

Key Training Centre Incorporated trading as Job Futures Tasmania.

Submission into “How Employment Services can be improved”.

About Key Training Centre Inc trading as Job Futures Tasmania

We are a community organisation that has been delivering Employment Services for over 20 years. We deliver Job Network through our membership of Job Futures and we deliver the CWC contract in our own right. We deliver CWC across all three ESAs of Tasmania, and Job Network in the Hobart ESA.

Submission

In the following submission we would like to comment on the minimisation of time and money spent on administration and we have not dealt with the other items in your letter as we believe that they would be more than adequately covered by the majority of submissions you receive. What we would like to bring to your attention is how the Government can save money.

Community Work Coordinator

Currently people who complete their Work for the Dole activity are entitled to spend up to \$800 of Training Credits. This is a duplication of the money that is available to these same job seekers from their Job Network provider through Job Seeker Account. It is hard to determine the current take up rate as the reports are not available, but the Department is always raising the issue of the poor take up of training credits with CWCs.

There surely is a way that the Department can investigate this and make savings.

There is also the recently introduced Training Incentive Fee (TIF) of \$500 that is paid to CWCs for every participant that provides evidence of their commencement in accredited training. The TIF is paid regardless of the funding source of the training (Job Seeker Account, Training Credits, and Work Skills Vouchers etc).

The previous Government was concerned about the take-up of Training Credits and decided to introduce the TIF to encourage CWCs to ensure that participants used their Training Credits. From our point of view, this is a total waste of money as part of the CWCs job is to encourage participants to use Training Credits and is another administrative burden for us and the Department.

Some of the savings made out of these two areas could be added to the Job Network's Job Seeker Account and part to increasing the amount that WFTD sponsors receive.

Job Network

Under the Job Seeker Account JN providers are able to pay wage subsidies. Another recent introduction was Wage Assist, a separate pool of funds available for the exactly the same purpose. Wage Assist is allocated for the VLTU but we, like other JN members were paying 'normal' wage subsidies from the Job Seeker Account. This needs to be investigated as it is another duplication of funding and administration. From the savings made consideration should be made to putting additional funding into the Job Seeker Account specifically for VLTU/ISca2 clients.

Employment Preparation

This is almost identical to Job Search Training. Once again this was introduced by the previous government to target a section of the JN client group but is a duplication of the service (JST) already available. Again this created more administration and staff training for both Job Network providers and the Department.

Compliance

I understand that it is the Government's and the Department's responsibility to ensure that taxpayers monies are spent correctly. It appears that this responsibility has been used to increase the size and therefore the cost of running the Department.

The Department has extremely sophisticated IT systems to monitor compliance as well as an increasingly large number of staff. When Job Network first started the Department worked on a risk management model and worked very hard on the partnership model. Then progressively over the years we have seen the levels of compliance imposed on JN members to such an extent that on average all Job Network staff spend 25% of their time related to contract compliance. This costs Job Network providers and the Department and detracts from ours and the contract aim of getting people in to work.

Martin Titherley
Chief Executive Officer
JOB Futures Tasmania

12th February 2008