low defect density count achieved.

Personal Support Programme referrals were below target because a greater proportion of programme participants were remaining in available programme places longer. Social outcomes were 53 per cent, an achievement of 133 per cent of the annual target. Positive outcomes remained stable with 24 per cent of participants achieving a 13-week economic outcome and 16.5 per cent achieving a 26-week economic outcome. The ratio of commencements to referrals for the Personal Support Programme was 107 per cent of the yearly target.

In 2005–06 Vocational Rehabilitation Services received referrals of 48 125 (target 47 000) and made 25 482 programme commencements (target 23 000).

Centrelink Gateway services

A new key performance indicator framework was developed for the 2005–06 Business Partnership Arrangement, reflecting an increased emphasis on participation and KPIs that measure Centrelink's performance in delivering income support, referral and connection with appropriate services, and application of compliance requirements.

Centrelink's performance against the standards agreed in the 2005–06 Business Partnership Arrangement was satisfactory overall. Targets were met for all KPIs other than Accuracy of Referrals and Timeliness of Assessment of Claims. Performance against Accuracy of Referrals improved during the financial year, and met the KPI in the third and fourth quarters. Targets for timeliness of Assessment of Claims were met for all payment types other than Parenting Payment (Single), where performance was within one percentage point of the target.

Performance was also satisfactory for indicators relating to Output 1.1.1, Working age payments and compliance with 97 per cent of Outlays Paid Correctly (against a target of 95 per cent). Targets for performance against Debt Raising (73 per cent; target 65 per cent) and Debt Recovery (68 per cent; target 65 per cent) were also met.

Measures against indicators relating to Output 1.2.1, Information referral and support services, were generally satisfactory—accuracy of Job Seeker Classification Instrument was 94 per cent (target 80 per cent) and Accuracy of Job Seeker Supplementary Assessments was 97 per cent (target 80 per cent). The target was not met for Accuracy of Referrals (79 per cent; target 80 per cent), but performance improved considerably during the financial year with overall performance one percentage point below the target. There were 91 per cent of Participation Reports actioned within 16 working days (target 80 per cent) and 88 per cent of Participation Reports actioned appropriately (target 80 per cent).

Timeliness measures met agreed performance targets for most measures—89 per cent of Job Seeker Supplementary Assessments completed within 20 days (against a target of 80 per cent), 100 per cent of Job Seeker Classification Instrument interviews being completed within two

working days (target 90 per cent), 86 per cent of Job Seekers' Initial Registration with Service Providers completed within two working days (target 80 per cent), and 95 per cent of Job Seekers Reconnected with Service Providers within two working days (target 80 per cent). Performance targets for timeliness of Assessment of Claims for Income Support were met for every payment type other than Parenting Payment (Single), which was one percentage point below the target.

A new KPI framework has been negotiated for the 2006–2009 Business Partnership Agreement to further reflect the increased emphasis on participation. The KPIs focus on the primary deliverables—prompt assessment, referral and connection of job seekers to employment services, and accurate and timely payment of income support.

Commentary

RapidConnect

RapidConnect is an important element of the welfare reforms introduced in the 2005–06 Budget. It ensures that job seekers connect quickly with the services available to help them find employment. Job seekers streamed through RapidConnect are required to attend a Job Network appointment to start actively looking for work or risk deferral of their Newstart or Youth Allowance (other) payments until they do so. Job seekers who do not attend Job Network services within 28 days risk having their application for allowance rejected and needing to reapply. Ninety-four per cent of RapidConnect job seekers have an appointment booked within two working days.

Suspension and reconnection

Suspension of income support is a way of reconnecting job seekers who fail to attend appointments with their employment service provider and cannot be contacted by Centrelink. Payment is restored only after the job seeker attends an immediate (within 24 hours) appointment with their Job Network member or Community Work Coordinator. In 2005–06 almost 80 per cent of reconnection appointments were made within 24 hours.

The trial Welfare to Work contact model

In the second half of 2005–06 a new job seeker contact model was developed and tested in six Centrelink Customer Service Centres: Dubbo, New South Wales; Warrnambool, Victoria; Caboolture, Queensland; Midland, Western Australia; Marion, South Australia; and in Launceston, Tasmania.

The new model increases the proportion of job seekers required to report fortnightly to Centrelink with an increased focus on engagement with the job seeker and also monitoring their efforts to seek employment and encouraging accurate declarations of earnings. Subject to evaluation, work on introducing the model nationally will begin in September 2006.

Delivering innovative information technology systems

In 2005–06 major developments were made to the department’s IT systems to support Output 1.2.1 under Welfare to Work and improve services to mature age people, parents, people with disability, and the very long term unemployed. This included:

- a Job Capacity Assessment IT application supporting referrals, assessments, claims and reports
- a Job Access website to facilitate operation of the Workplace Modification Scheme
- phase 1 of the Welfare to Work Management Information System (Data Warehouse) in conjunction with Centrelink and IBM
- a New Learning Centre application to better support service providers with training in both systems and policy matters.

Output 1.2.2: Employment services

Employment services include Job Network, Disability Employment Network (formerly Disability Open Employment Services), Vocational Rehabilitation Services, the New Enterprise Incentive Scheme and Harvest Labour Services. The Transition to Work programme was extended until 30 June 2006.

Highlights

- A new record was set with more than 1.017 million new vacancies available to job seekers on Australian JobSearch.
- The Government’s Welfare to Work measurements announced in May 2005 were developed and successfully implemented on time for 1 July 2006.
- Job Network members and other Job Placement organisations made more than 638 200 job placements, exceeding the annual target of 550 000 by 16 per cent.
- The department undertook major purchasing and contract extension processes for the provision of employment, pre-employment and specialist services.
- Job Network continued to produce record results including:
 - New records for job seekers with disability (self identified or receiving the Disability Support Pension) with over 56 100 job seekers gaining a job placement, an increase of 13 per cent on 2004–05. More than 2500 long-term job outcomes were achieved for job seekers receiving the Disability Support Pension – 92 per cent more than the previous year.
 - New records were set for parents receiving Parenting Payment (Partnered and Single) and who volunteered for Job Network participation: over 46 100 job placements were gained for these job seekers, with a record 16 760 long-term (13 week) jobs.

- More than 44 500 job placements for Indigenous job seekers were achieved by Job Network members and other Job Placement organisations, an increase of 14 per cent on the previous 12 months and a new annual record.
- More than 183 500 long-term employment outcomes were achieved for disadvantaged job seekers and those unemployed for more than three months, in line with last year’s record results.
- Job seekers in Job Network benefited from over \$196 million in goods and services through the Job Seeker Account to help overcome barriers to employment and find and keep sustainable work. Of this, 78 per cent was spent on highly disadvantaged, long-term unemployed or Indigenous job seekers. More than 31 per cent of job seekers assisted through the Job Seeker Account found sustainable work.
- Over 23 000 new job seekers were assisted under the Disability Employment Network programme in 2005–06.
- Case based funding for the Disability Employment Network (formally Disability Open Employment Services) was successfully implemented.
- The Disability Employment Network Star Ratings performance system was developed in consultation with the disability services sector.
- Welfare to Work has enabled more employers to employ people with disability. The department responded accordingly in April 2006 by increasing the targets for the Supported Wage Scheme. Targets for the Wage Subsidy Scheme and the Workplace Modifications Scheme were exceeded as a result of budget increases under Welfare to Work.
- Vocational Rehabilitation Services assisted over 44 000 clients. Thirty-six per cent of clients left the programme with a sustainable employment outcome—that is, employment of at least eight hours a week for 13 weeks.
- Throughout 2005–06 consultations and information briefings were held with providers and prospective tenderers for employment and pre-employment services in connection with the implementation of the Australian Government’s Welfare to Work initiative and employment and related services purchasing.
- The New Enterprise Incentive Scheme had its twentieth successful year, with almost 100 000 participants starting their small business since the programme began. The programme achieved a positive outcome rate of 85.5 per cent in 2005–06.
- Throughout 2005–06 the department continued to ensure the integrity of employment services, with enhanced programme assurance activities.
- Smooth completion of Transition to Work programme which ceased on 30 June 2006.
- More than 11 million SMS messages and more than 2.3 million emails were sent to job seekers to provide rapid notification of job matches and appointment reminders.

Performance results

TABLE 2.8

Performance indicators and actual performance: Output 1.2.2, Employment services

Performance indicator	Target	Result
Quality		
Level of satisfaction of Ministers with provision of advice ^a	Effective or above (3.0)	294 briefs submitted, with average rating of 4.0 (target met)
Number of DOES ^b and vocational rehabilitation services achieving Quality Assurance certification	100%	100% (target met) ^c
Quantity		
Proportion of job seekers in employment and/or education/training (positive outcomes) 3 months following participation in Employment Services ^d		
– Job Placement	70%	76.1% (target met)
– Intensive Support	55%	61.2% (target met)
– NEIS	80%	85.5% (target met)
– Transition to Work	50%	56.3% (target met)
– Intensive Support job search training	No target	59.9%
– Intensive Support customised assistance	No target	54.0%
Percentage of vocational rehabilitation clients achieving a sustainable employment outcome (employment of at least 8 hours per week for a period of 13 weeks)	37%	36% (target not met)
Proportion of job seekers off benefit 3 months following participation in Employment Services ^e		
– Intensive Support	39%	48.4% (target met)
– NEIS	80%	82.0% (target met)
– Intensive Support job search training	No target	49.9%
– Intensive Support customised assistance	No target	37.6%
Proportion of job seekers off benefit 3 months following participation in Employment Services by disadvantaged group	Maintain positive outcomes as compared to 2004–05 across all disadvantaged groups (See Table 2.9)	
Percentage of internet vacancies on JobSearch	At least 40% of currently advertised internet vacancies available on AJS	34.3% (target not met)
Total Job Placements achieved	550 000	638 212
Utilisation of programme capacity (commencements)		
– NEIS	6 800	6 170 (target not met) ^f
– Transition to Work	10 000	11 218 (target met)
– VR	23 000	25 482 (target met)

Performance indicator	Target	Result
– DOES ^b (case based funding)	16 000	23 762 (target met)
– Other Disability Employment Assistance and services—Employer Incentives Strategy of Wage Subsidy Scheme (WSS), Supported Wage System (SWS), Workplace Modifications (WM) (instances)	6 000	8 784 (target met)
– National Disability Recruitment Coordinator (NDRC)	700	952 (target met)
Cost per employment outcome 3 months following participation in Job Network Employment Services (Job Placement and Intensive Support)	\$3 800	\$3 740 (target met)
Price	\$108.302m	\$107.223m (1.00% below budget)
Administered funds		
– Job Network	\$1 250.000m	\$1 241.850m (0.65% below budget)
– Transition to Work	\$11.223m	\$12.031m (7.20% above budget) ^g
– Employment Assistance and other services	\$229.210m	\$226.089m (1.36% below budget)
– Rehabilitation Services	\$125.739m	\$125.739m
– Cyclone Larry—wage assistance programme	\$86.549m	\$16.288m (81.18% below budget) ^h

- a Ministers are asked to assess briefs based on their timeliness and presentation and the quality of advice. The scale is 1 (poor), 3 (effective) and 5 (outstanding).
- b Disability Open Employment Services—now known as Disability Employment Network.
- c One provider failed to achieve certification at its initial audit in late 2005–06. A follow-up audit will be scheduled for early 2006–07 and the provider will gain certification if it has successfully addressed noted areas of non-conformance with the Disability Service Standards.
- d Positive outcomes—that is, in employment and/or education or training—are measured 3 months after job seekers cease assistance. Results relate to job seekers who left assistance in the 12 months ending 31 March 2006. The department's Post Programme Monitoring survey is the source of the positive outcomes data.
- e Off-benefit outcomes are measured 3 months after job seekers cease assistance. Results relate to job seekers who left assistance in the 12 months ending 31 March 2006. Administrative data held within DEWR employment systems are the source of the off-benefits data.
- f NEIS—the buoyant national labour market provides job seekers with employment options where self-employment can become less attractive.
- g Transition to Work target figure did not include funds to be accrued to the 2006–07 financial year. These were subsequently approved.
- h To 30 June 2006 not all eligible employers applied for wage assistance therefore the programme has been extended from a 13 weeks to a 26 weeks subsidy.

Note: Intensive Support differs from other programmes in that job seekers remain in assistance while they remain unemployed. Outcomes are therefore measured (A) three months after clients cease receiving assistance and (B) for those still receiving assistance, when they reach 12 or 24 months' participation in Intensive Support. Combining the outcomes of clients who are still receiving assistance with those who have left Intensive Support allows for the calculation of representative outcome levels. This is the first year for which outcomes for clients who participated in Intensive Support for more than 12 months are reported.

Programme effectiveness

Positive outcomes, the proportion of job seekers in employment or education or training three months after participation in employment services, exceeded target levels for all major employment service programmes in 2005–06. Similarly, the off-benefit outcomes, the proportion of job seekers who moved off activity-tested benefits three months after participation in employment services, were above target levels.

Outcomes for Job Network Intensive Support—in terms of both positive and off-benefit outcomes—exceeded their targets by at least six percentage points. This is an increase on the results achieved in 2004–05, reflecting a high proportion of clients who reported in 2004–05 being unemployed after 12 months' participation and reported in 2005–06 as being in employment and/or in education.

The high performance against the target of 16 000 in Disability Employment Network (formerly Disability Open Employment Services) commencements reflects the good outcomes being achieved by Disability Employment Network members with the move to full case-based funding in July 2005. Commencements achieved 148.5 per cent of the target.

The target of 23 000 for the number of new clients assisted by Vocational Rehabilitation Services was exceeded by 10.8 per cent.

Australian JobSearch achieved a share of 34.3 per cent of advertised internet vacancies against a target of 40 per cent. This was mainly due to aggressive marketing by major commercial job boards in the online market as well as Australian JobSearch's more stringent controls against duplicate vacancy lodgement compared to vacancy listings on other boards.

Improved outcomes were achieved at a lower cost. For Job Network, the Australian Government's largest employment service, the cost per employment outcome for all clients was \$3740.

Commentary

Job Placement

Job Placement provides labour exchange services whereby organisations canvass and match vacancies for employers, lodge vacancies on the Australian JobSearch website, and place job seekers in employment. All Job Network members hold Job Placement licences. Since 1 July 2003 more than 640 additional organisations called Job Placement Licence Only Organisations have been licensed to deliver Job Placement services only.

In 2005–06, Job Network and other Job Placement Licence organisations exceeded previous job vacancy records, with 1 017 170 vacancies lodged on the national vacancy data base.

Job Network and other Job Placement organisations recorded 638 212 job placements—including those that might have translated to long-term job outcomes at a later time. In the financial year over 183 500 long term (13 week) jobs were achieved for disadvantaged job seekers and those unemployed for three months or more.

CHART 2.6

Total job placements

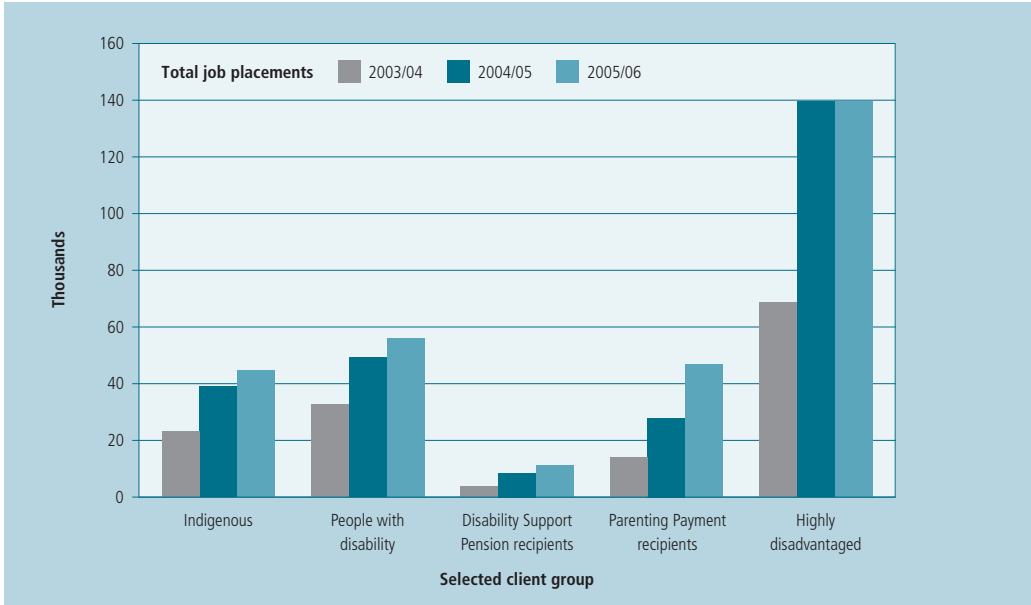
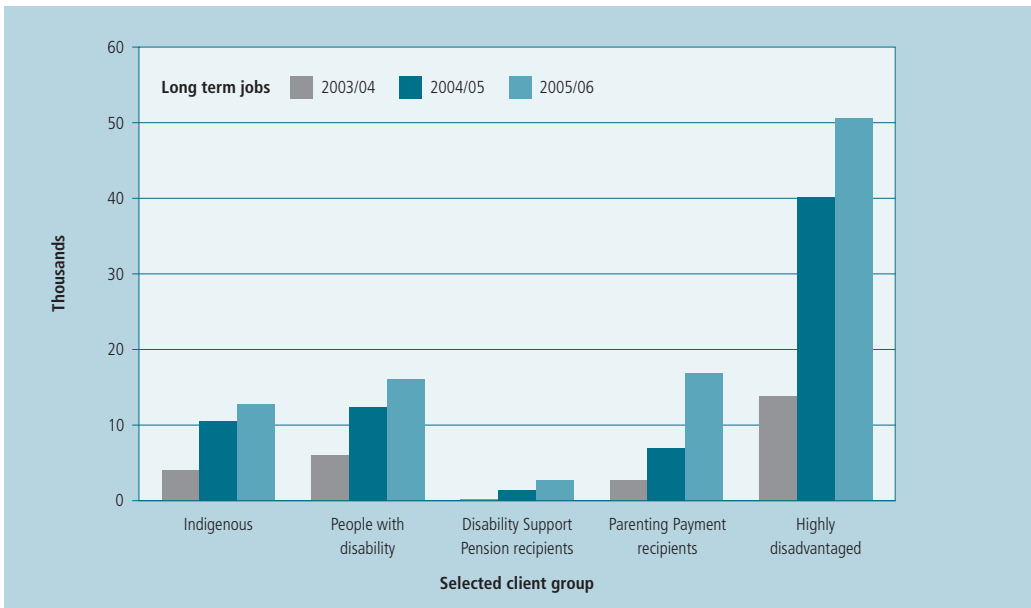


CHART 2.7

Long term jobs



Job Placement Licence Only Organisations made a significant contribution to the performance achieved in 2005–06. Such organisations lodged over 252 000 (or nearly 25 per cent) of over one million vacancies lodged and recorded 130 581 (or 20 per cent) of total job placements.

Job Network

The Job Network is the Australian Government's largest employment service. Job Network services include Job Search Support and Intensive Support for more disadvantaged job seekers, including assistance to job seekers with training, wage subsidies, clothing and equipment and other work-related needs through the Job Seeker Account and Training Account. Job Network members also assist eligible job seekers to connect with complementary programmes and with Mutual Obligation activities. In 2005–06, 106 contracted organisations provided Job Network services around Australia, including in rural and remote locations.

JOB SEARCH SUPPORT

Job Network Job Search Support provided state-of-the-art job search IT facilities and online vacancy matching to job seeker vocational profiles on Australian JobSearch. The vocational profiles compiled by Job Network members allow each job seeker to be automatically matched with and notified of available vacancies. The Job Search Support service also provides guidance in using job search facilities and resume preparation.

At 30 June 2006 vocational profiles for 840 759 Job Network-registered job seekers were available to the automated job matching process.

During 2005–06, 13.5 million auto-notifications were sent to job seekers, by SMS and email and to job seekers' Personal pages on the JobSearch website and kiosks. This is a 14.4 per cent increase on 2004–05. Of these notifications, 10.5 million, or 78 per cent, were sent to fully Job Network-eligible job seekers; the remainder were for job seekers eligible for Job Search Support services only.

INTENSIVE SUPPORT

Job Network Intensive Support is available to disadvantaged job seekers and eligible job seekers who have been registered for more than three months. In addition to ongoing Job Search Support services, job seekers in Intensive Support receive tailored help to move into employment, increasing in intensity with job seekers' needs and duration of unemployment.

Intensive Support services include a tailored Job Search Plan to help job seekers' successful return to work. The providers use tailored strategies to help individuals overcome the barriers to their employment and identify opportunities in their local labour market. Intensive Support services begin with job search training, generally after eligible job seekers have been unemployed for more than three months. Eligible young people and Indigenous and mature age job seekers can also take up job search training when they first start looking for work. Intensive Support customised assistance is available to eligible job seekers if they are still unemployed after 12 months. Highly disadvantaged job seekers have immediate access to

customised assistance. Intensive Support services also include a tailored Job Search Plan to help job seekers' successful return to work.

In 2005–06 more than 454 000 job seekers commenced in Intensive Support services. More than 140 500 job seekers began job search training and more than 291 700 highly disadvantaged and long-term unemployed job seekers started to receive customised assistance during the year. More detail on Job Network assistance for disadvantaged job seekers is included in the commentary on Disadvantaged Groups.

THE JOB SEEKER ACCOUNT, TRAINING ACCOUNT

The Job Seeker Account is a quarantined pool of funds available to Job Network members for goods and services to help job seekers—particularly those who are disadvantaged in the labour market—secure ongoing employment. Assistance under the account is tailored to the individual job seeker's needs and must meet expenditure principles, including value for money. The most common purchases were wage subsidies, job-related training, transport assistance, clothing, tools and work equipment.

In 2005–06 over \$196 million from the Job Seeker Account was spent on providing goods and services to assist 313 000 job seekers; Of job seekers who received assistance from the account, 59 per cent were placed in employment and 31 per cent received job placements that lasted 13 weeks or longer.

Post Programme Monitoring data show that, overall, 62.1 per cent of job seekers who received Job Seeker Account assistance whilst in Intensive Support achieved a positive outcome. Research conducted as part of the department's Job Network best-practice study found wage subsidies resulted in the highest levels of sustained employment of all forms of Job Seeker Account assistance.

Job Network members also provided assistance to Indigenous and mature age job seekers under the Training Account, to assist them with work-related training and essential books and equipment. In 2005–06 Training Account expenditure was over \$11 million and assisted over 45 000 job seekers.

MUTUAL OBLIGATIONS AND COMPLEMENTARY PROGRAMMES

Job Network members can refer job seekers to complementary employment and training programmes to help them overcome obstacles that prevent them from gaining work—such as the Commonwealth Government Language, Literacy and Numeracy Programmes, and programmes such as Work for the Dole to ensure eligible job seekers meet their Mutual Obligations. Job Network members made more than 118 000 referrals to such programmes in 2005–06.

Disability Employment Network

The Disability Employment Network (formerly Disability Open Employment Services) programme objectives are: to provide high quality, specialist employment services that enable

job seekers with disability to achieve sustainable employment to their maximum capacity to promote the capacity of people with disability leading to improved employment opportunities, and to encourage innovation and continuous improvement in the provision of employment services.

To be eligible for assistance under the capped stream of the programme, a person must be assessed as likely to require ongoing support to retain employment after they have found a job, and be able to work a minimum of eight hours per week at award based wages in the open employment market.

From 1 July 2006 a new demand driven stream of uncapped services was introduced. To be eligible for the uncapped stream, a person must be assessed as able to work between 15–29 hours per week independently at full award wages with up to two years of employment assistance.

Across Australia, in 2005–06, 227 organisations provided open employment services from 322 sites, assisting over 55 000 clients. From July 2006 an additional 19 organisations began delivering services as part of the 105 successful tenderers for Disability Employment Network uncapped stream.

Vocational Rehabilitation Services

Vocational Rehabilitation Services are provided for under the *Disability Services Act 1986* to Australians who have an injury, disability or health condition. The services are tailored to individual needs and can include vocational assessment and counselling; job preparation, placement and training; injury management; and workplace modifications. They are delivered on behalf of the department by CRS Australia through an extensive metropolitan and regional network with 176 outlets across Australia. The services are also supplemented by a network of visiting sites. The Welfare to Work initiative commits an additional \$192 million to assist an estimated additional 48 000 people in the three years to 30 June 2009.

The New Enterprise Incentive Scheme

The New Enterprise Incentive Scheme helps eligible unemployed people establish financially viable small businesses through training in small business skills (including developing a business plan), an allowance for up to 52 weeks for participants, and ongoing advice, support and mentoring during the first year of business operation.

The first NEIS Star Ratings of provider performance were published in August 2005. An update covering the period 1 July 2005 to 31 December 2005 was published in June 2006. Two new NEIS multimedia products—an interactive CD-ROM and the *Success Stories* DVD—were developed as part of the NEIS awareness strategy.

A major focus for the year was the Employment Services Contract 2006 to 2009 tender process, which also involved preparation for the inclusion of a new Welfare to Work target group for the programme—job seekers aged 50 or more years who are not in receipt of income

support. Around 85 per cent of NEIS providers were offered contract extensions based on their performance. An open tender was conducted for the remaining NEIS business.

Rural and remote services

To recognise the special needs of remote Australia, Job Network services were delivered under Fee for Service arrangements at some 33 sites in six very remote areas. In 2005–06, more than 400 people were placed in jobs under the Fee for Service contracts. A further 96 Job Network sites in rural and remote areas offered Flexible Servicing Arrangements, such as immediate access to Intensive Support customised assistance for all Indigenous job seekers within a particular community, with 5700 people placed into work through these sites.

During 2005–06, Remote Services model was developed as part of new arrangements to best service remote job seekers through the ‘bundling’ of employment and related services. Tenders were successfully conducted to select providers to deliver the Remote Services model, in sixteen remote Employment Service Areas around Australia. The bundled services included Job Network, Personal Support Programme, Disability Employment Network, Job Placement, Employment and Training and NEIS.

Harvest Labour Services

Harvest Labour Services helps primary producers obtain sufficient labour to harvest their crops when large numbers of out-of-area workers are needed. Contracted Harvest Labour Services providers are located in 16 areas in regional Australia.

The National Harvest Labour Information Service was introduced in 2003 to coordinate and distribute information about harvest labour across Australia. Its services include marketing and promoting harvest work opportunities, coordinating harvest labour vacancies and related information on the Harvest Trail website, developing and publishing an up-to-date *National Harvest Guide*, and providing a national telephone information service for information about harvest work.

Transition to Work

The Transition to Work programme provided assistance to help parents, carers and mature age people join or rejoin the workforce after an absence of two or more years. In 2005–06, 91 per cent of 11 218 participants were parents, 13.5 per cent were mature age people, and 4 per cent were carers. The Transition to Work programme ceased on 30 June 2006. From 1 July 2006 similar assistance is available to job seekers through the Employment Preparation service delivered by Job Network.

The Employment Innovation Fund

The Employment Innovation Fund was announced in the 2003–04 Budget and began operations on 1 July 2003, and has funding of \$4 million over four years. The fund is a discretionary programme to provide seed funding to organisations to help them develop innovative approaches to resolving specific labour market problems and open up employment

opportunities. The fund generally provides up to \$100 000 per project, out of a total pool of \$1 million a year. In 2005–06, eleven projects were funded, to a total value of \$836 436. These projects are listed on <www.workplace.gov.au>.

The Cyclone Larry—wage assistance programme

On 20 March 2006 the Far North Queensland coast south of Cairns bore the brunt of a category 5 cyclone, tropical cyclone Larry. As part of the Australia Government's response to the devastation caused by cyclone Larry the department implemented and delivered a wage subsidy for employers (businesses, farmers and non-profit organisations) suffering loss or hardship as a result of the cyclone. Cyclone Larry—Wage Assistance was available across businesses, farms, and non-profit organisations to help employers retain their pre-cyclone labour levels and return to production and business as quickly as possible. Eligible businesses receive \$400 (GST free) per fortnight in non-repayable wage assistance for each full-time-equivalent position. By 30 July 2006, 1110 applications had been approved for a total of \$16.6 million funding to support 6410 employees. All employers that received assistance from the Queensland Government and other Commonwealth agencies were eligible to apply. The programme has been extended from a 13 weeks to a 26 weeks subsidy.

Performance results: disadvantaged groups

TABLE 2.9

Disadvantaged groups: off-benefit outcomes

Target: Maintain off-benefit outcomes (as compared with 2004–05) across all disadvantaged groups

Disadvantaged group	Job Placement	Intensive Support job search training	Intensive Support customised assistance	Intensive Support	New Enterprise Incentive Scheme	Total ^a
Long-term unemployed						
Off-benefit outcomes						
Result in 2005–06 (per cent)	43.8	42.6	30.7	34.9	72.2	32.3
Result in 2004–05 (per cent)	40.1	n.a.	29.1	22.4	67.6	27.0
Indigenous Australians						
Off-benefit outcomes						
Result in 2005–06 (per cent)	47.5	47.4	36.6	36.5	72.1	37.2
Result in 2004–05 (per cent)	46.0	45.8	34.0	30.5	68.3	34.2
Mature age people (50+)						
Off-benefit outcomes						
Result in 2005–06 (per cent)	52.5	37.6	29.4	37.2	76.2	34.6
Result in 2004–05 (per cent)	47.4	35.9	26.7	28.8	74.5	29.6
People of culturally and linguistically diverse background						
Off-benefit outcomes						
Result in 2005–06 (per cent)	53.6	48.3	36.5	47.4	81.0	43.6
Result in 2004–05 (per cent)	48.8	46.7	35.3	37.3	81.8	38.6
Single parents						
Off-benefit outcomes						
Result in 2005–06 (per cent)	46.7	37.7	34.9	41.9	77.4	38.2
Result in 2004–05 (per cent)	40.2	38.2	31.0	28.8	75.2	30.8
People with disability						
Off-benefit outcomes						
Result in 2005–06 (per cent)	41.9	41.4	32.5	33.1	78.5	32.9
Result in 2004–05 (per cent)	38.5	39.7	28.0	23.4	74.0	27.2
Young people (<21)						
Off-benefit outcomes						
Result in 2005–06 (per cent)	61.8	53.8	47.3	54.8	78.6	51.8
Result in 2004–05 (per cent)	60.0	51.4	43.5	45.1	76.8	46.8

n.a. Not available. There were insufficient data to calculate statistically reliable outcome estimates.

a Total is the weighted average of Job Placement, Intensive Support job search training, Intensive Support customised assistance, Intensive Support, New Enterprise Incentive Scheme, Indigenous Employment Policy (Structured Employment and Training Projects and Wage Assistance) and Work for the Dole off-benefit outcomes.

Note: For Intensive Support, off-benefit outcomes—that is, the proportion of clients who moved off activity-tested benefits—are measured 3 months after job seekers cease assistance or reach 12 or 24 months' participation in Intensive Support. For Job Placement, off-benefit outcomes are measured 3 months after job seekers are placed in an eligible Job Network placement. For other programmes, off-benefit outcomes are measured 3 months after job seekers cease assistance. The results relate to job seekers who came in scope to have their outcomes measured in the 12 months ending 31 March 2006. Administrative data held within the department's employment systems are the source of the off-benefits data.

Programme effectiveness

Job placement positive outcome rates were broadly maintained or improved for all client groups. Positive outcomes for Job Network Intensive Support clients increased by at least three percentage points for each of the target groups.

Aggregate off-benefit outcomes for all the department's target groups exceeded those achieved in 2004–05 and off-benefit outcomes for almost every target group within each programme in 2005–06 were higher than those for 2004–05.

Commentary: Disadvantaged job seekers

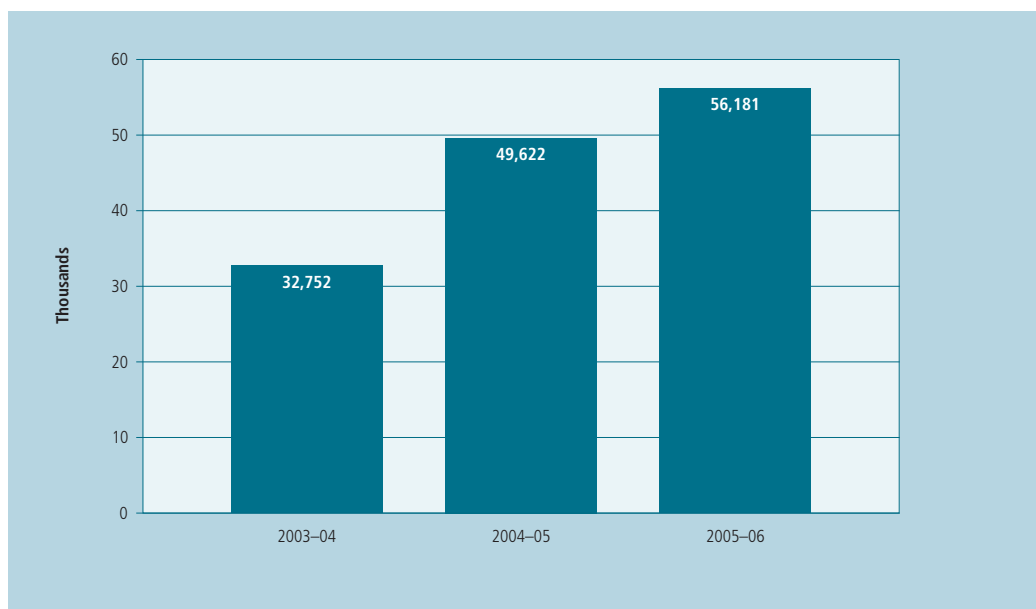
Job seekers with disability

Australian Government employment services delivered strong and sustainable job results for job seekers in priority and disadvantaged groups throughout 2005–06. The following examines job results achieved through Job Network, Disability Employment Network and other Job Placement organisations:

- More than 56 100 job placements were recorded by Job Network members and other Job Placement organisations for job seekers who self-identified as having disability and those who are receiving a Disability Support Pension—representing an increase of 13 per cent on 2004–05. This included over 11 100 job seekers on a Disability Support Pension, an increase of almost 30 per cent on 2004–05.
- More than 16 100 long-term (13-week) job outcomes were achieved for people with disability, representing an increase of 30 per cent on 2004–05. This included over 2500 Disability Support Pension recipients—nearly double the number for 2004–05.
- During 2005–06, the department undertook a range of activities to support Job Network results for people with disabilities. In July 2005, Job Network members were given ability to directly register interested Disability Support Pension recipients. The department also worked closely with providers and stakeholders in the development and delivery of on-line resources and face-to-face training for Job Network staff servicing job seekers with mental health issues, and in the development and implementation of Welfare to Work reforms from 1 July 2006.
- Disability Employment Network and Vocational Rehabilitation Services are targeted to people with permanent disability or medical impairment. In 2005–06, Disability Employment Network members assisted over 50 000 clients and the Vocational Rehabilitation Service assisted over 44 000 clients.

CHART 2.8

Job placements for people with disability^a



^a Job seekers who self-identify as having disability and those who are receiving a Disability Support Pension.

Parents

In 2005–06 the number of job placements for Parenting Payment recipients reached record levels: 46 106 placements were recorded, an increase of 18 267, or 66 per cent, on the 2004–05 level. This represents an average of 3842 job placements a month, compared with 2319 a month in 2004–05.

In 2005–06 the department worked closely with Centrelink around voluntary service offers for interested Parenting Payment recipients wishing to access Job Network. From July 2005, Job Network members were also able to offer direct registration to interested Parenting Payment volunteers. There were 108 286 voluntary referrals to Job Network in 2005–06, and increase from 93 123 in 2004–05.

The department funded the National Employment Services Association to conduct Parenting Servicing Strategies seminars in 26 locations throughout Australia in 2006 for Job Network practitioners and other interested employment service providers. Over 900 employment consultants attended the seminars. In addition, a toolbox providing information for Job Network members to assist parent job seekers was made available in July 2005.

Mature age people

In 2005–06 Job Network recorded more than 120 300 job placements for job seekers aged 45 or more years. Over 70 300 job placements were recorded for job seekers aged 50 or more years.

The Mature Age Employment and Workplace Strategy continued through the Jobwise Outreach Initiative, the Mature Age Workplace Strategy and the Mature Age Industry Strategy. The department conducted Jobwise workshops and established twenty six self-help groups with the aim of improving mature age people's job search techniques and career decisions.

People of culturally and linguistically diverse background

During 2005–06 Job Network recorded more than 78 200 job placements for people of culturally and linguistically diverse background. The department conducted sessions in New South Wales, Victoria, Queensland and South Australia on the key findings of the 2004 project on servicing of humanitarian and refugee job seekers and service delivery models involving skills audit, pre-employment and on-the-job training and work experience. The project, funded under the Employment Innovation Fund, highlighted the importance of work experience as a key to securing ongoing jobs.

Young people

In 2005–06 Job Network made over 65 500 placements in Job Search Training for people aged 24 years or less, to help them find work quickly. Over 235 500 job placements were recorded for this age group during the year; more than 129 400 of these placements were for job seekers aged 21 years or less.

In October 2005, the career counsellor's kit was issued to secondary schools across Australia, providing information about Job Network employment services available to help assist the transition into work. The kit also highlighted the importance of New Apprenticeships to interested education leavers.

Indigenous Australians

During 2005–06 over 44 500 job placements and over 12 800 long-term (13-week) jobs were recorded for Indigenous job seekers. These results represent increases of 14 per cent and 22 per cent respectively on 2004–05 and are new annual records. Such performance demonstrates Job Network's valuable contribution to increasing the economic independence of Indigenous Australians by reducing their dependency on welfare.

The special attention given to Job Network's performance in assisting Indigenous Australians is recognised in the Job Network Star Ratings, which emphasise successful and sustainable results for Indigenous job seekers.

During 2005–06 the department released a *Six Top Tips* publication for Job Network members. Based on a study of how selected Job Network sites achieved employment outcomes for their Indigenous clients, the booklet focuses on practices and internal cultures that contribute

to successful service provision. Other initiatives introduced in 2005–06 with the objective of helping Indigenous Australians find work are outlined under Output 1.2.3, Indigenous Employment programmes, and Output 3.2.3, Community Development Employment Projects management.

Commentary: improved service delivery management

Purchasing employment and related services

In 2005–06 the department successfully conducted an extremely large and complex process to procure services worth 6 billion dollars over 3 years relating to programme delivery across nine employment and related programmes. This procurement exercise was critical for the implementation of the Government's major Welfare to Work initiative, to take effect from 1 July 2006. The tendering process alone evaluated over 450 tenders and 4200 bids for services to be delivered across metro, rural and remote Australia. This was the broadest procurement exercise undertaken since the establishment of the outsourced employment market. It was completed successfully within the required timeframes, consistent with the Commonwealth Procurement Guidelines and to the satisfaction of an independent external probity advisor.

Communicating Welfare to Work changes

The department has developed the first year of a three-year *'Helping people move into work'* multimedia and communications campaign to increase public awareness of the Welfare to Work changes. The campaign aims to raise community awareness of the importance of increasing workforce participation. The first phase of the campaign was released on 4 June 2006 with television, radio, print-press and internet advertisements.

Contract management: focusing on maximising performance

Continuing improvements were made to Contract Administration System, the Contract Managers Portal and Provider Secure Sites to assist the department's national network of contract managers and employment service providers.

The department's accredited training programme for contract managers was upgraded from Certificate IV to Diploma level. Eighty-three employees completed the new Diploma programme during the year, and a further 506 students are progressing through the course. The Indigenous Australians Contract Management Trainee Programme was extended with 46 trainees commencing in 11 agencies across all states and territories and being mentored through the programme.

As part of its commitment to continuous improvement, the department conducted a review of contract management practices in state offices across a variety of employment services. The purpose was to build on current good practice and to ensure that contract management arrangements are effective and consistently applied across the various services.

To further building on the operational skills of contract managers, skills development took place in Certificate IV in Training and Assessment. The Contract Managers Induction Package is being redeveloped to further support consistency of practice, and skills development in such areas as financial management, data analysis and risk management is planned for 2006–07.

Customer service and quality improvement

Providers of Australian government employment and related services are bound by the Employment and Related Services Code of Practice and, where applicable, service guarantees. The Code of Practice describes how providers must deliver services to clients, and the service guarantees specify the types of services clients can expect to receive. Service guarantees applied to Job Network, Community Work Coordinators, Transition to Work and the New Enterprise Incentive Scheme throughout 2005–06 and were included in the new contracts and contract extensions applying for other services from 1 July 2006.

A number of feedback mechanisms are in place to ensure the delivery of high-quality, continuously improving services. A customer service line is available for clients to make inquiries and complaints, raise any concerns, and to provide suggestions for improvement. Clients can also use interpreter services and telephone typewriter facilities through the National Relay Service. Additionally, feedback is collected from departmental websites, letters, feedback forms and quality assurance questionnaires.

The department received 258 799 calls from job seekers asking for information about employment services, and an additional 29 217 contacts to the customer service line. Of these, about 16 000 were complaints. The remainder were requests for information, requests for referral to new providers, and suggestions about (and compliments on) services received. Ninety-six per cent of the complaints received were resolved within 20 working days; this compares with the benchmark of 95 per cent.

In addition, job seekers receiving Disability Employment Network and Vocational Rehabilitation Services are able to contact the Complaint Resolution Referral Service, an independent complaint mechanism for consumers who have used disability employment services including Disability Employment Network and Vocational Rehabilitation Services.

Australian JobSearch

Australian JobSearch maintained its position as Australia's second-largest government website in 2005–06, receiving more than a million hits a day. Over 70 000 positions are displayed on the site at any time. Vacancies are sourced from Job Network, Job Placement License Only organisations, employers, the *Commonwealth Gazette* and the CareerOne internet site.

A communications strategy throughout the year saw JobSearch and its related services—Australian Training, Australian VolunteerSearch and Australian Careers—promoted to job seekers, employers and contracted service providers. The wide-reaching communications strategy involved extensive advertising and direct promotion of the site to over 230 000 job seekers at career expos and events held across Australia. In February 2006 eight

Commonwealth Games Job Expos were held in Victoria in conjunction with Centrelink. Careers expos and events were also held in conjunction with the Department of Education, Science and Training. Extensive research that included employer and job seeker focus groups was aimed at assessing JobSearch site content, usability and functionality.

Quality assurance processes were updated to further identify and reduce the number of duplicate vacancies on the site. Minimising duplicate vacancies—although not standard practice for commercial on-line job boards—remained a priority for the department. There was also an emphasis on improved reporting, with a move away from Hitwise and DeepMetric to Nielsen NetRatings, bringing JobSearch in line with industry reporting. Nielsen NetRatings is one of the standard reporting tools other online job boards use for monitoring use.

Other initiatives during 2005–06 were as follows:

- introduction of the Skilled Migrant website, <www.skilledmigrant.gov.au>, in April 2006, to link approved skilled migrants with job vacancies in occupations on the Migration Occupations in Demand List
- implementation in early 2006 of an automated process for the routine deactivation and removal of old vacancies from the website
- improvements to Find Staff functionality and Vocational Profiles in response to feedback from Job Network and other Job Placement organisations.

A new Activity Agreement

During 2005–06 the department worked closely with Centrelink to develop a new Activity Agreement. The new agreement supports the Welfare to Work initiative by catering for all job seekers, including groups previously under-represented in the workforce—such as parents, mature age job seekers, the very long-term unemployed, and people with disability. From 1 July 2006 the new Activity Agreement replaces the existing multiple agreement model, giving job seekers a single, easy-to-understand agreement detailing their participation requirements and obligations while at the same time being easier for employment service providers and Centrelink to administer. A Voluntary Activity Agreement has also been developed for job seekers who do not have formal participation requirements but nevertheless want to participate.

The Job Seeker Notification Framework

During the second half of 2005–06 a new framework for notifying job seekers of their participation requirements was developed. Previously, only Centrelink had the legal authority to notify job seekers of their participation requirements; the new arrangements support the Welfare to Work compliance framework by giving service providers the same legal authority as Centrelink to notify job seekers of their appointments and other requirements specifically relating to their job search and participation requirements. Under the new framework, face-to-face, written and phone contact can be used by providers to notify job seekers of an appointment or requirement. Providers can also use appointment cards, SMS and email as reminders to job seekers and so encourage appointment attendance.

Participation reporting

In February 2006 a project team was established to investigate ways of improving the efficiency of the participation reporting process. This is the means by which providers of Australian government employment services notify Centrelink of registered job seekers' failures related to their participation obligations, which may have an impact on their eligibility for payment. The project team developed a number of strategies for improving the quality of information provided in participation reports and gaining greater consistency in reporting outcomes.

Online employment services

AUSTRALIAN WORKPLACE

Australian Workplace <www.workplace.gov.au> is the department's online entry point for information on government employment policy, programmes and services with information on employment, workplace relations, government assistance, jobs, careers, training and wages. The website also allows access to the department's suite of employment websites.

JOBSEARCH

All job seekers, including those not on Centrelink allowances, can access the department's online job board, Australian JobSearch, via the internet <www.jobsearch.gov.au> or through JobSearch kiosks in Centrelink and Job Network sites.

JOBJUICE

JobJuice <www.jobjuice.gov.au> provides quick connections to good job prospects and the latest career information and links to New Apprenticeships and Job Network. It is the department's site for young job seekers and has been strongly promoted to school leavers and young people who have already left school.

JOBWISE

Jobwise <www.jobwise.gov.au> is a website for mature age people looking for work. The site has links to Job Network, Resume Builder, Job Outlook and Australian VolunteerSearch.

JOBABLE / JOBACCESS

JobAble <www.jobable.gov.au> is a website providing information on employment and work-related themes for people with disability. It offers information about specific disabilities and comprehensive information about the employment services available for people with disability; it also informs employers of the benefits of employing people with disability. JobAble is to be replaced by a new online information and advice service, JobAccess, in July 2006.

Output 1.2.3: Indigenous Employment programmes

Output 1.2.3 covers the management of Indigenous employment programmes that form part of the Indigenous Employment Policy. The policy was implemented in July 1999 in recognition of the particular disadvantage of Indigenous Australians in the labour market and aims to generate more employment opportunities for Australia’s Indigenous peoples.

The Indigenous Employment Policy consists of a number of specialised Indigenous employment programmes, initiatives to stimulate Indigenous economic activity, and a range of measures designed to improve employment services and outcomes for Indigenous Australians.

Highlights

- The Indigenous Employment Programme recorded 10 093 places for job seekers in 2005–06—well above the target of 8000.
- The Corporate Leaders for Indigenous Employment Project was expanded, with 17 new signatories in 2005–06.
- The Indigenous Youth Employment Consultant programme was fully implemented with 30 consultants employed in selected Job Network offices across Australia.
- The Aboriginal Employment Strategy Budget Measure was implemented with an expansion from three to six sites.
- The Emerging Indigenous Entrepreneurs Initiative was implemented.

Performance results

TABLE 2.10

Performance indicators and actual performance: Output 1.2.3, Indigenous Employment programmes

Performance indicator	Target	Result
Quality		
Level of satisfaction of Ministers with provision of advice ^a	No target	51 briefs submitted, with average rating of 4.2
Quantity		
Proportion of job seekers in employment and/or education/training (positive outcomes) 3 months following participation in Indigenous Employment programmes ^b	65%	67.7% (target met)
Proportion of job seekers in employment 3 months following participation in Indigenous Employment programmes ^b	No target	67.2%
Utilisation of programme capacity		
– IEP	8 000	10 093 (target met)
Price	\$30.814m	\$30.592m (0.72% below budget)
Administered funds		
– Indigenous Employment	\$77.716m	\$77.710m (0.01% below budget)

a Ministers are asked to assess briefs based on their timeliness and presentation and the quality of advice. The scale is 1 (poor), 3 (effective) and 5 (outstanding).

b Outcomes are measured 3 months after job seekers cease assistance. Results relate to job seekers who left assistance in the 12 months ending 31 March 2006. The department's Post Programme Monitoring survey is the source of the positive outcomes data.

Programme performance

Post-assistance outcomes for the Indigenous Employment Programme exceeded the target by about 3 percentage points. About 68 per cent of Structured Training and Employment Project or Wage Assistance participants were in employment or education three months after completing their placement. Continued strong employment outcomes underpinned the outcomes achieved.

Commentary: overview of services and programmes funded under the Indigenous Employment Programme

Structured Training and Employment Projects

Structured Training and Employment Projects provides flexible financial assistance for projects that offer structured training leading to lasting employment for Indigenous job seekers. During 2005–06, 3505 employment and training places were achieved in STEP.

STEP projects provided job opportunities across Australia in a very large range of industries including the hospitality, retail and mining sectors, a range of ‘traditional trade’ sectors including plumbing, carpentry and electrical trades as well as in a broad selection of other areas such as child and aged care, the media and technology and aquaculture and agriculture.

The Corporate Leaders for Indigenous Employment Project

The Corporate Leaders for Indigenous Employment Project is a partnership between individual companies and the Australian Government aimed at generating sustainable employment for Indigenous Australians. A record number of 17 new private sector companies from a range of industries and locations joined the project in 2005–06. There are currently 82 signatories.

Indigenous Employment Centres

Indigenous Employment Centres help participants in Community Development Employment Projects move into unsubsidised employment, complementing the assistance available through Job Network. Ten new centres were contracted in 2005–06, bringing the total number to 43. In 2005–06, seven Centres trialled an expanded range of services.

At 30 June 2006 more than 10 000 Community Development Employment Project participants had been assisted. Over 3700 had been placed in employment with more than 64 per cent of these participants achieving 13-week outcomes.

Indigenous Wage Assistance

Indigenous Wage Assistance provides a wage subsidy for 26 weeks for employers that offer continuing full-time work to eligible Indigenous Australians. The number of Indigenous Wage Assistance–subsidised employment placements in 2005–06 was 2658, bringing the total to over 16 790 since the programme began in July 1999.

The National Indigenous Cadetship Project

The National Indigenous Cadetship Project is designed to improve the professional employment prospects of Indigenous Australians by linking students and employers in an arrangement that involves full-time study and complementary work placements. Diploma, advanced diploma and undergraduate degree courses constitute eligible study. In 2005–06, 171 cadets entered the project, bringing to 1060 the number of commencements under the project

since 1999, the year of the first intake. After completing their study and work placements, cadets generally move on to continuing employment with their cadetship employer.

The Community Development and Employment Project Placement Incentive

The Community Development and Employment Project Placement Incentive provides an incentive to Community Development and Employment Project organisations for each participant who is placed in open employment and off CDEP payments. The incentive recorded 2184 commencements in 2005–06.

Volunteer services for Indigenous Australian communities and organisations

In 2005–06, the department continued and expanded support through the Indigenous Employment Programmes for Indigenous Community Volunteers, a not-for-profit company contracted to deliver the volunteer programme on behalf of the Australian Government. The company links skilled volunteers with communities that are seeking expert assistance in areas such as business, financial management and the trades. Among the key outcomes are skills transfer to Indigenous Australians and capacity building in Indigenous communities. In 2005–06, 225 volunteers became involved in projects with Indigenous communities and organisations across Australia and 397 new project applications were received. The company operated from offices in Perth, Alice Springs, Brisbane and Canberra during 2005–06 and has now established field officer positions based in Port Augusta and Dubbo. It has continued to build relationships with corporate and philanthropic organisations; this includes entering into a new partnership with Rio Tinto, focusing on supporting skills transfer and community enterprise projects in regions near the company's operations in Australia.

The Aboriginal Employment Strategy

The Aboriginal Employment Strategy is funded under the Indigenous Employment Policy to help Indigenous job seekers prepare for, gain and retain jobs. The 2005–06 Budget announced the expansion of the Aboriginal Employment Strategy which is now available from sites in Moree, Tamworth, Dubbo, Maitland and Blacktown and an outreach site in the inner Sydney suburb of Glebe. In 2005–06, 1030 Indigenous job seekers began with the strategy. Of these, 467 were placed in employment, 163 achieved a 13-week outcome, and 59 achieved a 26-week outcome.

The Indigenous Small Business Fund

The Indigenous Small Business Fund offers to Indigenous organisations funding to help Indigenous people learn about business, develop their business skills, and expand their businesses. In 2005–06, 145 Indigenous Small Business Fund projects were approved. Funding is available for the following purposes:

- to identify and facilitate business opportunities
- to help Indigenous people start businesses
- to provide advice or support services to people involved in small business, so that they can develop their skills, markets and networks.

The Indigenous Capital Assistance Scheme

The Indigenous Capital Assistance Scheme offers Indigenous businesses access to commercial finance and culturally appropriate professional and mentoring support services through a participating financial institution. Since 2004–05, when the scheme started, 21 loans have been signed with Indigenous businesses. The scheme initiated support for 13 loans with Indigenous businesses in 2005–06, primarily in the tourism, construction, agriculture and retail trade industries.

The Emerging Indigenous Entrepreneurs Initiative

The Emerging Indigenous Entrepreneurs Initiative provides funding to support the Indigenous Economic Development Strategy in establishing an economic base from which to build prosperity in communities where employment and business opportunities have historically been limited. The initiative supports projects and ideas that will encourage Indigenous entrepreneurs to pursue opportunities for self-employment and small business.

In September and October 2005 eight one-day workshops were held for emerging Aboriginal and Torres Strait Islander entrepreneurs in Sydney, Brisbane, Perth, Darwin, Alice Springs, Melbourne, Adelaide and Broome. Nearly 600 potential and current Indigenous entrepreneurs attended the workshops, which were called Turning Dreams into Sustainable Businesses. To support the workshop, the department had commissioned three publications. *Building the Future Through Enterprise—stories of successful Indigenous enterprises and entrepreneurs* and *Exploring the Future Through Enterprise—examples of Indigenous organisations taking the risk and embarking on the enterprising journey* set out case studies of successful and emerging enterprises. The third publication, *A Guide to Available Resources and Services Designed to Assist Indigenous Enterprise Development*, has also been made available online <www.workplace.gov.au>; it identifies potential sources of assistance for Aboriginal and Torres Strait Islander businesses at any stage of their enterprise journey.

The Indigenous Self Employment Programme

The Indigenous Self Employment Programme trial aimed to help individual Indigenous Australians establish their own small business by providing business advice and support, financial literacy training, and up to \$5000 through a repayable loan. The trial was conducted in Murdi Paaki in western New South Wales, at Shepparton in Victoria and on Cape York. It had a positive impact on participants because receipt of the assistance enabled them to resolve some of the difficulties they face—such as lack of financial literacy, access to finance and business support—as Indigenous people operating their own business.

Indigenous Youth Employment Consultants

The Indigenous Youth Employment Consultants programme was announced in the 2004–05 Budget. Thirty Indigenous consultants work with Indigenous people aged 15 to 19 years to provide linkages to work and/or further education and training. The main role of the consultants is to encourage the successful transition of these young Indigenous people from

school to work. The consultants are based with selected Job Network providers throughout Australia and also work with families, communities, local schools, vocational education and training providers, and local businesses. Demand for the consultants has exceeded expectations: more than 4100 participants have been assisted by the service. Sixty per cent positive outcomes are being achieved for participants. Previously disengaged Indigenous young people are being helped to return to and stay at school or are receiving employment assistance through Job Network. Over 680 employment outcomes have been achieved; more than 60 per cent of these jobs have lasted more than six weeks. More than 829 participants have returned to school or training.

Output 1.2.4: Mutual Obligation initiatives

Output 1.2.4 covers the management and support of Mutual Obligation initiatives, including Work for the Dole and Community Work. Mutual Obligation is based on the principle that unemployed people have an obligation to improve their job prospects in the labour market or to contribute to the community that supports them in return for unemployment payments.

Most activity-tested job seekers aged 18 to 49 years on Newstart Allowance or Youth Allowance (other) are required to start an approved Mutual Obligation activity in addition to their normal job search requirements. Eligible job seekers can satisfy their Mutual Obligation through a range of activities—Work for the Dole, Community Work, the Voluntary Work Initiative, Green Corps and Green Reserve. On successful completion of Work for the Dole and Community Work, many job seekers qualify for a Training Credit of between \$500 and \$800, which can be used to buy approved training.

Highlights

- There were 87 118 Work for the Dole commencements in 2005–06, an increase of 6.4 per cent on 2004–05.
- The inaugural release of the Community Work Coordinator Star Ratings, for 1 July 2002 to 30 June 2005, took place in October 2005. The Star Ratings provide a systematic and fair method for national comparison of the performance of Community Work Coordinators in meeting their programme objectives and contracted performance requirements.
- Work for the Dole programme use improved by 26.9 per cent during the reporting year. This was a consequence of contractual changes that allowed Community Work Coordinators to be more responsive to job seeker needs and market demand and of the introduction of the CWC Star Ratings.
- Of the Work for the Dole participants surveyed during their placement, 85.2 per cent said they were satisfied or very satisfied with the benefits of the programme and that their involvement had improved their job search skills and prospects of gaining employment.
- In 2005–06, 40.6 per cent of job seekers who left Work for the Dole were employed and/or in education or training three months after leaving the programme.

- Exit surveys show that 88.8 per cent of young people completing Green Corps projects are satisfied with their placement.
- Post Programme Monitoring of Green Corps shows that 61.8 per cent of participants are in employment and/or education or training within three months of completing their Green Corps placement.
- Post Programme Monitoring of the Voluntary Work Initiative shows that over 90 per cent of participants are satisfied or very satisfied with the quality of their voluntary work placement.

Performance results

TABLE 2.11

Performance indicators and actual performance:
Output 1.2.4, Mutual Obligation initiatives

Performance indicator	Target	Result
Quality		
Level of satisfaction of Ministers with provision of advice ^a	Effective or above (3.0)	87 briefs submitted, with average rating of 4.1 (target met)
Level of satisfaction of participants with Work for the Dole Programme	80%	85.2% (target met)
Level of satisfaction of participants with Green Corps Programme	80%	88.8% (target met)
Quantity		
Utilisation of programme capacity (commencements)		
– Work for the Dole	74 000	87 118 (target met)
– Green Corps	1 700	1 680 (target not met)
– Voluntary work	12 000	8 784 (target not met)
Price	\$28.975m	\$29.242m (0.92% above budget)
Administered funds		
– Work for the Dole	\$171.439m	\$155.458m (9.32% below budget) ^b
– Green Corps	\$25.325m	\$25.117m (0.82% below budget)
– Payment to Voluntary Work Agencies	\$2.915m	\$2.186m (25.01% below budget)

a Ministers are asked to assess briefs based on their timeliness and presentation and the quality of advice. The scale is 1 (poor), 3 (effective) and 5 (outstanding).

b Under budget due to continued improvement in programme utilisation under the demand model introduced in 2004.

Programme performance

The level of satisfaction of participants both with the Work for the Dole programme and the Green Corps programme exceeds estimates.

Target places for Green Corps Funding Deed were reduced from 1700 to 1680 via a variation to the Green Corps funding deed to manage expenditure of the Green Corps Participant Allowance.

The redirection of potential VWI customers to other programmes impacted on the number of income support customer referrals to VWI.

Commentary: Mutual Obligation programmes

Work for the Dole

Work for the Dole is a Mutual Obligation activity that provides work experience opportunities for eligible job seekers. The objectives of the programme are as follows:

- provide valuable work experience to unemployed people
- develop good work practices in unemployed people
- involve local communities in activities that provide for unemployed people and assist them at the end of their participation in these activities
- provide communities with Work for the Dole activities (facilities and services) that are of value to them.

Community Work

Community Work offers placements with voluntary organisations; this is arranged and monitored by Community Work Coordinators. The initiative offers people on income support the opportunity to improve their work skills, gain experience, contribute to their community through worthwhile activities, and gain recognition for their contribution.

Green Corps

Green Corps is a youth development and environmental training programme for people aged between 17 and 20 years. It gives young people the opportunity to volunteer their commitment to conserve, preserve and restore Australia's natural environment and cultural heritage.

Each Green Corps project involves 10 young people taking part in a range of activities for 26 weeks. The young people receive a participant allowance and take part in projects mostly located in regional and remote areas. They improve their career and employment prospects through accredited training and personal development opportunities in areas such as leadership and teamwork. They also have an opportunity to develop improved connections with the community.

Payment to Voluntary Work Agencies—the Voluntary Work Initiative

The Voluntary Work Initiative provides referral and support services for all Centrelink customers who want to participate in voluntary work.

Community Work Coordinators

Community Work Coordinators are contracted by the Australian Government to manage the placement of eligible job seekers in Work for the Dole activities. They also help job seekers find Community Work placements.

The Prime Minister's Work for the Dole Achievement Awards 2005



Minister Sharman Stone at the Work for the Dole Achievement Awards 2005 dinner on 19 June 2006.

The Prime Minister's Work for the Dole Achievement Awards 2005 acknowledge outstanding participants and supervisors, as well as the Work for the Dole activities in which they were involved during 2005.

The 2005 award finalists were engaged in activities such as building and fitting out houses, designing and building remedial aids for children with disability, and improving community ecotourism, health and employment through promoting and establishing tourist attractions with both environmental and heritage significance.

At the awards dinner in the Great Hall of Parliament House on 19 June 2006, the Minister for Workforce Participation, the Hon. Dr Sharman Stone MP, acknowledged the achievements of participants, supervisors, Community Work Coordinators, sponsors and hosts; she presented awards to winners and

finalists in the categories of Most Outstanding Participant; Most Outstanding Supervisor; the Best Work for the Dole Activity; and, for finalists in the categories of Best Community, Best Caring for People, and Best Natural and/or Cultural Heritage. In addition to these winners and finalists, 23 participants, supervisors and activities received Highly Commended awards.

Development of a new contract

During 2005–06 much effort went into developing the new Community Work Coordinators contract for 2006 to 2009. The contract changes are a response to the specific needs of Welfare to Work client groups and include the following:

- provision for new participation groups for Work for the Dole—among them parents in receipt of income support, people with a restricted work capacity, the very long term unemployed, and recipients of the Disability Support Pension
- provision for local demand for skills to be reflected in Work for the Dole activities
- access by eligible Work for the Dole participants to a Training Credit at the mid-point of their participation
- competitive payment arrangements that reward Community Work Coordinators who create a strong demand for their services and use the available resources effectively.

Output 1.2.5: Employment preparation services

Output 1.2.5 covers management of the Personal Support Programme and the Job Placement, Employment and Training programme.

The Personal Support Programme helps participants tackle non-vocational barriers—such as homelessness, mental health problems, drug or gambling problems, and social isolation—that are preventing them from obtaining a job or benefiting from employment assistance programmes such as Job Network, Vocational Rehabilitation Services or the Disability Employment Network (formerly Disability Open Employment Services). As part of Welfare to Work, an estimated 24 000 additional people will be assisted through the Personal Support Programme.

The Job Placement, Employment and Training programme is an employment preparation programme that offers young people transitional assistance to help them overcome difficulties in their life. The programme is for people aged from 15 to 21 years, who are homeless or at risk of homelessness, and/or have multiple non-vocational barriers.

Highlights

- The department successfully conducted an Invitation to Treat and an open tender for the delivery of PSP business to 30 June 2009. This was followed by an open tender for remote services for delivery of the Personal Support Programme and five other employment services, including JPET, in 16 Employment Service Areas or part-areas identified as remote. As a result, 123 organisations will deliver PSP services in 2006 to 2009.
- In 2005–06 economic outcomes remained stable and social outcomes for Personal Support Programme participants improved.
- The Job Placement, Employment and Training programme successfully conducted a full purchasing process for 2006 to 2009. This resulted in the contracting of 81 organisations to deliver JPET services in more locations across Australia, including in some remote communities where services had not previously been available.

Performance results

TABLE 2.12

Performance indicators and actual performance: Output 1.2.5, Employment preparation services

Performance indicator	Target	Result
Quality		
Level of satisfaction of Ministers with provision of advice ^a	Effective or above (3.0)	14 briefs submitted, with average rating of 3.4 (target met)
Quantity		
Percentage of Personal Support Programme (PSP) participants exiting PSP who are in employment for 13 weeks duration, education/training, referred to DOES ^b and/or referred to JNS (ISca) (positive outcomes) or social outcomes, within the last 12 months		
– positive outcomes	25%	24% (target not met)
– social outcomes	40%	53% (target met)
Percentage of young people participating in JPET who achieve increased readiness for employment or further education/training	65%	62.5% (target not met)
Utilisation of programme places		
– PSP	50 000 participants	59 163 (target met)
– JPET	14 000 participants	13 830 (target not met)
Price	\$4.176m	\$5.098m (22.09% above budget) ^c
Administered funds		
– Personal Support Programme	\$62.149m	\$63.715m (2.52% above budget)
– Job Placement Employment and Training (JPET)	\$19.642m	\$19.799m (0.80% above budget)

a Ministers are asked to assess briefs based on their timeliness and presentation and the quality of advice. The scale is 1 (poor), 3 (effective) and 5 (outstanding).

b Disability Open Employment Services; now known as the Disability Employment Network.

c The variance is approximately \$0.9m over expected finish. This is due to variations from budget in anticipated expenditure patterns.

Programme performance

In 2005–06, 13 830 young people participated in JPET. This was slightly less than the target because of transitional arrangements associated with the move to the new funding deed from 1 July 2006.

Commentary

The Job Placement, Employment and Training programme

The Job Placement, Employment and Training programme was delivered by a network of 96 organisations that have experience in helping disadvantaged young people and can draw on and work collaboratively with existing support services and networks in their local community.

JPET providers deliver individually tailored, flexible assistance to help participants stabilise their situation, overcome their personal and social barriers, and then build skills and abilities directly related to economic or social participation. This assistance allows young people to re-engage in education or make the transition to training or employment assistance programmes such as Job Network. The providers use a range of strategies to achieve this—case management, personal and practical support, group work, formal and informal counselling, drop-in assistance, referrals and advocacy on behalf of participants, outreach services, and so on.

The Personal Support Programme

In 2005–06 the Australian Government greatly increased the number of places in the Personal Support Programme: an additional 4500 places were released. Demand for places in the programme remained strong: 59 163 individuals were assisted during the year, an increase of 18 per cent on 2004–05.

Strategies used by PSP providers have led to improvements in the ability to engage and keep participants in the programme. As a result, 53 per cent of participant exits have been social outcomes; this compares with a target of 40 per cent.

Outlook for 2006–07: Output Group 1.2

In 2006–07, the department will continue to improve labour market programme management and delivery to build on past results and support the implementation of Government Welfare to Work policies including:

- continuing to maintain a strong partnership with Centrelink and Department of Human Services
- continuing to develop and implement the Welfare to Work contact model for full implementation in September 2006
- continuing to increase Providers of Australian Government employment services capacity to maximise workforce participation and improve employment outcomes for all eligible job seekers and particularly for people with disability, parents, Indigenous Australians, mature age job seekers and the very long term unemployed
- maximising results from Job Network Welfare to Work initiatives—including the Employment Preparation service, assessment of service options for the very long term unemployed, and Wage Assist

- building on the performance based changes in funding arrangements of recent years and the Welfare to Work agenda, supporting Disability Employment Network members to increase the levels of workforce participation for people with disability
- implementing additional post-placement employment support in DEN and Vocational Rehabilitation Services for people with mental health disability through the expansion of Intermittent Support and Job in Jeopardy assistance announced in the May 2006 Budget
- implementing a DEN Star Rating system for DEN members to help optimise programme performance and participant outcomes
- continuing to operate the Indigenous Employment programme to complement the Government's Indigenous Economic Development Strategy reforms and—in conjunction with specialist and mainstream employment services providers, including Job Network members and Community Development Employment Project organisations—maximising employment and economic independence for Indigenous Australians
- encouraging the Indigenous Employment Programme to continue to build on its record employment results—including full-time ongoing employment opportunities
- the new Community Work Coordinator contract that begins on 1 July 2006, introducing changes designed to accommodate the specific needs of Welfare to Work client groups and thus increase the employment focus of Work for the Dole activities and ensure that Community Work Coordinators maximise their efficiency
- managing the growth of the Personal Support Programme to about 46 000 places as a result of the Welfare to Work and Mental Health Budget initiatives
- improving the performance management framework for the JPET programme and developing stronger linkages with DEWR employment services
- increasing the uptake of all available New Enterprise Incentive Scheme places through a national promotional campaign targeting Welfare to Work job seekers and through improvements in providers' performance
- developing a new memorandum of understanding with CRS Australia and increasing the number of people to be assisted by 15 676 from 1 July 2006 under a new demand-driven stream
- introducing a performance-based funding model from 1 July 2006 for the Vocational Rehabilitation Services delivered by CRS Australia.

