# Changes to Mutual obligations 2024-

February 2025



## Structure

- Parents Pathways Program (replaced ParentsNext in November 2024)
- New Disability Employment Program (NDEP) (commences 1 July 2025),
- Remote Jobs Program, Remote Jobs Economic Development Program, Remote Employment Services (from 1 July)
- Workforce Australia budget changes to Mutual Obligations, exemptions etc
- the revamped Complaints Service for employment services (commenced 1 December 2024);
- a legislative issue affecting the cancellation of payments under the TCF; and
- EJA's involvement in government consultation processes related to the above and future mutual obligation reforms.

## Parents Pathways (replaced ParentsNext Nov 2024)

- Change to providers in some locations only one provider per region
- Voluntary for recipients of PPS, Carers, and YP under 21; ESLs and First nations (not on benefits)
- Size reduced from approx. 95,000 to 20,000 participants per annum
- Parents with children up to age 6 and limited scope for volunteers



#### **Changes to requirements**

- No compliance and no longer do fortnightly reporting (unless required because working)
- Transferred to Workforce Australia when youngest child turns six
- Requirements for parents with children aged over 6 have not been affected
- More info: <a href="https://www.dewr.gov.au/parentpathways">https://www.dewr.gov.au/parentpathways</a>

# Remote Employment Services (CDP)

- \$707 million into the Remote Jobs and Economic Development (RJED) program, which will initially create 3,000 jobs over the next three years.
- Jobs proposed under the RJED program will support community priorities and be a new position that cannot be supported through other government funding.
- CDP will continue 30 June 2025 before a new Remote Employment Service begins on 1 July 2025



#### **Requirements in Remote Employment Services from 1 July**

- Appointments are mandatory and can incur temporary payment suspensions No Show No Pay Penalties are rarely applied – Do not have TCF
- Mandatory activity after 2 years



## The New Disability Employment Program (NDEP)

- New provider announcement in mid March
- Will be movement of participants from providers and potential reduction in providers overall
- Transition period for participants from May-(letters re change of provider)
- Retention of ESAs versus Workforce Employment Regions; some specialists
- Confusion between Disability or Workforce providers (same Apps, branding etc)

#### **New requirements:**



- 'Meaningful engagement' vs minimum job search ie 12 not a MO failure
- Mandatory requirements when failed to meet meaningful engagement
- (frequent) Appointments mandatory but no activities e.g. Work for the Dole



No points model

## Workforce Australia (and general)



Remove ability to self-accept penalties 12 October/March 2025.

Payment suspensions - Increase to resolution time from 2 28 October 2024

to 5 business days

PBAS for appointments Manual process

Manual process already in place, system support from December 2024.

Removing time limits on temporary medical exemptions 1 January 2025

No demerits or suspension for first instance of noncompliance

No compliance for not attending appointments when working 30 hours per fortnight

Provider staff can recommend removal from Penalty Zone

March 2025

Aligning 'fully meeting' criteria

Extend 'fully meeting' to Carer Allowance recipients

April 2025



PBAS 40 point credit for Carer Allowance recipients

# **New Complaints service**

#### All employment services



- CLCs can now advise people to make complaints,
- Improvements callers are not directed back to provider in first instance
- Formal logging and follow up; implementation of Ombudsman's best practice recommendations
- Quarterly reports
- Consideration of how to use complaints in the performance framework

Discussion paper closed 8 Feb – EJA submission

Recommendations summary: expand the service to ensure ALL complaints are handled transparently and properly (including those received directly by providers)

## **Targeted Compliance Framework issues**

Exclusive: Ten dead after welfare glitch ignored by government | The ...



3 days ago ... "The **TCF** is very complex, integrated with other social services systems and major reform would require significant IT resources and legislative ...

Exclusive: JobSeeker payment system errors prompt review | The ...



7 Dec 2024 ... Failure to do so results in penalties, meted out through the Targeted Compliance Framework (**TCF**) – a complicated traffic light system of ...

## **Targeted Compliance Framework issues**

- TCF 'glitch' repayment process in July 2024
- Additional process issues identified the 42AF 'may' instead of 'must' issue
- Back payments via CDDA because outside of 13-week period
- Appointment of Deloitte (\$500k) to undertake audit of business rules, IT system, and legality due to complete by May 2025
- EJA part of DEWR stakeholder reference group scrutinise the processes



## What we are doing in 2025

#### Focus on administrative justice by:

- Monitoring complaints and review of TCF legality
- Contributing to stakeholder group for (another) new employment services model, likely to include 'mutual obligation policy'
- EJA mutual obligation policy network including orgs representing lived experience
- Drawing on views of members e.g. complaints issues paper

#### Other priorities:

- Disproportionate impact of compliance penalties and incomplete requirements for some people reflecting structural injustice
- Improve access to human review of decisions including automatic suspensions



## More info:

Simone or Veronica @ejaustralia.org.au

#### **Saturday Paper:**

- Exclusive: Ten dead after welfare glitch ignored by government
- <u>Exclusive: JobSeeker payment system errors prompt review</u>
- Exclusive: Welfare payments cancelled unlawfully

#### **EJA submissions and briefings:**

EJA RESPONSE TO DEWR DISCUSSION PAPER ON EMPLOYMENT SERVICES COMPLAINTS SERVICE | ECONOMIC JUSTICE AUSTRALIA

SUBMISSION TO THE NEW SPECIALIST DISABILITY EMPLOYMENT PROGRAM

PBAS & INCOMPLETE POINTS: THE POINTS EXPERIMENT HAS FAILED

LEAVING PEOPLE WITH NOWHERE TO GO: EJA ISSUES PAPER ON COMPLAINTS PROCESSES IN EMPLOYMENT SERVICES

THE BIG LITTLE TARGETED COMPLIANCE FRAMEWORK SYSTEM GLITCH YOU NEVER HEARD OF

