



## Employment Services Reform



# Questions and Answers

## Why reform is needed

### Why is the government reforming employment services?

The Australian Government is reforming employment services to better meet the needs of individuals, employers, communities and the economy.

The current service relies on a one-size-fits-all approach to servicing that does not reflect the diverse needs of people or barriers to work, and does not effectively support employers to meet their workforce needs.

Through reform, the government will create a system that is simpler, fairer and high quality, with employment as the primary goal.

### How can stakeholders contribute to reforms?

The government has released a public discussion paper outlining the proposed framework for future employment services and is inviting stakeholders to provide feedback on its design.

Stakeholders are encouraged to respond to the questions in the paper and share their views on how to create a more responsive and effective system.

Stakeholders can provide submissions through the [Consultation Hub](#) on the Department of Employment and Workplace Relations website. Submissions will help shape the final design of the new employment service.

# Engagement and implementation

## Who are you consulting as you design the system?

Complementing community feedback on the discussion paper, the government is also undertaking targeted stakeholder engagement to inform the final design of the future employment service.

This includes:

- A User Lived Experience Panel to ensure services reflect the experiences of people who use them
- Engagement with First Nations people and organisations to inform culturally appropriate design and delivery
- An Employment Services Advisory Group to provide expert advice
- Targeted engagement with communities and stakeholders on specific policy settings and cohorts.

## Initial investments in the 2026-27 Budget

### What has the government announced in the 2026–27 Budget?

The government has announced a \$312.1 million package of measures to deliver early, significant changes to employment services and undertake detailed design work to develop the future employment service.

This includes:

- \$205.5 million over 5 years to take first steps towards a redesigned, participant-led online service.
- \$27.5 million over 4 years to develop and trial a new initial assessment and triaging process.
- \$52.6 million over 5 years to fund the early targeted rollout of a new intensive service, targeting those with complex barriers to work.
- \$26.5 million over 3 years to increase resourcing for the National Customer Service Line to support job seekers and employers.

These investments are early, significant steps to change employment services delivery and build the foundations of the future system.

# What will change for job seekers

## How will the new service streams support participants to gain employment?

The new employment service will introduce three dedicated services streams to respond to the intensity of support a person needs. This means that people who use employment services will receive support that is better tailored to their needs.

- **Online and brief intervention services** for people closest to the labour market, who will receive targeted support and brief interventions, focused on rapid reconnection to employment.
- **Targeted provider services** for people moderately close to the labour market. People will receive personalised servicing that is focused on active job coaching, employability support, skills development and short-term training opportunities.
- **Intensive services** for people furthest the labour market. People will receive more intensive servicing to support participants to build their confidence, capability and work-readiness over time.

## How will people move between different levels of support?

The new system will include reassessments to ensure people can move between service streams where appropriate, helping them stay connected to the level of support that best meets their needs.

## How will the Employment Goal Plan work?

Employment service reforms will introduce the Employment Goal Plan to set out a clear, personalised pathway to work for each participant, aligned with jobs in their local area.

The plan will bring together a person's employment goals, agreed activities and mutual obligation requirements. For those in targeted provider services or intensive services, providers will work with participants to develop and maintain the Employment Goal Plan, ensuring it is tailored to a participant's individual circumstances and is updated regularly to remain relevant.

## How will mutual obligations change?

The new employment service will introduce a different approach to mutual obligations, where requirements directly support movement towards or into employment.

Requirements will be:

- tailored to individual circumstances and capacity
- aligned to a person's Employment Goal Plan
- different across service streams, reflecting how ready a person is for a job.

## Will services become mostly online?

No. The new online and brief interventions service will be for people who are ready and able to use it, while face-to-face provider delivered support will remain through the targeted provider services and intensive services streams for those who need more help.

# What will change for providers and service delivery partners?

## How will provider roles and expectations change?

The new service will have clearer expectations on providers to deliver high-quality, personalised services and to actively support participants to progress towards and into employment.

The new service will require provider frontline staff to have the skills and capabilities to tailor their services to participants' needs across all streams.

## How will this change the current provider landscape?

We need services that are better aligned to participant needs and local labour market conditions. One way to do this is to diversify the current provider landscape.

Traditional employment services providers will continue to play an important role, particularly for targeted provider services. However, there will be a stronger emphasis on ensuring providers reflect the local communities they service and have appropriately skilled workforces.

For intensive services, there will be a stronger focus on engaging community-based organisations with deep local connections.

## **How will providers connect with broader services?**

Providers will be expected to play a stronger role in connecting participants to other services, including skills and training, health, housing and social supports.

This includes actively coordinating access to local services, rather than simply referring participants, to ensure barriers to employment are addressed holistically.

## **What will change for First Nations participants**

### **How will services be tailored for First Nations participants?**

The new employment service will increase the role of community-based and First Nations organisations, particularly in delivering intensive services, reflecting the importance of culturally appropriate and place-based delivery.

The government will engage with First Nations people through the reform process to ensure services are designed and delivered to be culturally appropriate.

## **What will change for employers and local communities**

### **How will the reforms support employers and local communities?**

Reforms will place a greater emphasis on employer engagement and local labour markets. This includes stronger partnerships with, local, industry and large employers and improved job matching and recruitment support. These changes will make it easier for employers to find suitable candidates and support participants into sustainable jobs.

# When will the reforms come into effect?

## What is the timeframe for change?

Reforms have already been announced, with the first steps announced in the 2026–27 Budget. Implementation of these reforms is now underway.

Throughout 2026, the government will continue to engage with stakeholders to inform the final design of the new service.

To ensure continuity of service, all current Workforce Australia contracts are being extended by 16 months.

## Are there any changes for participants right now?

If you are in Workforce Australia, you will be notified of any upcoming changes before they come into effect. If you have any questions you can reach out to your provider or, if you are in online services, the Digital Services Contact Centre.