



Australian Government



jobactive

Targeted Compliance Framework

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Department of Employment

NESA Conference: 22-23 August 2017



A snapshot of current compliance

Year to **30 June 2017**

Income support -
payment suspensions:

1.3m

1.23m failed to attend provider
appointments

Over 35,000 failed to attend
activity

1.68 income support payment
suspensions per job seeker

Income support -
financial penalties:

131,300

Over 87,000 received no show
no pay penalties

Over 32,000 received a non-
attendance / reconnection
failure

Over 10,000 received an
8 week non-payment period



A snapshot of current compliance

Year to 30 June 2017

Number of job seekers with
5 or more compliance events:

112,500 (15%)

Compliance Event is any: Pending, Finalised or Invalid NAR; Applied, Rejected or Invalid PAR; Applied or Rejected No Show No Pay, Connection, Serious (excluding CCA), Reconnection or Unemployment Non-Payment Period; Finalised, Applied or Rejected CCA



Changes to the compliance framework

- From 1 July 2018, the Targeted Job Seeker Compliance Framework will:
 - focus resources and financial penalties on job seekers who persistently and wilfully do not comply with requirements
 - provide protection for vulnerable job seekers by ensuring requirements match capabilities
 - replace the current Job Seeker Compliance Framework
 - apply to all job seekers with mutual obligation requirements, excluding Community Development Programme participants



Rationale for change

- The current compliance framework is complicated, and difficult to understand and administer
- Most job seekers do the right thing
- Need real penalties for those job seekers who are wilfully non-compliant or genuinely not looking for work
- Greater protection of vulnerable job seekers assist them to meet their requirements



Benefits of the change

What this means for service providers:

- New compliance framework will be more streamlined and efficient
- No additional administrative tasks for your staff to perform
- Processes will be automated as much as possible to simplify administration
- Greater focus on personal responsibility on part of the job seeker



Providers

- Initial interview with job seeker
- Job Plan negotiated and tailored to job seeker's circumstances

Providers will manage non-compliance using

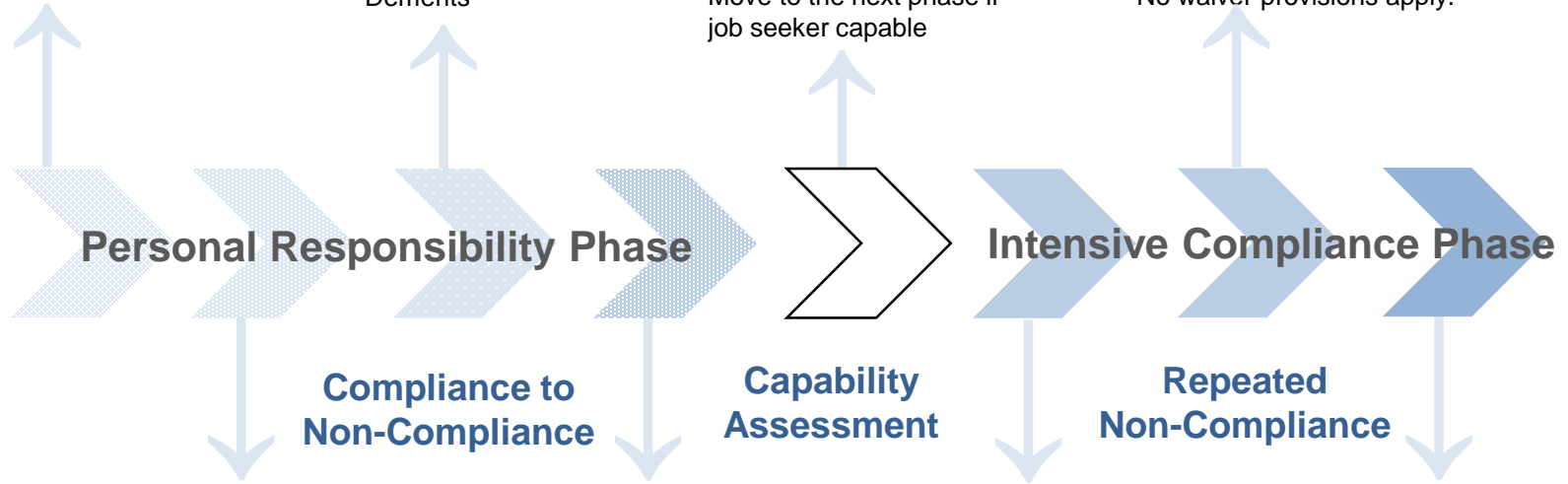
- Payment suspensions
- Non-compliance Demerits

Capability Assessment

- Conducted by DHS after 4 Demerits accrued within 6 months
- Assessed if able to comply with their requirements
- Move to the next phase if job seeker capable

Cancellation/ Preclusion Period

- After third failure without reasonable excuse
- Must serve a four week preclusion period.
- No waiver provisions apply.



Personal Responsibility Phase

Intensive Compliance Phase

Compliance to Non-Compliance

Capability Assessment

Repeated Non-Compliance

Job seekers

- Agree suitable activities in Job Plans
- Record or report attendance
- Maintain contact with provider

Capability Interview

- Conducted by providers after 3 Demerits accrued within 6 months
- Ensures requirements are appropriate
- Reinforces consequences of non-compliance

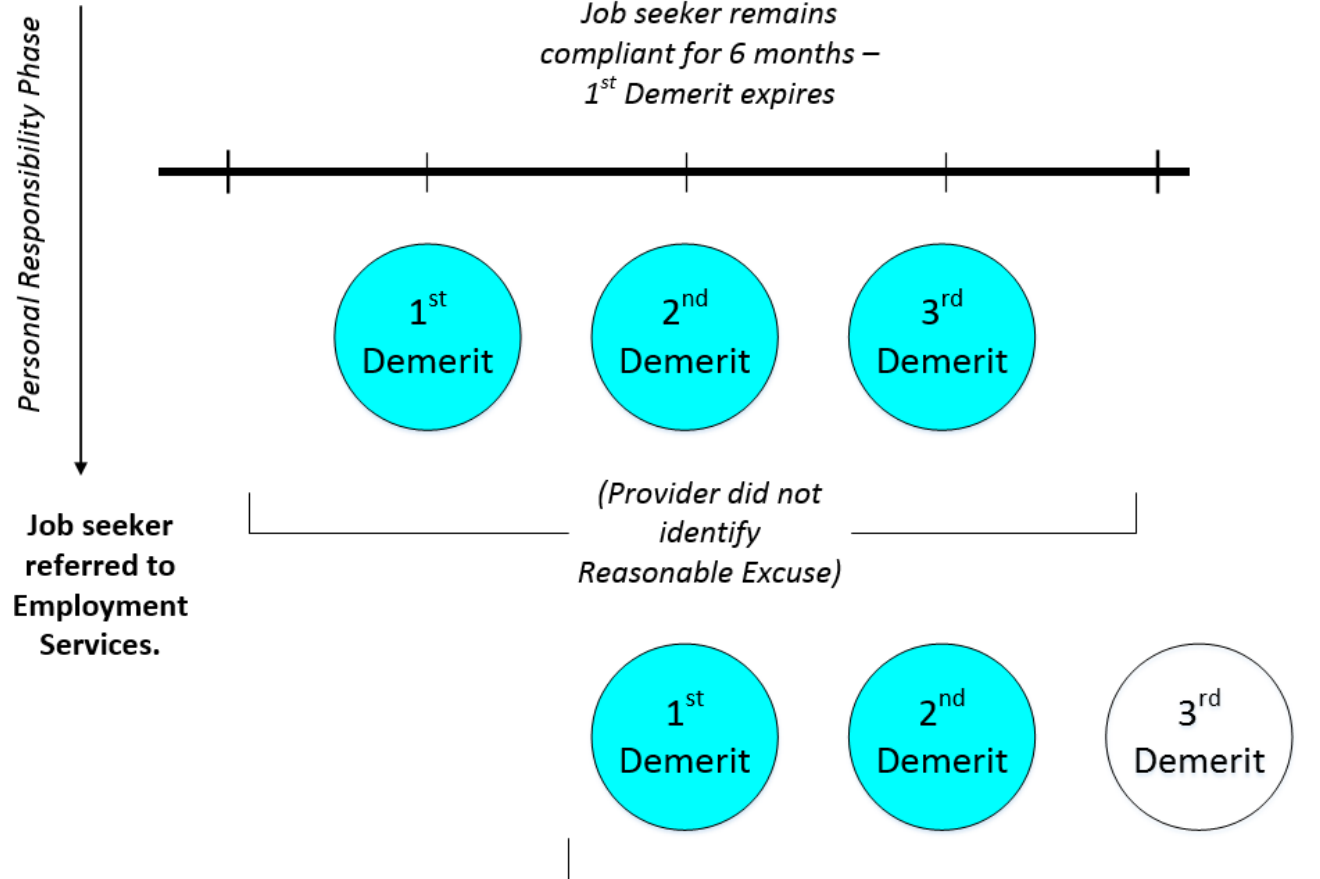
Continued non-compliance

- Fortnightly payment contingent on meeting requirements
- Each failure without a reasonable excuse results in rate reduction:
 - 50% after first
 - 100% after second

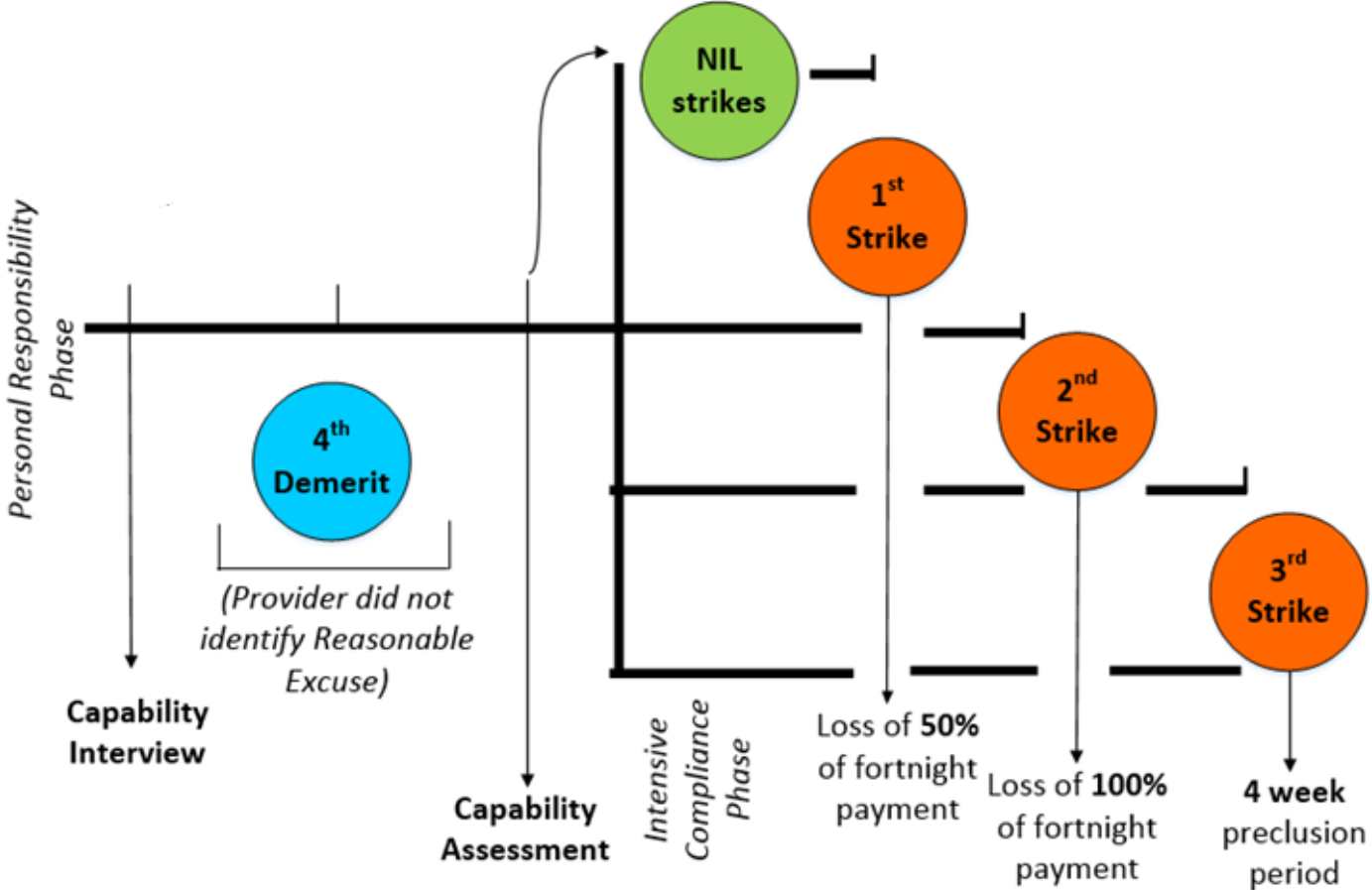
Preclusion periods also apply

- Refusing work
- Voluntarily leaving work, or
- Dismissal due to misconduct

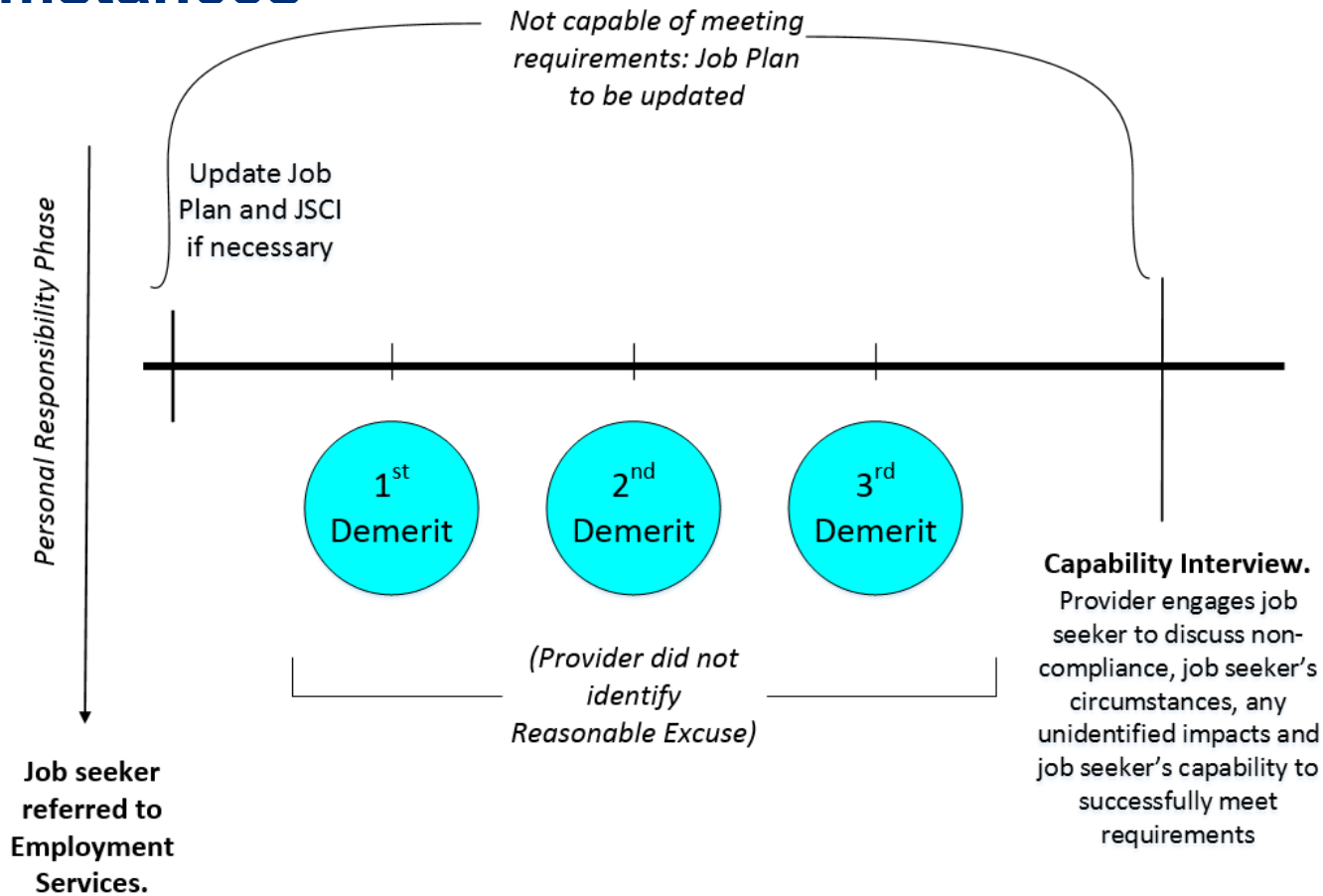
Scenario 1: A job seeker with Demerits



Scenario 2: A wilfully non-compliant job seeker



Scenario 3: Job seeker with a material change in circumstances





Looking Forward

Milestone	Estimated Date
Implementation development	July - November 2017
Co-design / trialling (selected providers)	September – October 2017
Change management sessions	December 2017 – January 2018
Transition advice (providers)	March - April 2018
New compliance framework information for job seekers	April – June 2018
Training sessions	May – June 2018
Pre-post implementation support	June – August 2018
General Deed Variation	TBC
New reports to be available	1 July - October 2018
New framework commences	1 July 2018
Transition period	1 July – 30 September 2018



Questions

Department of Employment:

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