Australian Government

Workforce Australia

Targeted Compliance Framework Update Participant fact sheet – October 2026

Resumption of payment suspensions for work refusal failures and payment cancellations for not meeting a reconnection requirement from 26 October 2026

This fact sheet outlines information about the resumption of the following paused elements of the Targeted Compliance Framework from 26 October 2026:

- payment suspensions for **work refusal failures** and
- payment cancellations for not **meeting a reconnection requirement** within 4 weeks.

Prior to the recommencement of these provisions the department removed all mutual obligation failures and lifted all active payment suspensions for participants. From 26 October 2026, Workforce Australia and Inclusive Employment Australia participants who commit a mutual obligation failure have the full benefit of 5 business days' resolution time, followed by the 4-week reconnection period before a payment cancellation may be applied.

Transition to Work participants with mutual obligation requirements, who are not subject to RapidConnect, will have 3 opportunities to attend their initial interview with their provider before any payment suspension is applied. This is followed by the 4-week reconnection period to attend their initial interview before their payment may be cancelled.

This update applies to participants in Workforce Australia Services, Workforce Australia Online, Inclusive Employment Australia and Transition to Work who have mutual obligation requirements. This fact sheet replaces the previous version published on 4 August 2026.

Work Refusal Failure

On 5 July 2025, the department paused decisions impacting a person's social security participation payment for work refusal failures.

What's changing

On 26 October 2026, decisions to suspend social security participation payments for work refusal failures started again.

This means if you don't accept an offer of suitable employment and do not re-engage within the resolution timeframe, your payment may be suspended.

What is a work refusal failure?

If you're receiving a social security participation payment and you refuse or fail to accept an offer of suitable paid work, it's known as a work refusal failure. This includes accepting but not commencing a suitable job.

Decisions to suspend your social security participation payment are based on evidence available to your employment services provider that you have refused an offer of suitable paid work. Your provider must still attempt to contact you to discuss your reasons for not accepting a job.

If you have a work refusal failure, your provider may raise compliance action as a result. Compliance action can include a payment suspension (also called a payment hold).

If you are a Transition to Work participant and have a work refusal failure, your provider may refer you to a Workforce Australia Services provider. The Workforce Australia Services provider may then raise compliance action.

What you will need to do

You must continue to accept offers of suitable work, not just offers in your preferred industry. If you don't accept a suitable job offer, including if you accept it but don't commence the job, your payment may be suspended.

If you can't accept an offer of suitable paid work, you need to tell us straight away. Contact your provider if you have one. If you don't have a provider, you can contact us on 1800 805 260.

Payment cancellations for not meeting a reconnection requirement within 4 weeks

On 24 September 2024, the department paused all decisions to cancel people's social security participation payments due to not meeting a reconnection requirement within 4 weeks.

What's changing

On 26 October 2026, payment cancellations resumed for not meeting a reconnection requirement within 4 weeks after being notified of the reconnection requirement.

This means if your payment is suspended following a mutual obligation failure or work refusal failure, and you don't meet your reconnection requirement or provide a valid reason for the mutual obligation failure or work refusal failure within 4 weeks after being notified of the reconnection requirement, your payment may be cancelled.

What is a reconnection requirement?

If you do not re-engage within the resolution timeframe of 5 business days and your payment is suspended for a mutual obligation failure or a work refusal failure, you will be notified of the need to meet a reconnection requirement, such as submitting more job searches, contacting your employment services provider or the Digital Services Contact Centre.

If your payment has been suspended, the suspension will end and you will receive your payment in full if you do one of the following within 4 weeks of being notified of the reconnection requirement:

- meet the reconnection requirement; or
- provide a valid reason for not meeting your mutual obligation requirements or for not accepting or commencing suitable work.

If you don't meet the reconnection requirement or provide a valid reason within 4 weeks after being notified of your reconnection requirement, your payment may be cancelled.

What you will need to do

You must continue to meet your mutual obligation requirements.

Review your job plan and mutual obligation requirements to understand what you need to do. Discuss your requirements with your provider or the Digital Services Contact Centre if they do not reflect your individual circumstances.

If your payment is suspended, you will receive a message from us about your reconnection requirement. You will need to meet your reconnection requirement within 4 weeks after being notified, or your payment may be cancelled.

If you can't meet your reconnection requirement, you need to tell your Provider if you have one, or us straight away. If you don't have a provider, you can contact us on 1800 805 260.

If you have a valid reason, we may be able to remove this reconnection requirement.