



Australian Government
**Department of Education,
Skills and Employment**

**Deputy Secretary
Mr Nathan Smyth**

Dear Chief Executive Officer

COVID-19 – Mutual obligation and Employment Fund Arrangements

This week has seen a number of major announcements by the Australian Government to support Australians seeking work during the COVID-19 pandemic.

On Tuesday, Senator the Hon Michaelia Cash, Minister for Employment, Skills, Small and Family Business, announced changes to funding arrangements to the Career Transition Assistance Program. This will maximise opportunities for mature age job seekers. Today, Minister Cash also announced further changes to mutual obligations and the Employment Fund. Details of these announcements are available in the Minister's Media Centre at <https://ministers.dese.gov.au/senator-hon-michaelia-cash>.

Mutual Obligations

As a result of the impact of the COVID-19 pandemic, the Government has extended the current suspension of mutual obligation requirements until 22 May 2020. These arrangements will be in place for all jobactive job seekers, New Employment Services Trial (NEST) job seekers, and all participants in ParentsNext and Disability Employment Services.

While mutual obligation requirements remain lifted, there is a great deal of proactive work providers can and should be doing to maintain and build on the relationships you have developed with your job seekers and employers. The department will continue to support your engagement with job seekers through direct messages that encourage them to stay connected with your services to access support and assistance.

jobactive Employment Fund

It is also critical that your teams start to work with the many new job seekers who will flow to your caseload over the coming days and weeks. To support this, I am pleased to advise the Government has announced temporary changes to Employment Fund credit arrangements for Stream A job seekers. These changes mean that, from 4 May until 30 June 2020, the Employment Fund will be credited for new Stream A job seekers when they commence with a provider, rather than after 13 weeks as is currently the case.

This temporary change means providers will be in a better position to support new Stream A job seekers into employment quickly. Many job seekers who are accessing income support for the first time will be work ready, but may need practical help to move into new roles. This could include help to gain a license or qualification, or to purchase equipment in order

to quickly take up a role. The Employment Fund can also be used to help job seekers access mental health and other professional support services during this difficult time.

New Job Seeker Referral Arrangements

As you are aware, the department has been working closely with Services Australia on faster access to income support and streamlined connections to employment services. As I advised in my last Livestream address, new IT arrangements are now in place that allow job seekers to be automatically referred to Online Employment Services. The department has developed business rules to guide the flow of job seekers from Online Employment Services to jobactive providers for servicing. The first referrals commenced on Tuesday 21 April with further referrals scheduled for Thursday and Friday this week.

Going forward, the department intends to process new provider referrals at the site level each Sunday, Tuesday and Thursday night, with job seekers to be available to providers each Monday, Wednesday and Friday. These new arrangements take into account job seeker profiles, as well as existing market share and tolerance arrangements. To help your organisation plan for the increased demand for services, the department will provide estimates of expected weekly jobseeker inflow at the Employment Region level. This will start from Tuesday 28 April and continue as required.

As previously advised, the streamlined income support claim process has reduced the amount of information the department has about each job seeker upon commencement in employment services. Accordingly, the referral processes now in place rely significantly on the information provided by job seekers through the completion of the online Job Seeker Classification Instrument. We will continue to monitor these arrangements, and I encourage you to provide feedback to your Account Managers as needed. A series of webinars for your staff on the referral process will be scheduled for the week commencing 27 April and this will also provide an opportunity to raise questions.

Servicing new jobactive job seekers

While mutual obligation requirements remain lifted until 22 May 2020, as new job seekers are referred to jobactive services we expect that they will be immediately contacted to schedule an initial interview by phone or other online channels. The department has previously published guidance on the Provider Portal covering new flexibilities for initial interview processes (see 'Direction on Face to Face Service Delivery and Alternative Advice').

These interviews are an important opportunity to introduce newly unemployed and highly motivated job seekers to the services your organisation can provide to support them into employment, or with their training and qualification needs.

Update on essential travel letters for your staff

In response to requests from providers and the National Employment Services Association, the department will shortly send each of your organisations a letter for the use of your staff when travelling to work during the COVID-19 pandemic. The letter provides a departmental

contact officer, should further information be required by authorities. It will need to be used in conjunction with a letter confirming that an individual is employed by your organisation.

NEST Financial Viability Analysis

As I mentioned in my Livestream last Friday, the department will shortly be engaging a consultant to undertake financial viability analysis of the new employment services model being tested in the NEST. To help inform this analysis, we are seeking to review provider financial and other records to gain a better understanding of the operating costs of employment service providers.

This will allow a more robust assessment of financial viability matters and improve the evidence base for the department and Government in making decisions about the new model. All information provided will be treated in the strictest of confidence with no individual provider information specified in the consultant's report.

If your organisation is interested in being involved in this analysis, please email Enhancedservices@dese.gov.au, copied to your Account Manager, to register your interest. Please note that registration of interest does not guarantee involvement as the department may select a representative sample depending on the volume of interest.

Office of Australian Information Commissioner (OAIC) privacy guidance

I mentioned last week the importance of ensuring that your staff are performing their duties in line with privacy principles. The OAIC has developed [privacy guidance \(https://www.oaic.gov.au/privacy/guidance-and-advice/coronavirus-covid-19-understanding-your-privacy-obligations-to-your-staff/\)](https://www.oaic.gov.au/privacy/guidance-and-advice/coronavirus-covid-19-understanding-your-privacy-obligations-to-your-staff/) for agencies and private sector employers to help keep workplaces safe and handle personal information appropriately as part of the COVID-19 response. I would encourage you and your teams take the time to look at this very important guidance material.

Finally, I would like to thank those providers who have taken the time to contact the department with updates on the work they have been doing to support job seekers, and to offer feedback including on their success in developing new ways to service their caseload.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Nathan Smyth', with a large, stylized flourish at the end.

Nathan Smyth
22 April 2020