



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

**Deputy Secretary  
Nathan Smyth**

Dear Chief Executive Officer

**COVID-19 – Gradual Return to Mutual Obligation requirements.**

Today, the Prime Minister, the Hon Scott Morrison MP, announced the next phase of the reintroduction of mutual obligation requirements will commence from 4 August 2020.

From that date, in addition to attending provider appointments, job seekers are expected to agree a Job Plan, undertake job searches, and attend activities where it is safe to do so and in line with directions from the department on face-to-face service delivery. As is currently the case, job seekers will not be subject to payment suspensions or financial penalties if they do not complete these requirements.

However, the Australian Government expects job seekers who are in receipt of income support to be willing to accept any offer of suitable paid work.

From 4 August 2020, mutual obligation arrangements will apply for work refusal. This means that where a provider assesses that a job seeker fails to accept a suitable job offer or commence in a suitable job, without a reasonable excuse, the matter will be referred to Services Australia for a determination. If Services Australia determines the job seeker does not have a reasonable excuse for refusing the job offer, the job seeker's payment will be cancelled, and the job seeker may serve a four-week preclusion period.

Job seekers will be directly notified of these arrangements over the coming week.

Noting the continued impact of COVID-19 on specific communities I ask that you continue to take local health advice into consideration and use your discretion in making decisions on mutual obligation requirements. Special Circumstances Exemptions continue to be available through Services Australia for jobseekers who require them – including those directly impacted by COVID-19.

The final stage of the reintroduction of mutual obligation requirements, currently scheduled from late September, will be informed by health and other advice. At that time, it is likely that all compulsory mutual obligation requirements, together with compliance action for failure to participate, will be reintroduced. Further information will be provided closer to this date.

Current arrangements in place for the ParentsNext program remain unchanged.

The department acknowledges the challenging environment providers are operating in and will continue to work with you to support job seekers back in to work as swiftly as possible in order to help the Australian economy recover.

Information about the further gradual return to mutual obligation requirements will be published in a notice on the Provider Portal. Fact sheets, task cards and other support products will be published and provider webinars will be delivered over the coming weeks. Providers can also contact their Account or Contract Managers if they have any queries.

Yours sincerely



Nathan Smyth

21 July 2020