

Letter to the Editor

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Rick Morton's recent piece "Exclusive: Jobactive virus kickbacks top \$500 million" (August 29–September 4) misrepresents the payment system and failed to mention the many integral functions job providers deliver to unemployed Australians, including helping them to access mental health services, upskilling, retraining and other material support.

In the story's lead, Morton referred to the "lucrative payday" when Minister Michaelia Cash made a \$100 million advanced payment of administration fees to employment providers. Morton failed to mention that, as an advanced payment, the money was required to be paid back to the government within six weeks. It was not extra funding.

On administration fees: the government fee equates to \$10 a week for supporting one jobseeker. No organisation could survive on that amount. More than 70 per cent of funding to employment providers is from the "outcome fee", which the government pays employment providers when jobseekers get into work. Outcome fees are the basis of the sector's viability, not a "kickback".

The employment services sector, which itself employs 26,000 Australians, is not "booming" but facing uncertainty as jobs for our clients become few and far between.

During Covid-19 the government has placed 400,000 job seekers onto a new online employment platform where there is no needs assessment occurring and no personalised support. Jobseekers are parked in digital nowhere land where their needs aren't being assessed. That's the story journalists should be focusing on.

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