

NESA has continued to engage with members to understand the continued impacts of COVID-19 on provider operations.

Providers are pleased to see some of the implemented changes that enable flexible service delivery however continue to report there are a number of high priority issues and challenges.

## ***General operations***

- Providers have responded and implemented flexible working arrangements to ensure staff and job seeker safety during this pandemic. Some providers have mobilised their entire workforce to work from home, others have consolidated site operations by having all staff operating out of larger sites only, whilst others have implemented alternating rotating rosters enabling staff to work both from home and onsite on different days.
- In cases where majority of staff are working from home, reports indicate these arrangements are going well.
- The temporary flexible operational modifications the department has put in place have been well received, for example, arrangements for completing Job Plans online. Providers have noted these changes have been practical and straight forward to implement.
- Job seekers continue to access sites where available to utilise facilities such as computers, telephones, printers etc.

## ***Job Seeker Referrals – General Observations***

- Job seeker referrals are flowing through, some providers are surprised and pleased to see higher than anticipated referral numbers. Whilst others report definite fluctuation of referrals across sites, noting sites in metro areas have increased referral numbers whereas other sites are seeing one or two referrals. Some sites are yet to receive any referrals.
- Stream allocation is variable, most providers report receiving higher Stream A referrals, others note they are seeing typical stream allocation proportions. Some providers have observed higher Stream B and C referrals in more challenging geographical areas and higher Stream A referrals in other comparative geographical areas.
- Some reports indicate less referrals in areas with well-established labour markets.
- Providers have noted in the New Employment Services Trial (NEST) regions there seems to be larger referral numbers to online employment services. Providers are curious to understand if this is circumstantial or intentional to gain additional data in relation to the NEST.
- Insight and transparency around the referral methodology and its application would be beneficial in assisting providers to understand referral flow. It is unclear if allocation is based on provider performance, location/postcode, job seeker choice or a mix of these factors. It is also unclear to providers if referrals are new job seekers entering services for the first time or are being referred as they have completed their mandatory 12 months in another program, such as the SEE program and are now eligible for service. Transparency into these arrangements would be beneficial.
- Acknowledging there are IT components currently being built, providers have raised concern about the timeframe and number of referrals to Disability Employment Services (DES) and Transition to Work (TTW).

## ***Job Seeker Referrals – Stream A***

- In the CEO Livestream 24 April 2020, the department advised providers the job seeker service clock begins upon commencement with a jobactive provider. Anecdotally providers report they provide a significant level of service to Stream A job seekers, although barriers to employment appear less complex and motivation to seek employment is higher this support is not compensated financially if a Stream A job seeker is placed into

employment before they have been in active service for 91 days. Allowing the service clock to commence whilst a Stream A job seeker is pending referral to a jobactive provider and engaged in online employment services would reduce the initial service period enabling providers to claim eligible outcome payments.

### ***Job Seeker Referrals - Assessments***

- Providers are keen to understand from the department if the self-administered Job Seeker Classification Instrument (JSCI) assessments are working as expected, particularly for specific cohorts such as Indigenous and CALD job seekers. Following the initial referral process some providers anticipate a significant amount of time will be allocated to updating self-administered JSCI's as job seekers may be apprehensive to declare sensitive information via an online government platform therefore inhibiting disclosure.
- The Department of Social Services (DSS) have recently advised there are currently approximately 18,000 job seekers requiring an Employment Services Assessment (ESAt). Noting there are pre-existing assessment challenges such as, appointment availability, high volumes of phone assessments, challenges in providing documentary evidence to assessors; Providers are keen to understand what arrangements are in place across all programs to manage the increased need for ESAt assessments.

### ***JobKeeper payment***

- Providers report they are actively promoting JobKeeper payment to employers and can support them to work through JobKeeper arrangements. In some circumstances this has resulted in employment retention. For some industries, such as hospitality and tourism, JobKeeper payment is not a suitable solution as a lot of these businesses have closed (particularly in tourist hotspots) and as these industries are also typically casual and transient in nature they do not meet the JobKeeper payment eligibility requirements, for example, duration of employment for more than 12 months.
- Providers note they could assist job seekers to accurately report JobKeeper payment to Services Australia if they had operational details around the job seeker income reporting process for this payment.
- Utilisation of JobKeeper payment to support the sector is varied due to different thresholds for eligibility and the pay for performance contract arrangements. Some providers have been approved whilst many others continue to work through eligibility for their own organisation. As the COVID-19 situation continues to change providers continue to evaluate and make decisions around suitable staffing arrangements.

### ***Financial***

- Although most providers are reporting increasing referral numbers, they do not anticipate these will be sufficient to continue with business as usual arrangements under the constraints of the current jobactive financial model. Providers request the department reconsider previous decisions, for example, allowing partial 26 Week outcomes, allowing outcome payments for Stream A job seekers placed into employment before 13 weeks.

### ***Impacts due to ESSWeb issues***

Inaccuracy of job seeker earnings/income support data displayed in ESSWeb remains a major concern for providers. This data has been compromised since 26 March 2020 due to relaxed job seeker reporting requirements and a number of technical issues with the Job Seeker Rate Reduction Result (JRRR) data which is sourced from Services Australia and displayed in ESSWeb. These issues appear to coincide with the transition to the Job Seeker Payment and remain largely unresolved. Providers have been advised not to claim these outcomes until the issues are resolved and/or further advice is issued. NESA acknowledges that the EAKB KE4213\*: Transition to the Job Seeker Payment – Employment Outcomes provides advice on the 'split fortnights' issue but requests that more information be provided with regards to the other issues:

- Key areas for communication include:
  1. Split fortnights with all reported income being in the system allocated to a period within the fortnight resulting in incorrect 'Non-Payable' results.

2. 4 Week Outcome claims being offered prior to the completion of 2 fortnights (For example, Start Date + 20 days)
  3. Records showing 100% reduction in the basic rate of income support when minimal/nil casual income has been declared
  4. Overlapping of DES Outcome Periods
- NESAs notes that while a fix is scheduled for 29 April 2020, providers are keen to understand what this fix will address i.e. points 2, 3 and 4 above. Providers are concerned that 'split fortnight' outcomes will require a Pay Slip Verified Outcome rather than having the data corrected to allow for auto-claiming.
  - Providers are concerned at the lack of information regarding JRRR issues and NESAs requests the department publish detailed advice that addresses the multiple issues and outlines the causes of the problems, when a fix is scheduled to be implemented, and what the fix aims to do. Further advice will provide some assurance to providers and alleviate some of the pressures on the Help Desk.
  - As the JRRR is utilised in other programs such as DES and CDP, it would be beneficial to recognise that the JRRR issues impact on programs other than jobactive. Currently the EAKB KE244 Line 18 and 21 refers to JRRR issues as jobactive issues – the issues impact on multiple programs.
  - NESAs has continued to work with the IT team and is pleased to be informed the batch processing for SUB122 will now align with the new referral lists in ESSWeb. Providers acknowledge the release of the QLIK App has assisted by providing a reporting tool that enables them to reconcile new referrals between reports and the transaction system.

*\*In future could important advices such as these please be supported with ESSWeb and Provider Portal notices.*

### **Extended Mutual Obligation Extension**

- All providers report further extension of Mutual Obligation requirements will continue to negatively impact provider engagement with job seekers.
- Concerns around ending the temporary Mutual Obligations arrangements have been raised. Providers note it will take time to fully re-engage job seekers back into the system and anticipate a period of increased levels of aggression and abuse towards frontline staff and evasive behaviour to avoid engagement. This was the case following the cessation of the blanket Bushfire Contingency arrangements.
- Providers agree there needs to be an element of Mutual Obligation during this period as they feel it will make re-engagement post COVID-19 easier if job seekers are already in the mode of undertaking basic activities. For example, 1-2 job searches per week, phone contacts with providers even for basic welfare checks. To be clear, no one is seeking to have financial penalties imposed but are looking for opportunities to implement strategies that would ease the transition out of the current temporary Mutual Obligation arrangements and back to business as usual.
- Since the implementation of the Targeted Compliance Framework (TCF) and "Personal Responsibility", a significant amount of time has been invested in developing relationships and rapport with job seekers in order to minimise or dispel the notion of the "big stick approach" for non-compliance. Providers do not want to see this work undone or undermined as a result of extensive periods of allowable disengagement.
- The timing of the extension announcement was not appropriate. Extended Mutual Obligation arrangements were posted publicly on Facebook before CEO's had received formal written advice from the department. Timing of communications and announcements between the sector and other key stakeholders such as Services Australia need to be better coordinated.

### **Job Seeker Engagement**

- Providers report increased levels of abuse from job seekers when they are attempting to remain in contact or introduce themselves and establish relationships with new job seekers by phone.
- Early reports indicate improved messaging from Services Australia to new Income Support Recipients during the Income Support application process could encourage basic engagement. New job seekers are bluntly stating they are "not required to comply" as they "have no Mutual Obligation requirements".

- A large proportion of job seekers are refusing suitable jobs in lieu of the combined Job Seeker Payment and temporary COVID-19 Supplement.
- Providers are looking at alternative engagement arrangements such as using online meeting platforms to engage groups of job seekers to undertake job search training and other intensive group activities in order to be job ready.
- Some regional providers note they are ringing job seekers more than ever to check in and minimise isolation. This support has been well received.
- In some areas with higher CALD communities' providers are experiencing higher engagement from CALD clients. When new messaging is sent out from the Department or there are changes announced in the media, they attend the site to speak to someone face-to-face to understand the changes. Anecdotally, this cohort are more accepting of suitable job offers.

### ***Placements and Outcomes***

- Providers continue to report they are actively seeking and obtaining employment opportunities. Providers report "there are vacancies out there".
- Employer engagement and placement rates are being negatively impacted. Providers report challenges in compelling job seekers to accept suitable work as they understand they do not have Mutual Obligation and are therefore not required to accept suitable work or engage in interviews under the current temporary arrangements.
- Providers continue to claim eligible outcomes however, as expected, placement retention has dropped. Placements were tracking well through to mid- late March but have fallen over in April.
- Drops in employment retention rates can partially be attributed to loss of employment however NESAs continues to hear of an increasing and alarming trend where employed job seekers are quitting stable employment in order to receive the temporary Job Seeker payment and COVID-19 Supplement. A provider reported 6 - 7 employed job seekers working for the same employer quit at the same time severely impacting business operations. Reports of similar circumstances (in varying degrees) have been reported by all providers NESAs has spoken with.

### ***Employability Skills Training (EST)***

- Providers report difficulty engaging job seekers to complete EST online. Although providers can offer EST online as an alternative to attending in person, the level of engagement is simply not there (some providers report drops of around 60%). There are concerns penalties may be retrospectively applied in the future as a result of decreased referrals due to circumstances that are mostly out of provider control. Further considerations, guarantees and advice around treatment of EST engagement and performance are needed.

### ***Career Transition Assistance (CTA)***

- Some providers have raised concerns about CTA engagement as outlined in recent announcements. As the program is designed to support Mature Age job seekers to develop digital literacy skills providers are concerned participants will face immediate barriers to online engagement as they will not have the skills to do so.

### ***Work for the Dole (WfD)***

- A number of WfD activities have ceased as a result of COVID-19 and the future of some activities that are still operating are in doubt. Providers note there are a number of great local community initiatives which are critical during this time, such as community pantries. Providers have reported the uncertainty around when activities are likely to resume is impacting decision making processes. For example, in cases where lease arrangements are coming to an end providers are unsure if they should renew them at this stage. These activities remain in doubt without further advice or guarantees from the Department.

### ***Star Ratings and Performance***

- Providers report the appropriateness of Star Ratings analysis and overall performance need to be reviewed. In light of COVID-19 and the Bushfire Crisis the validity and relevance of performance measures following these significant events are in question.

### ***Transition post-COVID-19***

- Mental health is a significant concern across the sector, providers anticipate a large recovery process post COVID-19 for staff as well as employers and job seekers.
- Although there is uncertainty about when the pandemic will end some providers are anticipating arrangements and requirements for when sites are officially reopened. Some providers are considering and implementing site modifications including adding plexi-glass barriers and other physical adjustments to ensure social distancing and safety.
- Providers are querying what the state of the sector will look like in 6, 9, and 12 months. It may be too premature at this stage however any research insights or future forecasts would be valuable to the sector.