

# Submission to the Workforce Australia Inquiry

## Table of Contents

<i>About Per Capita</i> .....	5
About the author .....	7
Acknowledgements.....	7
<i>Overview: The road to reform for employment services</i> .....	9
<i>Features of a roadmap for reform</i> .....	14
Meeting the reform challenge .....	15
<i>Recommendations</i> .....	16
1. Policy objectives for employment services - realised in action .....	16
2 and 3. An operating structure that ensures integration and support for local responses.....	17
4. Identifying and responding to the needs of jobseekers.....	18
5. Choice in the kinds of assistance .....	18
6. Helping jobseekers into secure jobs.....	18
7. Meeting employers' needs.....	19
8 and 9. Mutual obligations and activation, compliance and enforcement .....	19
10. Oversight, quality and assurance .....	19
11. Research data and reporting .....	20
<i>The role of case studies in the argument of this submission</i> .....	21
<i>Features of a failing system</i> .....	23
Putting commercial interests above jobseeker interests .....	23
The case of Employability Skills Training and upfront fees .....	24
The decline of system expertise .....	26
Failure to use jobseeker expertise .....	28
Indeterminate value and deadweight costs.....	29
Who is in charge? The cost of fragmentation to employers and jobseekers .....	30
1. <i>Policy objectives for employment services</i> .....	31
The underlying policy objectives for employment services to date.....	32
The slide from broad policy to the devil in the detail of delivery .....	33
The imperatives for government to resume ownership of strategy and delivery.....	34

How to make policy objectives for employment services meaningful .....	34
Policy objectives should show who owns the work and is accountable for it.....	35
<i>2. The best operating structure for employment services .....</i>	<i>38</i>
<i>3. Integration and support for local responses.....</i>	<i>38</i>
Big spending on mandated activities for jobseekers, little on local system coordination.....	38
Public sector strategy and coordination in the public interest.....	40
Evidence-based procurement and spend responsive to local conditions .....	41
<i>4. Identifying and responding to the needs of jobseekers.....</i>	<i>43</i>
Recognition, respect, and rights .....	43
Assessments should be for so much more than rationing services.....	43
Other valuable information to discover about people's needs.....	44
Improving options that can better meet needs.....	45
Determining who should have modified compliance .....	46
<i>5. Enabling choice in the types of assistance .....</i>	<i>48</i>
How the Job Plan and compulsory job search confuses choices.....	48
There is limited information about job options.....	50
A competitive training system also confuses.....	51
What gets onto the menu of options for PBAS? .....	51
Local mapping and coordinated communications to inform choice is needed .....	52
Case studies to learn from .....	53
<i>Case studies.....</i>	<i>55</i>
1. Multi-industry pre-apprenticeship program .....	55
2. Agribusiness placements brokerage to try skills and jobs pathways .....	56
3. Multi-industry social enterprise employment program.....	57
4. Social enterprise employment trial of payment by outcomes.....	59
5. Not for profit labour hire .....	61
6. Centres for Work and Learning .....	63
7. Adult foundation skills linked with community projects .....	64
8. Community volunteers explaining what their job involves.....	65

<i>6. Helping jobseekers into secure jobs</i> .....	68
Insecure work makes reliance on JobSeeker Payment more enduring .....	68
Skill level mismatch limits job access and threatens job security .....	69
Employers' reluctance to commit to workers - and industry patterns.....	69
What the case studies in Section 5 showed .....	71
<i>7. Meeting employers' needs</i> .....	72
Principles and case studies for better practice .....	73
The potential of a not-for-profit labour hire model.....	73
Employer demand-side innovation work .....	74
Less sales pitch to employers, more listening and learning is recommended .....	76
<i>8. Mutual obligations and activation</i> .....	79
<i>9. Compliance and enforcement</i> .....	79
How the PBAS and TCF can be counter-productive .....	79
Work For the Dole converted to Work for the Community - with wages for the duration .....	81
Engaging community organisations with more to offer than attendance reporting.....	82
<i>10. Oversight, quality, and assurance</i> .....	85
Who gets to define "quality" and "performance"? .....	85
<i>11. Research, evaluation, and adaption</i> .....	89
A Department evaluation strategy and more public data to improve accountability.....	90
Missed opportunities to learn about needs, define success, and improve practice .....	92
IT system capability could be turned towards R & D, instead of compliance .....	93
The privatisation of social impact reporting for business development.....	94
The siloed nature of data across federal and State governments.....	95
The last word: Who gets a say in what counts? .....	97
<i>Bibliography</i> .....	98
<i>Appendix 1</i> .....	102
<i>Appendix 2</i> .....	104

## About Per Capita

Per Capita is an independent public policy think tank. We work to build a new vision for Australia based on fairness, shared prosperity and social justice.

Our office is located on the stolen lands of the Wurundjeri people of the Kulin Nations, which were never ceded. We strongly support the Uluru Statement from the Heart and the call for a First Nations Voice to Parliament.

Per Capita's research and policy prescriptions are rigorous, evidence-based and long-term in outlook. All our publications and activities are intended to deepen political, social and economic democracy, and we are focused on challenges for the next generations rather than the next election cycle.

## Our approach to public policy

Per Capita's approach to public policy challenges the dominant narrative that disadvantage arises from personal fault or failure by pointing out the policy choices that have deepened inequality and proposing alternative choices that will lessen it.

Our policy analysis and recommended solutions seek to recognise the challenges, and work within the complex economic, political and social conditions, of our age, such as:

- The impact of rapid climate change and extreme weather events;
- Growing economic inequality, with increasing returns to capital and a decline in returns to labour;
- The growing difficulty of accessing good jobs, adequate income support and secure housing; and
- The negative effects of privatisation and the deliberate shrinking of essential public services.

In doing so, we strive to incorporate new thinking in social science and economics, innovative ways of working with data, and effective evaluation tools to measure outcomes. We also engage actively with organisations across society, including the union movement, civil society, the community sector, academia, business, government and the public service, and social change movements.

In all our work, we seek to understand and highlight the experiences of those who bear the brunt of the effects of policy choices that exacerbate inequality, including underpaid and exploited workers, people who can't get a decent job, women, First Nations people, members of the LGBTQ+ community, people with disability and their carers, migrants and

refugees, and others who are marginalised by our economic and social structures and denied their fair share of power and resources.

### *We live and work in hope and solidarity*

The democracy Per Capita works for is one that shares its knowledge, wealth and power, to ensure all its citizens can live meaningful and fulfilling lives, able to take care of each other and of our shared planet.

### About the author

Dr May Lam has worked in policy, research and strategy in the education, employment and training fields for 30 years. She worked for 14 years at the peak body Jobs Australia, where she was Policy Manager and Deputy CEO, and for a year as a senior policy advisor at the National Employment Services Association. She has worked for the Brotherhood of St Laurence, Jesuit Social Services, Social Traders, and in the UK for Ingeus, a private provider of employment services and on secondment to the UK Department of Work and Pensions. Her policy discussion paper called *Choice and voice in welfare reform* (2008) focused on what we can learn from people compelled to participate in government-funded employment programs. Other interests and experience include social innovation design, philanthropic funding, and social impact measurement and reporting.

### Acknowledgements

We thank Peter Defteros, Lisa Fowkes, Wilma Gallet, George Giuliani, Jo Ingold, Toby O'Connor, Sue Olney, Michael Pegg, Victor Quirk, Barry Sandison, Jo Tabit, Linda Thompson, and Gary Workman, all of whom shared their valuable experience and research insights related to employment services and its need for reform. Their discussions with us do not mean they share Per Capita's policy position or the recommendations in this submission.

This submission is also informed by presentations and discussions at a two-day workshop called *New Digital Governance in Welfare-To-Work*, Melbourne University, February 15 and 16, 2023.

We thank James Button for editing this submission.

Some case studies are included in this submission. We thank the organisations who provided information or otherwise checked our accounts of their work. The case studies describe:

1. Apprenticeship Employment Network - *Multi-industry pre-apprenticeship program*
2. Australian Training Company- *Agribusiness placements brokerage to try skills and jobs pathways –*
3. YMCA Victoria and Green Collect - *Multi-industry social enterprise employment program*
4. White Box Enterprises (Lead org - *Social enterprise employment trial of payment by outcomes*
5. Given the Chance (Brotherhood of St Laurence) - *Not for profit labour hire*

6. Brotherhood of St Laurence - *Centres for Work and Learning*
7. Centre for Continuing Education - *Adult foundation skills linked with community projects*
8. Schools Industry Partnership - *Community volunteers explaining what their job involves*



## Overview: The road to reform for employment services

The employment services system is failing. Privatisation, announced with much fanfare 25 years ago, has not delivered on its promises, and substantial change is urgently needed. Any effort to reimagine and renew employment services as an effective system that operates in the public interest must begin with the acknowledgement that the system has failed the two groups it was built to serve: unemployed people and employers. The next step is to discover what these two groups need from employment services and use that knowledge to drive reform.

Two decades since a Productivity Commission (PC) review found that the purchaser-provider model of the Job Network was 'a suitable policy framework for the delivery of active labour market programs,' Per Capita finds that competition has not created increased choice or benefit for 'consumers', as the 2002 PC review described jobseekers.<sup>1</sup>

In a 2018 survey of participants in jobactive, only around one in 10 people felt the system was helping them to find stable jobs.<sup>2</sup> Fewer than one in three said they were offered tailored services, or that providers were accountable for their performance.<sup>3</sup> Two-thirds of respondents in a different survey said they got jobs "with little or no help from their employment service provider".<sup>4</sup> Employers are no happier with the system and most have abandoned it as a way to find workers. At November 2022, employers had directly registered only 3.2 per cent of vacancies out of a total of 200,000 on the new Workforce Australia online platform,<sup>5</sup> which was designed to streamline employers' ability to list their vacancies. The other 197,000 vacancies had simply been transferred from other job boards.

---

<sup>1</sup> *Independent Review of the Job Network Inquiry Report*, Productivity Commission, June 2002, pXX.

<sup>2</sup> From User-centred design research conducted by ThinkPlace March-July 2018, for the Department of Jobs and Small Business and the Expert Panel for the New Employment Services Model. The research report can be located as Attachment 2 for Submission 55 to the Senate Inquiry into the appropriateness and effectiveness of the objectives, design, implementation and evaluation of jobactive. Survey results are reported on p72 and p76.

<sup>3</sup> Ibid.

<sup>4</sup> From jobactive Job Placement Survey results, October 2018 – September 2019 (unpublished), cited *New Employment Services Model: Regulatory Impact Statement*, Department of Education Skills and Employment, no date, p37.

. The attribution of job-hunting success needs more analysis. Providers often say that their resume advice, or their role in managing mutual obligation made the difference, but that is likely to be dwarfed by the self-directed motivation of people to earn money, get off JobSeeker Payment, and improve life choices more broadly.

<sup>5</sup> Select Committee on Workforce Australia Employment Services Hansard: November 3, p49.

The split between the government purchaser of employment services and the private company and not-for-profit providers of those services has over time locked all players – jobseekers, providers, and government – into narrow and rigid roles and relationships. Unemployed people must stay ‘active’ in their job search by attending prescriptive and pre-packaged services that often have no bearing on what they need to succeed in the employment market. Providers, to stay in business and grow if they can, must manage ‘up’ to the Department to comply with their contracted agreements, and manage ‘down’ to jobseekers, locking them into levels of attendance and required activities that will support the providers’ financial viability. It is as if the procurement juggernaut takes precedence over the quality of outcomes for its intended beneficiaries.

Two figures provide brutal evidence of the system’s main focus: to ensure that jobseekers are sufficiently ‘active’ to meet their mutual obligation requirements before they are paid income support. Expenditure on jobseeker case management through Workforce Australia Enhanced Services and Employability Skills Training has been projected at \$1billion for 2022-2023 alone.<sup>6</sup> By contrast, spending on the Local Jobs Program – an initiative with the laudable goal of creating tailored local approaches to employment and reskilling across all 51 Australian Employment Regions – is projected at \$49million, around a twentieth of the expenditure.<sup>7</sup>

While the names of Departments of Employment have changed over the years, the system continues to commission the same services in the same way. The current Workforce Australia contract determines inputs through the Job Seeker Classification Index<sup>8</sup> and the Job Plan,<sup>9</sup> outputs by completed Points Based Activation activities, and outcomes by jobseeker weeks in work and off benefits. This approach gives the government a common denominator for comparing apples with apples in assessing the performance of providers, and for informing contracting out of services to them. There is little attention to the quality, longer term duration, and progression prospects of the jobs that people get from employment services, beyond the measures qualifying providers for “payable outcomes”. Yet a significant number of people on the caseload have little to no chance of getting employment, rendering payment for the activation regime pointless and counterproductive. These and other jobseekers are not always made aware of employment

---

<sup>6</sup> FOI Incoming Government Minister Briefing 2022 prepared by DESE includes Budget and Forward Estimates as at the 2022-2023 Budget, p477.

<sup>7</sup> Ibid.

<sup>8</sup> Job Seeker Classification Index Guidelines, DEWR.

<sup>9</sup> Workforce Australia Guidelines Part B: Workforce Australia Services, Dec 2022, effective Jan 1, 2023. Chapter 11, Job Plan and Mutual Obligations, pp123-165.

programs run by state governments, community, and philanthropic initiatives when there is an incentive to use up complementary programs Workforce Australia has pre-committed to pay for.

As the train runs along its largely fixed tracks, the number and diversity of employment services continues to decline, along with skill levels in the system. For-profit and not-for-profit providers increasingly resemble each other, further reducing diversity. A telling sign of the industry's consolidation of roles is in the resolution put to a Special General Meeting of Jobs Australia's members in 2020 (all not-for-profit organisations, a condition of membership of JA). The resolution sought to amend the Constitution of Jobs Australia to enable exploration of a merger with the National Employment Services Association. A merger would have collapsed the views and contributions of both the for-profit and not-for-profit sector organisations into one consolidated policy voice. Jobs Australia's members voted against it.<sup>10</sup>

Perhaps the starkest sign of system failure can be seen at the very top – in the role of government. Having invested so much money and guaranteed providers such reliable terms of business, government is largely reduced to managing providers' contract compliance and monitoring risk. Per Capita agrees with Professor Mark Considine of the University of Melbourne that a primary driver of this system failure is the government's abandonment of its "steering power" in favour of its "hands-off mantra of black-box contracts."<sup>11</sup> Professor Considine writes that federal ministers' "primary instruments of influence over the system as a whole [have] become focussed upon just a few big policy levers – changing the funding regime, ordering reviews and raining down regulations." The result "is that no one is taking active responsibility for the system as a system."<sup>12</sup>

When contracted case management outsourcing was trialled in the early 1990s, the Employment Services Regulatory Authority monitored quality and learning from the contracted services, but ESRA was wound up in 1997. In a prescient speech in parliament, Senator Natasha Stott Despoja mourned its passing as an institution able to ensure 'transparency, accountability, and market choice' and ensure unemployed people had the opportunity to 'get independent information about the services competing for their

---

10 Jobs Australia newsletter to members, 26 Nov 2020, reporting on Special General Meeting.

11 Mark Considine. *The Careless State: Reforming Australia's social services*, Melbourne University Press, 2022, p188-189

12 Ibid.

custom'.<sup>13</sup>

Reform must begin with government reassuming that kind of active responsibility, though there is no going back to the days of the Commonwealth Employment Service and full state control and management of the system. Nor does Per Capita propose the abolition of mutual obligation, though we support significant change to the regime it imposes on jobseekers. The reforms needed will take time, to ensure that the system works for jobseekers, employers, local communities, and the nation. This is why the process must be led by government, applying what it has learned from its experiments in creating and managing markets.

Per Capita believes that the services government buys, and on what terms, must be grounded in local employment regions and built on a rich base of local knowledge. Given the diversity of the Australian economy and workplace, services must be developed place by place, industry by industry, and group by group of unemployed people. Local solutions and trials of new initiatives should be supported by a strategy for national research and development that builds both on data insights from Jobs and Skills Australia, and on lessons from different regions' experiences in trialling new initiatives. A renewed national strategy should mesh with the National Cabinet agenda and State and Territory initiatives that complement federal programs.

Critically, the market must be actively managed by public sector staff who have the experience and expertise, and the independence and authority, to commission and continuously develop local skills and employment solutions. These programs and products would be grounded in evidence, with knowledge shared to create public value rather than privatised to maintain competitive advantage. Both government and providers should be able to design and deliver new services and to establish a variety of initiatives that stakeholders would trust, since their rationale would be clearer in a more transparent and evidence-based approach to commissioning.

Per Capita believes that the right place to start in defining success within the system is to go to the source: unemployed people and the employers who have the potential to hire them. The government should start not by purchasing a set of standardised services but seek to learn more about what services most benefit the people for whom they are intended.

---

<sup>13</sup> Senator Natasha Stott Despoja, Senate speech on Tuesday 28 Sept 1999, on the publication of the final report of the Employment Services Regulatory Authority.

Only once needs are determined *in ways recognisable and relevant to system users* will it be possible to establish what to buy, what that procurement should achieve, how much it should cost, and whether it is good value for money. Per Capita is confident that because unemployed people need and want to work, government does not need to pay as much for compliance with mutual obligations as it does for more choice and better-quality services. These are the first principles on which our submission is built.

## Features of a roadmap for reform

Section 2 of this submission contains detailed recommendations for reform. Here we set out key proposals that underpin our roadmap for a reinvigorated employment services system. The government should:

**Invest in public sector expertise to establish Jobs and Skills Coordinators** in each Employment Region. These public sector officials will be responsible for needs analysis, and the mix and commissioning of services by contracted providers, including public providers, over time.

**Re-balance the employment services investment to a focus on the employer demand-side and its practices, capabilities and needs** for development support to engage, train and hire more diverse candidates

**Create local walk-in Jobs and Skills Centres to provide independent and authoritative advice to all unemployed people and those in employment transitions.** These centres would provide information about local skills, jobs, and career options, and should be a point of contact and coordination for local industry and employers.

**Delegate powers to Jobs and Skills Coordinators to manage flexible funds for employment solutions,** by agreement with government, community, and employer stakeholders. Coordinators should also have funds to commission new services, and to apply wage subsidies or job/employment guarantee funds to local initiatives.

**Commission Jobs and Skills Australia, in partnership with Jobs and Skills Coordinators and Centres, to undertake rich analysis of the needs of local unemployed people, in order to identify activities that are valuable to them.** This analysis should enable Workforce Australia and other services to create activities that generate the skills and staff attributes that employers value.

**Create or invite entities constituted as public-interest providers (which may be partnerships) to propose services that address evidence of unmet needs and opportunities** as these are identified over time.

**Renew the principle of mutual obligation by replacing Work for the Dole with Work for the Community projects.** Expressions of interest should be invited for creating projects that enable jobseekers to develop their skills while developing their communities – an original but lost intention of the Work for the Dole scheme. Participants in Work for the Community should be encouraged to cluster around common interests and goals, and to design and execute projects in return for skills acquisition and the payment of wages for the duration of the project.

## Meeting the reform challenge

Assuming that the Committee agrees the system needs greater choice and diversity, and that more innovative models could get better results, difficult questions arise about the terms on which the Department could assess services presented by a new competitive supplier market, one that no longer operates on the fixed-fee terms of Workforce Australia contracts.

The government will need to proceed with caution, because innovative service and delivery models have different staffing and cost structures and use different data to assess needs and report on outcomes and impact. Some providers have invested in new services that have generated a base of evidence and experience. They are likely to be keen to propose replication, scale-up and rollout, and it must be acknowledged that achieving growth is inevitably the main driver of business strategy for both for-profits and not-for-profits and likely to be a major KPI for their CEOs. Government, on its part, prefers to support organisations that seem to have the intellectual property, experience, evidence of impact, and infrastructure capacity.

Although new employment solutions may well have the value their organisations claim for them, the challenge for government is that in looking at some of these options with an appetite for innovation, it should not lock into buying a pre-determined package at prices proposed by the new-generation service supplier, or enter into commitments for licensing or franchise-type models. Per Capita believes that in breaking the rigid cycle of existing approaches to commissioning, the government needs to develop its own expertise in operations and service delivery, not just to ensure that it can be a more informed purchaser, but to actively co-design, develop, adapt, and share more widely the intellectual property that will generate better results for employers and unemployed people.

One vital source of advice for our proposed reforms is the system's frontline workers, middle managers, and executives. Per Capita has reason to believe that, if asked for their *personal* opinions, many would back the need for reform and would be a useful source of advice in how to build a public employment service that works with efficiency and integrity in the interests of jobseekers, employers, and the Australian public.

It has taken 25 years to build a system that doesn't work. It will take a long time to re-build one that does. But a failure to do so would give rise to a cost this nation cannot afford: the further erosion of unemployed people's trust in government, leading to continued attrition of their skills and labour force attachment, and the ongoing disengagement of employers, who cannot get the staff they need from the publicly funded employment service.



## Recommendations

### 1. Policy objectives for employment services - realised in action

1. **Reimagine, renew and reinvest in a public employment service that operates in the public interest**, in which both unemployed people and employers determine its priorities, resources, activities, value and impact. The service should be **designed for all people looking for work** in any role and at all life stages, and should **invest in those capable of some work but least likely to get jobs**.
2. **Re-balance the employment services investment** to focus more on:
  - **employer demand-side practices, capabilities and development support** needs to engage, train and hire more diverse candidates;
  - **jobs that offer decent pay and conditions** and prospects for progression; and
  - **funding more effective skills and recruitment service models for employers, with some wages support** for those committed to inclusion and diversity hiring and quality jobs.
3. **Balance mutual obligations with a government commitment to quality services, and with reference to the availability of local jobs that could be in scope for them**, recognising and respecting the circumstances of each individual, diversifying and trialling mutual obligation options, and evolving policy based on that.
4. **Modify mutual obligations for people assessed to have ongoing and long-term personal development and/or foundation skills needs**, who should maintain contact with the employment services system through a choice of participation and learning options and, periodically, opportunities to experience paid employment.
5. **Appoint public service staff who have the relevant experience and expertise essential for them to work in the public interest to lead and deliver local employment and service coordination**, using Jobs and Skills Australia data and other sources, working with VET and skills systems, employers, and community representatives of jobseekers.
6. **Commission analysis of richer and more diverse data and evidence**, both from within and beyond the Department of Employment, to inform practice, modify and re-assign contracted services, and show providers, employers and the community what is working and what needs to improve.
7. **Provide innovation and discretionary procurement funding for alternative employment services** to be delivered by organisations/entities that are constituted as public-interest providers.
8. **Create an employment guarantee fund that can be assigned to pay full wages for**



purposes and periods to be determined according to the design of employment projects suitable for local needs and conditions. Such a fund differs from a 'job guarantee', in that it would not be for a fixed minimum period or necessarily require enrolment in a skills qualification. It could be used where longer-term job commitments from employers are in line of sight for providers and the people they work with, but might also pay the wages of longer-term unemployed people who have designed their own Work for the Community (replacing Work for the Dole) project, or to pay unemployed people who can meet surge demand for labour, for example, following extreme weather events.

## 2 and 3. An operating structure that ensures integration and support for local responses

9. **Create an entity within the Australian public service** to replace the current outsourced Local Jobs Program, and provide adequate resources to establish:
  - I. **Local Jobs and Skills Coordinators** that align Jobs and Skills Australia skills projections with local skills and labour demand, and coordinate with industry and employers to create skills and job opportunities for people on the various caseloads of contracted providers
  - II. **Local Jobs and Skills Centres** for walk-in, authoritative information and advice about local careers and industries, employment services and skills training options, and basic information about pay and award provisions, and how they relate to the income support and tax system. This service should be available to all jobseekers, employment services providers, parents, teachers and community workers, and employers.
10. **Establish national network systems to develop and share learning and insights**, including data analysis, local labour market strategies, employment services solutions and innovation practices.
11. **Devolve discretionary procurement funding to Local Jobs and Skills Coordinators**, enabling them to develop and fund alternative employment services, including those that could be proposed by public-interest entities. Include an employment guarantee fund that can be assigned to pay full wages (*as explained at Recommendation 8*).

## 4. Identifying and responding to the needs of jobseekers

12. **Assess jobseeker needs in more diverse and holistic ways, and over a longer period,** rather than determine them through the Job Seeker Classification Index (JSCI).
13. **Determine who is unable to benefit** from compulsory activities and who could be assigned to modified compliance or only periodic check-ins.
14. **Aggregate and analyse jobseeker needs from improved assessment data to identify service gaps and improve service choices** that need to be developed or better linked to existing local services.
15. **Assess whether people who have already cycled through various compulsory activities** should repeat them, to avoid wasted costs where no benefits can be expected.

## 5. Choice in the kinds of assistance

16. **Commission independent research to gather feedback from people registered with Workforce Australia** about how Centrelink (through the JSCI process) and employment services providers assess both their needs and their awareness of the range and suitability of their service choices and options in the Job Plan process.
17. **Require the Department of Employment,** at national level, and through its Local Jobs and Skills Coordinator network, to:
  - I. **Map the range of state and local service choices and options,** in order to consider ways to partner with, fund or support effective local programs;
  - II. **Explore the kinds of intermediary models of service design represented in the case studies,** and apply discretionary funding to models that achieve similar results; and
  - III. **Enable and authorise activities available to jobseekers to choose,** and support valuation of the PBAS based on jobseeker and employer perceptions of the value of activities, if the PBAS system is to continue in its current form.

## 6. Helping jobseekers into secure jobs

18. **Undertake research to examine in greater detail the employment outcomes achieved by people in employment services.** The research should consider both employer and jobseeker preferences for employment terms, conditions, hours, and progression, either through initial or subsequent jobs. It should investigate employer demand-side job hours and terms offered, as well as worker-side preferences, and should include labour hire employers.
19. **Investigate the design, delivery, role and appeal of intermediary organisations for employers,** and the extent to which they support employers' willingness to hire

disadvantaged candidates.

## 7. Meeting employers' needs

- 20. **Enable Local Jobs and Skills Coordinators to access data** (anonymised if required) to **analyse the experience and skill sets of people on providers' caseloads** in order to determine how their existing skills and experience could be adapted or refreshed to meet skills and labour shortages.
- 21. **Expand group training, multi-industry pre-employment projects, and not-for-profit labour hire models** (within or across industries) in order to de-risk for employers the trialling and hiring of more diverse candidates than they would have otherwise considered.
- 22. **Improve employer services by providing development support that can advise on incentives for hiring a greater diversity of employees**, including people with more upfront support needs; such support should include advice to employers on new ways to design jobs, recruit, and roster workers.

## 8 and 9. Mutual obligations and activation, compliance and enforcement

*Refer also to recommendations in Section 1, policy objectives for the system.*

- 23. **Develop a dedicated research plan to generate richer behavioural insights into mutual obligation** experiences, attitudes, and motivation, both from those who are subject to it, and from staff who implement these policies and required activities.
- 24. **Investigate the creation of Work for the Community projects that could provide wages to people with mutual obligations** for the duration of the project, along with skilled supervisors and materials/ consumables to ensure the project can be delivered.
- 25. **Investigate the feasibility of freely chosen, quality volunteering placements**, their benefits for both supervisor organisations and participants, and the true costs of supervision and attendance for participants, related to the benefits that result.

## 10. Oversight, quality and assurance

- 26. **Ensure that definitions of quality and performance devised by both unemployed people and employers are built into all policies, strategy, research, and evaluations** related to employment services.
- 27. **Overhaul feedback mechanisms, including the complaints system**, to ensure that they enable all stakeholders to engage in open, honest, constructive dialogue, and to raise and resolve concerns about employment services.

### 11. Research data and reporting

28. **Establish an independent group to devise data insights and evaluation strategies and the key questions that need to be answered** (both national and local) with a balance of stakeholders, including employers and unemployed people, for independent research and real time analysis and evaluation reports to inform evidence-based innovation and improvements, including ways to apply funding to employment services.
29. **Include the impact of compliance and sanctions, along with people's access to travel, childcare, IT, and other conditions needed for participation, in all research projects.**
30. **To inform service responses, review ways the IT system interface can connect with service users** to get more feedback, including exploration of the crowdsourcing of needs and problem definitions.
31. **Participate in cross-government initiatives and involve philanthropic funders** to explore ways to share data (anonymised as required) about people likely to be registered with a wide range of government services, to harmonise definitions about outcomes and impact, and to establish quality standards to enable meaningful comparisons of impact and social return on investment.
32. **Make employment services data available to researchers, appropriately de-identified**

### The role of case studies in the argument of this submission

Australia's employment services system already has a much larger and more diverse ecosystem of providers, partnerships and solutions than is recognised in Workforce Australia's approach to service design and contracting. These initiatives have been funded by various governments, philanthropy, and occasionally, employers.

Case studies included in this submission (hyperlinked below) illustrate how industry and employer-facing initiatives can combine to enable participants to earn, learn, and work for the community. They signal promising approaches to the design and funding of employer services, the engagement and assessment of unemployed people, and how they can make informed decisions about jobs and skills training. The case studies also suggest new ways to deliver pre-employment and on-the-job supports, and to spend wage subsidies or job/wages guarantees.

Each approach has different cost structures, target groups and timeframes for getting results, and uses different methods to recruit participants. Many would struggle to be visible to Workforce Australia providers or accessible to registered jobseekers. When they are, the case study organisations typically struggle to access discretionary funding, or shares of employment outcomes fees payable to employment services providers.

The case studies also raise the question of whether the Workforce Australia client case management IT system records people's participation in non-Workforce Australia activities. That relates to the question of whether – or how much – an employment outcome can reasonably be attributed to Workforce Australia providers, because we know that under current arrangements federally contracted employment services providers will inevitably claim fees if their records show that a person has found employment. As this submission argues, the government should collect much more information about the value people perceive in activities, to inform jobseeker preferences and what to commission.

Organisations described in our case studies have agreed that we can include their work to explain how complementary or alternative models of service delivery can work, not to recommend them for scale-up, replication, or rollout. Each local labour market has its unique people, employers, government and community resources, which employment services design and commissioning must take into account. Neither do we include these case studies to *add* as special projects to Workforce Australia's existing program architecture, but as examples of what could *replace* the otherwise narrow pipe of standardised Workforce Australia contracts, which constrict and even strangle options.

These case study examples are far from exhaustive. There are many other excellent examples of practice to learn from. However, these are known to Per Capita and help to support our argument for more recognition of jobseeker needs and greater diversity of

business models and service choices.

### **Employer-facing examples for quality matching and work experience**

1. [Multi-industry pre-apprenticeship program](#)
2. [Agribusiness placements brokerage to try skills and jobs pathways](#)
3. [Multi-industry social enterprise employment program](#)
4. [Social enterprise employment trial of payment by outcomes](#)
5. [Not for profit labour hire](#)

### **Place-based initiatives**

6. [Centres for Work and Learning](#)
7. [Adult foundation skills linked with community projects](#)
8. [Community volunteers explaining what their job involves](#)

## Features of a failing system

### Putting commercial interests above jobseeker interests

The employment services market was meant to generate provider diversity and 'consumer' choice. Instead, its structural conditions – including contract prescriptiveness, an IT system whose settings determine process, and a narrow focus on compliance with government guidelines – have produced a convergence of service delivery, regardless of which organisations have been contracted to 'compete'.

Providers' business levels and profitability rely on fees that flow from participants' mutual obligation requirements to attend appointments and undertake activities such as Employability Skills Training, Career Transition Assistance, other kinds of skills training, or other chargeable employment-related activities. This payment structure governs how both for-profit and not-for-profit organisations project their business plans, scale up, and diversify into complementary services for training and professional services. This system ensures that timely and rigorous application of compliance policies complement the interests of companies' owners and shareholders. It also creates powerful commercial incentives for providers to direct jobseekers towards options that are not necessarily in their best interests.

One incentive – which, when permitted, creates a clear potential for conflict of interest – is to refer people on providers' caseloads to activities, training, or professional services delivered by the provider's own entity, or a related one. Another incentive is to direct jobseekers to pre-approved 'allowable activities' rather than invest time and effort in exploring different activities and seeking contract manager approval for them, with reports of providers forced to haggle with contract managers in the Department over the number of Activation Points that the job seeker might earn. Though the options for 'allowable activities' are meant to be flexible, new ones are riskier. Per Capita is even aware of a Department contract manager who queried the value of people on the caseload attending a Job Expo - a chance to meet employers looking for staff!<sup>14</sup>

The Workforce Australia Enhanced Services contract is a powerful example of how the government has come to rely so heavily on the private market that it must make it sufficiently attractive for providers to keep it all going. Workforce Australia Enhanced Services contracts commission providers to deliver services for the next six years, with the option to extend for a further six years, the longest contract period in the history of the

---

<sup>14</sup> Reported by a WA provider at *New Digital Governance in Welfare-To-Work*, Melbourne University workshop, 16, 2023.

privatised system. The overall projected cost for WA Employment Services Providers for the four years from 2022-2026 is \$4.25billion (this figure excludes WA Online).<sup>15</sup> Payments for Workforce Australia Enhanced Services case management are now weighted more towards upfront fees and progress payments, when previously payments were skewed towards job retention. This shift contradicts the original stated aim and practice of outsourcing services – payment on *results* for sustained employment outcomes, with providers carrying more of the financial risk.

Fees are moving to upfront payments because in a labour market with a shrinking number of quality full-time jobs, especially for people on the employment services caseload, providers will be less likely than they once were to earn fees from jobseekers who stay in work for 26 weeks. Most of the caseload are long-term unemployed and likely to be older. More than half are substantially under-qualified for advertised vacancies, having no more than Certificate I or secondary school qualifications.<sup>16</sup>

What, then, is the government paying for? Providers are focussing on ‘activation’ – the compulsory and default referral of unemployed people to programs such as Employability Skills Training, Career Transition Assistance, and Work for the Dole. These kinds of pre-approved ‘allowable activities’, along with other standard items such as job applications submitted, are attractive to providers, who are under heavy scrutiny through contract management and are therefore reluctant to offer new and unrecognised activities to jobseekers on their books. Standardised activation keeps the providers viable and the market afloat. But what does it achieve for jobseekers or employers?

This is the ‘path dependency’ that is so difficult to wind back, even as the path has narrowed down the intended diversity and value for money that justified going down that road in the first place.<sup>17</sup> Cost-benefit considerations for the big spending on employment services are sacrificed to the procurement juggernaut, because except for the online employment services that are an option for those closer to the labour market, the government has no operational alternative.

### The case of Employability Skills Training and upfront fees

The government spends significant sums to ensure that jobseekers on provider caseloads

---

<sup>15</sup> Expenditure on Employment Services, Advice provided by the Parliamentary Budget Office to the Select Committee on Workforce Australia Employment Services, 2 November 2022, p17.

<sup>16</sup> *New Employment Services Model: Regulatory Impact Statement*, Department of Education Skills and Employment, p12 and p15; see also Incoming Government Minister Briefing 2022 prepared by DESE, bar graph p.43 showing Employment services caseload and job ads by skill level (1 to 5) at March 2022.

<sup>17</sup> As described by Mark Considine. *The Careless State: Reforming Australia’s social services*, Melbourne University Press, 2022.



attend Employability Skills Training (EST) at \$127million projected spend for the 2022-2023 year, along with Work for the Dole programs at a projected \$33million for the same period.<sup>18</sup> People referred to these programs can be required to attend or lose their dole.

EST is now also a mandatory activity for all people aged 15+ on income support and subject to mutual obligation requirements, including those who are not in study or employment four months after joining the online employment services stream.<sup>19</sup>

Introduced for younger jobseekers who often have not worked before, EST has been expanded to all ages, even though much of its standard content, such as writing a resume, job search skills, and preparing for an interview, would be familiar to people who have previously worked. Among the documents available on the trial and evaluation of the new employment services model, or the Request for Proposal documentation for Workforce Australia, there appears to be no reference to an evaluation of the value and impact of EST.<sup>20</sup>

Despite the unknown quantity of jobseeker experience or outcomes from EST, providers are now paid 70 percent of their fee upfront for jobseekers commenced in this training. Because many WA Enhanced Services providers also have contracts to provide EST, the incentive to refer people from their own caseload is high – one of many examples of potential conflict of interest in the purchaser-provider model. The industry argued for ‘own entity’ referrals, which are capped at 50%, and it will be important to monitor the degree to which this permission is utilised by providers with both WA and EST.<sup>21</sup>

Yet the expansion of EST over time looks like a return to ‘training for training’s sake’ – paying providers for activities that do not necessarily lead to a job, which earlier policy positions had sought to avoid. EST, created for young jobseekers and containing

---

<sup>18</sup> Incoming Government Minister Briefing 2022 prepared by DESE (FOI), which includes Budget and Forward Estimates as at the 2022-2023 Budget, p477.

<sup>19</sup> Workforce Australia Guidelines Part B: Workforce Australia Services, Dec 2022, Chapter 14, effective Jan 1, 2023.

<sup>20</sup> *New Employment Services Model: Regulatory Impact Statement*, Department of Education Skills and Employment, no date. This notes that “Employability Skills Training will be expanded so digital job seekers of all ages can explore career options, build employability skills, digital literacy and hone job search skills” (p25) and points out that it is “less administratively complex than Work for the Dole”, (p82), a point that underlines its predominant function as an instrument of “activation”.

However, there appear to be no reference to the expected value of employability skills training for this expanded eligibility group. The New Employment Services Trial Evaluation Phase 1 Report, DEWR, 2022 notes that “EST was developed for participants aged under 25 years to assist them with pre-employment skills” [emphasis added, p130], and notes (p151) that ‘sites’ valued paid work trials and paid work experience as more “highly useful” than employability training. However this evaluation did not look at the value of EST to participants, nor its outcomes.

<sup>21</sup> *Workforce Australia Guidelines Part B: Employability Skills Training*, Australian Government, Dec 2022.

potentially beneficial information about joining the workforce, is now offered to all jobseekers needing to meet mutual obligation requirements. Older jobseekers who have previously been employed or have done this kind of training before may find much of its content repeating what they already know and could even be insulting.<sup>22</sup>

Moreover, requiring such a large proportion of jobseekers to attend EST (and Work for the Dole) programs carries significant opportunity costs in foregone options for alternative services and activities, based on a more nuanced approach to understanding jobseekers' needs and motivations, and other opportunities that might exist in their locality.

### The decline of system expertise

Over time, the expertise of people working in the system has declined. Since the closure of the Commonwealth Employment Service in 1998, government expertise has narrowed to a focus on procurement and contract management. Public servants mainly prepare and convey government policy and guidelines information, either through individual provider contract management processes or through various working groups of providers and Departmental staff, convened mostly by the National Employment Services Association,<sup>23</sup> the national employment services industry body. From these working groups convened by 'the industry', Department of Employment personnel return to Canberra with information not only about how government policy is affecting providers' operations and financial viability, but also what employers and jobseekers are reportedly experiencing.

Among both for-profit and not-for-profit providers, staff expertise has focused increasingly on performance expressed in terms of the detailed Guidelines for service delivery. Of the five KPIs set out in the Workforce Australia Deed [ie contract], one relates to employment outcomes. The remaining four focus on service process and quality as defined and assessed by the Department: 'active servicing' of participants; 'compliance with terms and conditions [of the Licence]'; and "the Department's assessment of the Provider's performance in delivering high quality Services to employers and Participants".<sup>24</sup> Recruitment at executive levels among providers has increasingly prioritised business qualifications and commercial experience, and proportional salary increases have been

---

<sup>22</sup> The quality and outcomes of these will need careful evaluation since they are so central to the employment services system. Employability Skills Training was not included in the scope of the New Employment Services Trial Phase 1 evaluation report. See *NEST Evaluation Phase 1 Report*, DEWR, 2022, p56

<sup>23</sup> The author of this submission worked for NESA in 2015 and also participated in industry working/consultation groups as Policy Manager at Jobs Australia 1992-2005 and 2011-2013.

<sup>24</sup> Appendix 1a, *New Employment Services Model Deed of Standing Offer 2022 – 2028*, RFP documentation.

greater for senior people than for those working on the service frontline.<sup>25</sup>

Frontline staff working in caseload management roles are not required to meet minimum standards for professionally relevant qualifications.<sup>26</sup> Their scope of decision making is limited by program guidelines that set out, for example, the steps to generate a Job Plan, and record and monitor activities against the Plan. Such processes are programmed into the information system used during appointments to produce information about the jobseeker's activities and progress. The conclusion about the value of Job Plans for jobseekers, summed up in the *Evaluation of jobactive Final Report* could not have been clearer:

*Job Plans were created to outline agreed activities that will satisfy participants' MORs [Mutual Obligation Requirements] and help them into paid work. However, they were not considered by participants to be particularly helpful for the intended purpose of getting into a job.*<sup>27</sup>

The prescriptive and automated processes of appointments and monitoring of activities are described in detail in comprehensive research reported in the book titled *Buying and selling the poor*.<sup>28</sup> This research reports how frontline workers at a range of different providers' sites are themselves subject to work process compliance – something they often tell jobseekers, as a way to explain why they cannot waive or amend rules for compliance with required activities. These are rules that can lead to financial sanctions for jobseekers.

The decline of system expertise also stems from providers' restricted capacity to pay staff at standard public sector employee levels. Analysts of the impact on wages of government outsourcing, Michael Pegg and Fiona McDonald, observe that employment services is one of the more labour-intensive services that government has contracted out. Since staffing makes up the bulk of delivery costs, employees in this sector are particularly vulnerable to

---

<sup>25</sup> The National Employment Services Association conducts remuneration surveys bi-annually. Reported by NESA CEO at Melbourne University workshop, Feb 15<sup>th</sup>, 2023. Information about CEO and executive salaries in the industry is treated as highly confidential.

<sup>26</sup> The Request For Proposal documentation includes 'Competent Person' in the glossary as "Persons with appropriate and required qualifications to provide specific services or perform specific roles", but nowhere else in the RFP, including the Statement of Requirements [for services] are Competent Persons referred to again. The onus is on bidders to "Describe your organisational approach to workforce development, including staff recruitment, training and support systems that advance the objectives of the Service or Services bid".

<sup>27</sup> *Evaluation of jobactive Final Report*, Nov 2022, p100.

<sup>28</sup> Siobhan O'Sullivan, Michael McGann, Mark Considine, *Buying and Selling the Poor: Inside Australia's privatised welfare-to-work market*, Sydney University Press, 2021.

low pay and inability to gain wage increases.<sup>29</sup>

As manager of the Jobs Australia Community Sector Industrial Relations service from 2005 to 2019, Michael Pegg oversaw Jobs Australia members' industrial relations and human resource management services.<sup>30</sup> In this advisory role, he observed the drivers of the squeeze on staff expertise, pay and conditions in the employment services sector over time:

*Very tight funding arrangements and strict conditions for how money is spent has limited the options available for employment services employers in how they engage and manage staff, for example, their capacity to resource staff development, or to provide suitably attractive, enterprise-specific, conditions for recruiting and retaining their employees in competitive labour markets. This in turn has undermined organisational performance and the capacity of providers to meet Government's policy objectives.<sup>31</sup>*

### Failure to use jobseeker expertise

Another vital source of system expertise exists among unemployed people on the caseload, yet this expertise is ignored in the current system. Instead, government policy compels the commitment of significant time and effort to undertake compliance activities. The Targeted Compliance Framework that threatens jobseekers with loss of income support unless they meet compliance obligations causes considerable stress and harm, in a regime so onerous that some people, especially young people, simply remove themselves from claiming income support altogether.

The creation of an option for online self-service demonstrates one way the government has sought to minimise the costs of case management. This principle could be expanded by recognising the arbitrary nature and frequency of compulsory job interview appointments for people who must attend activities that they rarely see as leading to meaningful employment or training.

While Per Capita supports mandating some jobseeker attendance, as we explain in Sections 8 and 9, such compulsion at the very least requires government to honour and give meaning to the term, *mutual* obligation, by offering jobseekers activities they would have reason to value.

---

<sup>29</sup> "Contracting out community services, marketisation and wages", Fiona Macdonald and Michael Pegg, in *The wages crisis in Australia: What it is and what to do about it*, Andrew Stewart, Jim Stanford and Tess Hardy (eds), 2017.

<sup>30</sup> Jobs Australia is the peak body for not-for-profit employment and related services.

<sup>31</sup> Correspondence with Michael Pegg, Feb/March 2023.

### Indeterminate value and deadweight costs

By failing to properly evaluate outcomes from compulsory case management and Points-Based Activation activities for jobseekers, the system is almost certainly incurring significant and avoidable costs. The average cost per new job seeker is expected to be \$14,000 for Workforce Australia Enhanced Services (this is separate from Workforce Australia Online).<sup>32</sup> What value does that expenditure generate? Providers are forced to spend a disproportionate time undertaking administrative work to maintain their licence to operate and meet the conditions to claim fees: ensuring attendance at the first appointment, getting a signed Job Plan, reporting attendance and progress against the Job Plan, keeping records updated. All provider activity must meet the requirements of the Deed, and the terms of the Department's Performance Framework, the terms and detail of which can be changed at the Department's discretion.<sup>33</sup>

The Federal Government also faces an unknown quantity of deadweight costs, such as paying for job outcomes that people might well have achieved without help from the system. Around two-thirds (64.9 per cent) of jobactive participants who moved into work said they found their own job with little or no help from their employment service provider,<sup>34</sup> and according to the Department's commissioned user-centred research, only one in 10 survey respondents agreed that providers helped them to find stable jobs.<sup>35</sup>

Despite all this, as a result of the 2022 Workforce Australia Enhanced Services and EST procurement round, contracted service requirements and fee payments are set up for years to come. At the same time, many other programs run by State governments, training and community organisations generate employment outcomes for people on Workforce Australia caseloads.<sup>36</sup> Yet providers have no incentive to credit successful outcomes to the

---

<sup>32</sup> Expenditure on employment services, Parliamentary Budget Office analysis completed 2 Nov 2022. Inquiry into Workforce Australia Employment Services [Additional Documents](#)

<sup>33</sup> See Appendix 1a, *New Employment Services Model Deed of Standing Offer 2022 – 2028*, RFP, p89-90. Though the Department said that a 'user-centred design project in 2020', which gathered views from providers, participants, businesses and departmental staff informed the development of the Workforce Australia Performance Framework (response to Budget Estimates QON SQ22-001182), there has been insufficient stakeholder consultation and dialogue about what is meant by 'performance' in general. Section 11 of this submission discusses how 'performance' could be defined in ways more relevant to intended service beneficiaries.

<sup>34</sup> jobactive Job Placement Survey results, October 2018 – September 2019, cited in *New Employment Services Model: Regulatory Impact Statement*, Department of Education Skills and Employment, p100.

<sup>35</sup> *User-centred design research* conducted by ThinkPlace March-July 2018, for the Department of Jobs and Small Business and the Expert Panel for the New Employment Services Model, p76.

<sup>36</sup> The need to avoid 'double funding' as explained in the Employment Services Deed, prevents double claiming for the same service by the same provider, but that does not prevent the risk of 'double funding' if a different provider offers a similar service, preferred by the jobseeker. The Jobs Victoria Employment

contribution of these other programs.

Though the employment services system should incorporate other employment and training initiatives, there is very little mapping of all the federal, state, and local programs that offer information and advice about skills, training, work experience, jobs and careers, along with social supports for jobseekers. Failure to map and publicise these programs wastes public resources and denies individuals opportunities to pursue better life chances.<sup>37</sup>

Better mapping would also reveal various initiatives to promote employer hiring and training pipelines and practice, and show jobseekers the diversity of local employment opportunities. Sections 3 and 5 of this submission examine improving jobseeker choice of local services and activities.

### Who is in charge? The cost of fragmentation to employers and jobseekers

In any given Employment Services Region, multiple provider contracts fragment the caseload of people looking for work, inhibiting the ability of employers to approach the pool of people who might be right for their vacancies. Conversely, provider staff are compelled to work with the limited pool they have on their own caseload, though there are some exceptions when, if they really cannot propose one of their own candidates, they will contact other providers.

Workforce Australia Enhanced Services alone has multiple competing providers, including specialist providers, along with DEWR's Transition To Work program, and Disability Employment Services run by the Department of Social Services. ParentsNext providers may also approach employers, while other minor Department of Employment programs have been created to provide coordination or industry services, such as special projects under the National Priority Fund (\$12.5million per year nationally) or through the Workforce Specialists (\$12.5million for this current year).<sup>38</sup> These typically sporadic, time-limited projects are heavy on submission, approval and reporting processes, when what employers need is a standing job coordinating service, available as needed for timely advice. Local Employment Facilitators cannot possibly meet these kinds of needs.

---

Services program, offering employment advice and support to a broad range of unemployed people, has routinely done this.

<sup>37</sup> For example, currently in Victoria, 245 Learn Local providers across the State offer a wide range of courses for adult learners in foundation skills, including digital literacy, pre-accredited training designed for employment destinations, and support to pursue further education. Generally providers list between 5 and 20 courses at any given time.

<sup>38</sup> Incoming Government Minister Briefing 2022 prepared by DESE (FOI), which includes Budget and Forward Estimates as at the 2022-2023 Budget, p477.

The siloed nature of the system extends beyond federal services. There are state government employment services, other social services (such as in the justice system), and various private and public skills providers in the VET and TAFE systems. Foundation skills courses and pre-accredited programs add to this busy and confusing picture.

At the edges of this system are employers looking for staff – and usually in a hurry. They are in the private sector, but also in various arms of government, the education and health sectors, not-for-profit organisations, and social enterprises, to name just a few. They are very rarely looking for staff through the lens of ‘cohort preferences’, such as youth, people with disability, and so on. They are simply looking for the right people. But in the current system, without help from intermediaries, both employers and jobseekers are required to navigate to a job match on an ad hoc, self-help basis.

Fragmentation of the caseload also makes it impossible to aggregate and analyse the profile of skills, experience, and interests of jobseekers, to see what advice, training, and support a particular group might need, and to streamline recruitment efforts for employers. It also prevents unemployed people from learning about all the possible jobs in their local area (recognising the role of social networks in communicating those) or from clustering around their common interests or challenges; for example, as single mothers returning to the workforce, or skilled migrants struggling to meet Australian qualifications requirements.

Even peer dialogue among unemployed people with common interests or experiences has value, as action research on learning circles for unemployed people has shown. Joining people from across contracted caseloads for purposes like these merits further investigation.<sup>39</sup>

## FEEDBACK SOUGHT BY THE INQUIRY

### 1. Policy objectives for employment services

The introduction to this submission identifies several perverse outcomes of privatisation and the pursuit of profits as providers seek to establish and grow their business interests. Poor and perverse outcomes can co-exist with apparently benign and unobjectionable goals for the public employment system. For example, Workforce Australia seeks to build:

---

<sup>39</sup> Mark Brophy, *The Study Circle. Participatory Action Research, With and For the Unemployed*, unpublished PhD awarded by VUT, 2001. For this research Dr Brophy worked with groups of people to talk about the condition of being unemployed, its economic causes, consequences for them, and their scope of action. This kind of social connection and joint learning is the type of activity that cannot confidently project a ‘payable outcome’, but as the research revealed, it had several diverse benefits for participants.



... a simple, efficient, trusted and connected employment service that will:

- provide employers with candidates that have the skills they need
- support eligible jobseekers to find sustainable employment through digital or Provider-led services
- focus Providers on supporting high need jobseekers, reducing the risk of these jobseekers becoming or remaining long-term unemployed
- ensure resources are efficiently directed to those requiring the most assistance.

Similarly, almost all the stated objectives of the current employment services system discerned by the Inquiry Committee from Department documents are laudable, in the general terms in which they are laid out:

*Increase job readiness... Maintain attachment to the labour market... Meet the labour needs of employers... Improve the efficiency of the labour market... Contribute to productivity... Reduce inequity... Encourage workforce participation among those who have historically been and continue to be under-represented in the labour market...*<sup>40</sup>

But this kind of wording conceals many of the more contentious aspects of the system that emerge in its administration: for example, the choices jobseekers have, how the quality of services are monitored, how jobseekers' concerns, questions and complaints are handled. In considering how to build a more robust and accountable set of policy objectives it is critical to distinguish between *declared* policy objectives and *revealed* policy preferences.

### The underlying policy objectives for employment services to date

Over the system's 25 years of existence, the revealed policy preferences of the Australian government can be summarised in the following terms. Many of these have been endorsed by the OECD when comparing the Australian experience with that of other developed nations:<sup>41</sup>

1. Reduce and discourage reliance on income support for people assessed as having capacity to work.
2. Reduce reliance on the Australian public service to deliver employment assistance.
3. Reduce costs to the Australian government of public employment services.

Employment services program administration, procurement, and administrative guidelines also reveal several underlying assumptions, namely that:

1. Unemployed people on income support would prefer not to work, and would not take active steps to get employment, or more employment, without regular mandated

---

<sup>40</sup> From the Inquiry Submission Guide.

<sup>41</sup> *Activating jobseekers: How Australia does it*, OECD, 2012.



contacts and other activities.

2. Services for unemployed people and employers will be more efficient and effective if the providers of those services compete for government business on beneficial terms.
3. The role of government is to specify, procure and pay for those services, on terms that can be profitable for providers while reducing overall costs to government.
4. The complementary role of government is to set mutual obligations policies, backed by the threat of financial sanctions for unemployed people. The goal is to ensure that the provider market can project and rely on activity/service levels and business income, and maintain viability and profitability.<sup>42</sup>

These assumptions reveal the narrowness and rigidity of roles and relationships for government, providers, and jobseekers, as the Overview section of this submission explains.

### The slide from broad policy to the devil in the detail of delivery

How did we get from the aim to create ‘a simple, efficient, trusted and connected employment service’ to a wasteful system that can have such perverse and sometimes harmful outcomes? One answer can be seen in the way that the policy for mutual obligation requirements has been translated into the onerous and arbitrary Points Based Activation System (PBAS) and the Targeted Compliance Framework (TCF). Although Per Capita agrees in principle with the policy and intent of mutual obligation, provided that it is accompanied by genuine choices of quality options, we cannot support the outcomes of mutual obligations policy as it has been realised to date. The PBAS and the TCF are arbitrary in their administration, and often demeaning and stressful in the ways they are experienced by people subject to these regimes.

Conversely, some operations of ‘the system’ seem to have no origin in policy intent. Although it was soon clear that as a result of ‘mutual obligation requirements’, employers were being pelted with unwelcome volumes of badly targeted job applications, this clearly undesirable outcome has not been corrected several years since it came into view.

Ultimately, the government’s policy objectives for employment services have been subsumed in practice to a different agenda: managing procurement for a privatised system, backed up by a mutual obligations regime that does not achieve its stated

---

<sup>42</sup> A document illustrating this point well is *the Factsheet: Enhanced Services Outcome Payment Ratios* issued as part of the RFP documents for WA employment services case management. These outcome-to-caseload ratios could be applied to project income based on the likelihood of achieving employment outcomes, paid according to JSCI rating level (meaning different fees payable).

intention of helping people to find jobs while helping employers find staff.

### The imperatives for government to resume ownership of strategy and delivery

The 2019 Thodey Review of the Australian public service sums up the challenge of government taking charge of its own strategic goals in a way we find especially relevant for employment services:

*The public service is dealing with shortcomings that surface with any established paradigm as the world changes. A narrow focus on immediate delivery and short-term responsiveness compromises deep expertise and the ability to meet long-term challenges strategically.*

*A focus on efficiency can miss other factors that are necessary to listen to Australians, work with communities and deliver effective outcomes.<sup>43</sup>*

Our employment service system needs to be reviewed in light of its origins if it is to become fit for purpose for the contemporary economy. Income support for unemployed people has become a long-term arrangement, not the short-term support for people temporarily out of work that was the purpose of its original design after World War II. The design and funding of contracted-out employment services 25 years ago assumed more full-time, ongoing employment opportunities, more entry level jobs without formal skill requirements, and a younger working age population, not the current ageing population. The likely effects of these changes are partial work capacity and a greater risk of long-term unemployment.

Accordingly, we must design for a system that assumes jobseekers exist on both income support and paid employment, taking a more gradual but longer ramp into skills and qualifications for work, and given the increasing incidence of job precarity,<sup>44</sup> cycling in and out of work. That reality requires a system built on more strategic planning and national workforce skills development than is possible under the current atomised system of various contracts, driven solely by the profit motive.

### How to make policy objectives for employment services meaningful

When policy objectives can be so broad that they risk being meaningless, and can be realised in delivery in ways that are harmful or wrong, it is worth asking who they are designed for and how they are used. The policy objectives cited at the top of this section seem mainly promotional in tone, getting everyone on board for another try at a reformed system. But how concretely do those generic goals guide public servants in their design

---

<sup>43</sup> Our public service, our future. Independent Review Of The Australian Public Service, PMC, 2019, p41.

<sup>44</sup> *The job insecurity Report*, Senate Select Committee on Job Security, Feb 2022.

and delivery of the service system? What do they tell jobseekers and employers about the roles they are expected to play, or the value they can expect from the system? How would we evaluate the system's achievement against policy aims, or even know the criteria by which the system could be evaluated? How might stated policy objectives help employment services staff to understand their roles, the expertise they need, and the professional standards and values they should hold?

Nobody can really be held to account for the realisation and achievement of government policy for its public employment service. The data to assess achievements against policy objectives are elusive, and any case there are so many mitigating circumstances - of labour market variability or unexpected events – that even a patently failing system can be excused as a work in progress.

### Policy objectives should show who owns the work and is accountable for it

The focus of policies should be less about aspirational statements and more about who owns and leads the system and what these leaders commit to do to ensure quality public services that work for the two groups that are supposed to benefit from the system: unemployed people and employers.

A culture change is needed to create an open and proactive system. Unemployed people deserve to have explained to them the role and responsibilities of contracted providers and service options, and their own role, responsibilities, and rights. Such information would be trustworthy and linked to a fair and transparent feedback and complaints process. Stronger and more accountable relationships with local stakeholders and the education, skills and social and community services would help to generate more effective skills and employment solutions, made possible by a policy commitment to less centralised control over procurement and the flexibility to develop, assign and manage resources locally.

These policy objectives should be expressed in terms that are explicit, concrete, capable of enduring through successive governments, and amenable to progress reporting to show how well they are being realised, and capable of enduring through successive governments.

### Recommendations for Section 1

#### Policy objectives for a reformed employment services system

1. **Reimagine, renew and reinvest in a public employment service that operates in the public interest**, in which both unemployed people and employers determine its priorities, resources, activities, value and impact. The service should be **designed for**

all people looking for work in any role and at all life stages, and should invest in those capable of some work but least likely to get jobs.

2. **Re-balance the employment services investment** to a focus more on:
  - **employer demand-side practices, capabilities and development support** needs to engage, train and hire more diverse candidates
  - **jobs that offer decent pay and conditions** and prospects for progression
  - **funding more effective skills and recruitment service models for employers, with some wages support** for those committed to inclusion and diversity hiring and quality jobs.
3. **Balance mutual obligations with a government commitment to quality services, and with reference to the availability of local jobs that could be in scope for them**, recognising and respecting the circumstances of each individual, diversifying and trialling mutual obligation options, and evolving policy based on that.
4. **Modify mutual obligations for people assessed to have ongoing and long-term personal development and/or foundation skills needs**, who should maintain contact with the employment services system through a choice of participation and learning options and, periodically, opportunities to experience paid employment.
5. **Appoint public service staff *who have the relevant experience and expertise* essential for them to work in the public interest to lead and deliver local employment and service coordination**, using Jobs and Skills Australia data and other sources, working with VET and skills systems, employers, and community representatives of jobseekers.
6. **Commission analysis of richer and more diverse data and evidence**, both from within and beyond the Department of Employment, to inform practice, modify and re-assign contracted services, and show providers, employers and the community what is working and what needs to improve.
7. **Provide innovation and discretionary procurement funding for alternative employment services** to be delivered by organisations/entities that are constituted as public-interest providers.
8. **Create an employment guarantee fund that can be assigned to pay full wages** for purposes and periods to be determined according to the design of employment projects suitable for local needs and conditions. Such a fund differs from a 'job guarantee', in that it would not be for a fixed minimum period or necessarily require enrolment in a skills qualification. It could be used where longer-term job commitments from employers are in line of sight for providers and the people they work with, but might also pay the wages of longer-term unemployed people who have designed their own Work for the Community (replacing Work for the Dole)

## PER CAPITA SUBMISSION

project, or to pay unemployed people who can meet surge demand for labour, for example, following extreme weather events.

## 2. The best operating structure for employment services

and

## 3. Integration and support for local responses

The employment services system has so many different programs, and so many competing providers that it has been described memorably as “a confusing mess of spaghetti and confetti”.<sup>45</sup>

Employment services funded by the federal government are managed by three different Departments. The Department of Employment and Workplace Relations (DEWR) is responsible for most employment contracts, devised for various cohorts: young people (Transition To Work); older workers (Career Transition Assistance); Indigenous people in prison (Time to Work); sole parents (ParentsNext), among others. In the largest funded “mainstream” program, Workforce Australia licences are issued to providers for generalist services, along with specialist services for ex-offenders, refugees, culturally and linguistically diverse people, and Indigenous people in the justice system. Disability Employment Services are contracted by the Department of Social Services (DSS), while the Community Development Program for remote regions and the Indigenous Skills and Employment Program are managed by the National Indigenous Advancement Agency, under the Department of Prime Minister and Cabinet.<sup>46</sup>

All this makes the employment service system complex and crowded, especially when programs and initiatives designed for employers are added.

When services operate in competition, how can unemployed people and employers know which services are best for them? Where can they suggest improvements or make complaints that they can feel sure will be addressed? In the current system, answers to such questions are nearly impossible to find.

### Big spending on mandated activities for jobseekers, little on local system coordination

Federal government spending on mandated services for people on income support far outweighs its small and inadequate investment (outside of wage subsidies) on employer services.

---

<sup>45</sup> *Making the match: Understanding and addressing barriers to accessing employment supports and employment in the Greater Dandenong area*, Final Report, City of Greater Dandenong with partners March 2021, p33.

<sup>46</sup> Though DES is contracted by the Department of Social Services, there are many people with disability on Workforce Australia caseloads, if they are assessed to have work capacity of 15 or more hours a week.

Expenditure on two programs, Workforce Australia Enhanced Services and Employability Skills Training, has been projected at \$1billion for 2022-2023 alone.<sup>47</sup> By contrast, national spending on the Local Jobs Program is projected to be \$50million.<sup>48</sup> The Local Jobs Program has big aims: to “bring together expertise, resources and access to funding at the local level to accelerate reskilling and upskilling of jobseekers to meet the needs of local employers”. Local Jobs Program funding, which works out at an average of \$1million per region for the 51 Employment Regions, needs to cover a Local Employment Facilitator, the convening of a Local Jobs and Skills Taskforce that meets periodically (though not always effectively), a tailored Local Jobs Plan, and a National Priority Fund that allocates roughly \$200,000 per annum.

The immensely important Local Employment Facilitator function, so central to our public employment service, has been outsourced to non-government providers. The funding typically covers two staff: the Facilitator role plus one admin support person. These roles, plus the National Priority Fund, meetings with the Local Skills Taskforce, and other meetings with the network of contracted employment services providers in the region, is not nearly enough “to address each region’s priorities” as the program goals state.

Moreover, processes for accessing the National Priority Fund are onerous, since the fund is treated as a government procurement process. This is in two stages, the first being a Request for Expressions of Interest, followed by a Request for Tender, which is by invitation only and requires detailed local consultation and a submission application that must be referred to Canberra central office for approval.<sup>49</sup> This can take quite some time, defeating the purpose of a nimble response to workforce needs.

An evaluation of the Local Jobs Program by Social Ventures Australia<sup>50</sup> found that while ‘most stakeholders overwhelmingly value the place-based approach underpinning the program and the focus on local issues and solutions’,<sup>51</sup> Employment Facilitators have limited time and resources. At the same time, while stakeholders felt that Local Jobs Program played a valuable role in coordination, it takes considerable time and effort to show how Local Employment Facilitators can add value, and avoid duplication and competition when the landscape can be crowded with many State government-funded

---

<sup>47</sup> FOI Incoming Government Brief 2022 prepared by DESE, p477.

<sup>48</sup> Ibid.

<sup>49</sup> National Priority fund DEWR [webpage](#)

<sup>50</sup> *Local Jobs Program 2020–2022 Evaluation Report* by Social Ventures Australia, Nov 2022.

Supply figures – Local Recovery fund of \$12.5m is shared between all regions. Also put in Industry Specialist costings...

<sup>51</sup> Ibid, pix

programs in the mix.<sup>52</sup>

That evaluation report surfaced some key questions DEWR must consider before deciding on the future direction of the program. Throughout the consultation, which included Employment Facilitators and the Department's State Office National Office staff, different stakeholders expressed different perspectives about the long-term goals and priorities of the Local Jobs Program.

*[Should the program... ?] focus on leveraging the [Local Jobs and Skills] Taskforce to connect jobseekers and employers with immediate workforce needs, or bring Employment Services Providers together to help the existing employment services system to be more effective, or to develop new solutions to support jobseekers with the most complex barriers to employment, or to building the capacity of local stakeholders to develop solutions to big-picture, long-term labour market challenges.*

*The LJP could focus on any of these objectives, and they are not mutually exclusive. However, Employment Facilitators have limited time and resources...*<sup>53</sup>

Per Capita believes that these questions should be asked about the future of employment services in general.

### Public sector strategy and coordination in the public interest

For the reasons given above, and in line with the policy objectives we proposed in Section 1 of this submission (Recommendations 5 through to 9), we believe that public sector leaders should take on Local Jobs and Skills Coordinator roles. These officials would not only be visible and accountable for local jobs and skills strategy and delivery in their own region but would work with their peers in other regions to inform and cross-pollinate policy, strategy, and delivery. Their collective insights would also assist DEWR central office, including Jobs and Skills Australia, to inform national employment and skills policy, including for VET and education funding, along with DEWR procurement approaches and ways to fund wage subsidies (including the wages supporting an employment guarantee that Per Capita recommends).

In ongoing roles, these coordinators should draw on, develop, and share local information about industry and skills needs, and the services and supports available to both unemployed people and employers. This information should include services provided by other federal and State government programs, skills training options, and community and philanthropically funded initiatives.

---

<sup>52</sup> Ibid, p117

<sup>53</sup> Ibid, pxiii



### Evidence-based procurement and spend responsive to local conditions

Public-sector employed local coordinators would be better placed than coordinators hired through the private market to contribute to the design of additional discretionary services for skills and employment solutions, including funding options. They could use their local knowledge to make best use of existing resources from other government and community services, many of which are mission-aligned and free of charge.

Local coordinators hired within the public sector should give the Department's national office greater confidence to devolve to local coordinators the use of discretionary procurement funding for alternative employment services, to be delivered by organisations/entities legally constituted as public-interest providers. These officers should also generate more trust in the application of an Employment Guarantee Fund (assuming our Recommendation 7 is adopted) that can pay full wages for purposes to be determined according to local needs and conditions.

At present, the government has fixed fees for employment services. By enabling and encouraging a new approach to developing public-interest employment services, government could explore new ways to design and manage its market, learning as it goes what it should pay for that might cost more – or less.

### Recommendations for Sections 2 and 3

The best operating structure for a reformed employment services system that ensures integration and support for local responses

9. **Create an entity within the Australian public service** to replace the current outsourced Local Jobs Program, and provide adequate resources to establish:
  - a. **Local Jobs and Skills Coordinators** that align Jobs and Skills Australia skills projections with local skills and labour demand, and coordinate with industry and employers to create skills and job opportunities for people on the various caseloads of contracted providers
  - b. **Local Jobs and Skills Centres** for walk-in, authoritative information and advice about local careers and industries, employment services and skills training options, and basic information about pay and award provisions, and how they relate to the income support and tax system. This service should be available to all jobseekers, employment services providers, parents, teachers and community workers, and employers.
10. **Establish national network systems to develop and share learning and insights**, including data analysis, local labour market strategies, employment services solutions and innovation practices.
11. **Devolve discretionary procurement funding to Local Jobs and Skills Coordinators**,

## PER CAPITA SUBMISSION

enabling them to develop and fund alternative employment services, including those that could be proposed by public-interest entities. Include an employment guarantee fund that can be assigned to pay full wages (*as explained at Recommendation 8*).

## 4. Identifying and responding to the needs of jobseekers

By definition, responsibilities under a mutual obligation regime should work both ways. When Government has the authority to suspend payments and even impose financial sanctions, it has a serious obligation to understand the needs of jobseekers: on the one hand, to recognise the risk of their being unable to meet mutual obligations and in response to moderate compliance requirements; on the other, to gather, and, as appropriate, make available, information that will optimise the chances of helping people find jobs that match their needs, interests, and skills.

### Recognition, respect, and rights

Everyone on income support and looking for work must agree to a Job Plan that outlines the activities they are going to undertake to meet mutual obligation requirements. Some practices involved in meeting with a case manager to develop and sign a Job Plan are questionable. There are many reports of people not understanding their right to take time to consider the plan, to negotiate what is in it, and to explore more options than are considered “safe” by providers, who often prefer to include only activities that are already listed on the system and approved as “allowable activities”.<sup>54</sup>

Similarly, there is disturbing evidence of low levels of awareness of people’s right to choose or change their provider, or to know their rights to access discretionary funding that can be used to help them get skills or employment. For example, administrative data in the *Evaluation of jobactive Final Report* show that Employment Fund spending declines the longer a person has been unemployed.<sup>55</sup> As the report notes, this may be due either to providers having a limit on spending for individual participants, or spending from the fund being seen as less likely to generate an outcome for long-term participants.<sup>56</sup> Noting that “professional services” was the highest expenditure category for Stream C participants, this kind of spending merits further investigation about how those decisions were made, and how well informed those participants were about the options for discretionary spending to meet their needs.

### Assessments should be for so much more than rationing services

The Job Seeker Classification Index (JSCI) continues to be used to make what its Guidelines call “an accurate Assessment so [jobseekers] can be referred to and receive the

---

<sup>54</sup> See, for example, Siobhan O’Sullivan, Michael McGann, Mark Considine, *Buying and Selling the Poor: Inside Australia’s privatised welfare-to-work market*, Sydney University Press, 202.

<sup>55</sup> *Evaluation of jobactive Final Report*, Nov 2022, p87.

<sup>56</sup> *Ibid*, pp87-90.

Employment Services most appropriate to their needs.”<sup>57</sup> But the JSCI is not an aid to assessment of service needs. It is a *rationing tool*, used to determine the risk of a person’s risk of becoming long-term unemployed, and therefore which service stream they should be assigned to, and whether providers should get lower or higher fees for working with them and getting them into employment.

As Considine et al have pointed out, although the JSCI is used to assign provider payment amounts:

*[It] incorporates less than an optimal number of factors, or put differently, fails to recognize individual differences, and thus the different costs associated with each jobseeker. That means that the optimal match in the payment structure is not achieved.*<sup>58</sup>

In consultation meetings for the new employment services system in 2018, providers and other stakeholders generally agreed “that the JSCI was not sufficient, nor sufficiently sophisticated, to serve as the prime assessment tool”.<sup>59</sup>

### Other valuable information to discover about people's needs

With more information about jobseekers’ needs, case managers could:

- Identify perceived obstacles to getting a job, and what the person thinks would help. What is getting in the way?
- Through professionally trained and sensitive case management, recognise where problems such as social isolation, stress and anxiety, poor physical health and fitness, and low self-esteem are representing challenges to participation in services, let alone employment in the longer term. Understanding and addressing how these personal factors affect motivation and resilience is likely to be an essential condition of any next steps towards employment aspirations and ability.
- Understand work-related attitudes and motivations in terms of hopes and aspirations for weekly income, how far the job seeker would travel, how broad or narrow are their job goals, whether they would work for the award wage, how they spend their time, and so on.
- If the person already has some part-time work, determine what they consider to be their desirable level of hours, and whether that can be achieved.

---

<sup>57</sup> Job Seeker Classification Instrument Guidelines, DEWR, 2022.

<sup>58</sup> Mark Considine, Phuc Nguyen & Siobhan O’Sullivan, ‘New public management and the rule of economic incentives: Australian welfare-to-work from job market signalling perspective’, *Public Management Review*, July 2017.

<sup>59</sup> *Employment Services 2020 Consultation report* from Nous Group for Department of Jobs and Small Business, Aug 2018, p30.

- Gauge the likelihood of using different types of services, including online, face-to-face, or drop-in interactions, whether they prefer individual support or feel they would benefit from group discussions and learning.
- Ask about needs for career counselling, financial counselling, transport assistance, digital access, or childcare.
- Assess a person's propensity to take advice and use information, including understanding what conditions would induce them to take or deter them from taking a support offered (e.g. transport might be a barrier).
- Also consider propensity to benefit from possible activities or supports.
- Consider need for emergency or crisis services such as housing assistance, domestic violence risk assessment, mental health supports, or other immediate needs. Housing needs are acute, and will have become more so since a 2019 employment services provider survey identified housing as "a stand-out issue, with about two-thirds of providers reporting that it was very difficult (29 per cent) or difficult (38 per cent) to access housing services."<sup>60</sup>

### Improving options that can better meet needs

Budget projections for 2022-2023 show that \$127million has been assigned to Employability Skills Training and \$33million to Work for the Dole, enabling bulk referrals that can earn people "Activation Points".<sup>61</sup> But there is little information about how these will be monitored, evaluated, and adapted.

Program information intended for participants can make assumptions - about what skills people don't have that the program is going to fix - that can come across as patronising. Career Transition Assistance, for example, tells people that, apart from earning them 15 Activation Points a week:

*Attending a CTA course can help you:*

- *improve your job search skills*
- *find out how to transfer your skills to a new job or industry*
- *set career goals.*

*A CTA course will also help you improve your digital literacy skills. By improving your digital literacy, you can more confidently:*

- *apply for jobs online*
- *use technology like computers and tablets that are found in workplaces.*

---

<sup>60</sup> Evaluation of jobactive Final Report, Nov 2022, p85.

<sup>61</sup> Incoming Government Minister Briefing 2022 prepared by DESE (FOI), which includes Budget and Forward Estimates as at the 2022-2023 Budget, p477.

Online information for the Transition To Work program tells young people that it will “...build your skills and confidence to continue your education or get you ready to start a new job”.

While it might be reasonable to list options such as “career guidance”, and “job-specific training” in order to give prospective participants a sense of what they might expect from the program, it is arguably patronising and even counter-productive to tell young people they will get “capability development and adult life skills”. Such language does not inspire confidence that people might be assessed and offered services according to their individual circumstances and needs.

In considering ways to learn about individual jobseekers’ needs, it is important to invite them to reflect on the value of activities they have been compelled to undertake previously, such as job applications, resume preparation, job search or other training, and the outcomes that generated. These are the kinds of research, development and evaluation activities, that would contribute to a more dynamic and responsive service system.

### Determining who should have modified compliance

A holistic approach to assessment should recognise that some people are not likely to benefit from, and may even be harmed by, the requirement to undertake typical job search or skills training activities from which they will not derive benefit or results. The purpose of this is not to categorise someone as “unemployable” but rather to focus on what other productive activities and skill development a person in such circumstances should undertake on a more voluntary basis.

The points-based activation system also fails to take account of local conditions. Some providers work hard and creatively to produce programs of value to jobseekers, as a [case study of adult foundation skills linked with community projects](#) in Wangaratta demonstrates. Nevertheless, if quality activities for foundation skills training or community participation do not exist in a particular area, it is reasonable to expect that compliance and attendance requirements should be modified.

Per Capita also recommends exploration of a more attractive [Work for the Community option](#) so that even people assessed for modified compliance requirements could still have options to participate in activities.

### Recommendations for Section 4

#### Identifying and responding to the needs of jobseekers

12. **Assess jobseeker needs in more diverse and holistic ways, and over a longer period,** rather than determine them through the Job Seeker Classification Index (JSCI).
13. **Determine who is unable to benefit** from compulsory activities and who could be assigned to modified compliance or only periodic check-ins.
14. **Aggregate and analyse jobseeker needs from improved assessment data to identify service gaps and improve service choices** that need to be developed or better linked to existing local services.
15. **Assess whether people who have already cycled through various compulsory activities** should repeat them, to avoid wasted costs where no benefits can be expected.

## 5. Enabling choice in the types of assistance

It is difficult for people being referred to Workforce Australia Enhanced Services to make an informed choice among Enhanced Services providers. The very concept of “choice” within Enhanced Services might well be illusory, when the Service Requirements, Guidelines and IT system are so prescriptive that there is not a great deal of difference between them.

How well Job Plan activities are mapped from all the possibilities in a local area, whether they are allowed as activities for the purposes of earning points in the Points Based Activation System, and whether providers preference referrals to their own -in-house chargeable services is something that bears further investigation.

### How the Job Plan and compulsory job search confuses choices

Here is the wording for the Recommendations from the 2020 employment services review report, adopted for the design of Workforce Australia services:

*Jobseekers have a responsibility to find work. The community expects jobseekers to do everything they can to find work. To encourage greater personal responsibility jobseekers will have more control. **Jobseekers will have input** into job pathways and activities...* “[emphasis added]<sup>62</sup>

This is from the Request for Proposal documentation about Job Plan requirements:

*Enhanced Services Providers must ensure that all jobseekers have a current Job Plan [that] will be tailored to the requirements of each job seeker. The Job Plan will set out the agreed activities that will satisfy the job seeker’s Mutual Obligation requirements, where relevant, under Social Security law. This will include meeting a Points Target every month. The Job Plan must contain any compulsory activities a job seeker is required to undertake to meet their Mutual Obligation requirements.*<sup>63</sup>

The devil is in the detail in terms of what “input” is sought from people. How does the requirement for people to do “everything they can to find work” interface with their levels of knowledge and the quality of advice they can get about their choices of skills, jobs, and careers? How does the service system help them reflect on job options that exist, and which of those exist locally that it is possible and realistic to pursue? And if those current

---

<sup>62</sup> *New Employment Services Model: Regulatory Impact Statement*, Department of Education Skills and Employment, p.9.

<sup>63</sup> *Request for Proposal for the New Employment Services Model 2022 Appendix 1 RFP – Enhanced Services (Statement of Requirements)*, Section 1.8.1 on Job Plans.



vacancies are not people's dream jobs, by what process of doing the Job Plan can they map a road towards those aspirations, while making a living in the meantime?

This is a problem most marked in the case of young people in transition from school to work, even for those who have completed qualifications but have been unable to use them. The discussion that follows explores some of these hazards, though it also applies to older age groups.

### There is limited information about job options

The 2020 Victorian Inquiry into Sustainable Employment for Disadvantaged Jobseekers reported that several Local Learning and Employment Networks (LLENs)<sup>64</sup> have identified “a mismatch between the careers young people want, the labour demand in those fields and the jobs young people actually get.”<sup>65</sup> Gary Workman, of the Australian Employment Network, characterised the narrow range of sources that inform young people’s thinking and decisions, arguing that they could - and should - be so much better informed.

*We tend to have a system in Australia where we sell the training; we do not actually sell the job or the occupation that it is linked to. A lot of people get their information through social media or friends or television. They are still guided by their parents in a lot of the decision-making processes if they have got a good, supportive network. Parents have been pushing the youth towards university for a long time now; university has been a relatively free and easy path for a lot of young people. But we do not actually give them the chance to say, ‘What does this career look like? What are the job opportunities? Where is this industry going in the next 10, 15, 20 years? How is technology going to impact on it? What are my career options?’. When we have surveyed young people, they can only name a dozen career occupations. We have got 500 different qualification pathways out there that offer training.*<sup>66</sup>

Similarly, the report of the 2020 National Youth Commission Inquiry into Youth Employment and Transitions noted the large number of submissions pointing out how generally uninformed young people are about the range of possible occupations and industry types where they might find work. This in part due to the limited nature of careers information and guidance at secondary school, meaning that young people tend to get their ideas about work options from other sources.<sup>67</sup>

One survey of Australian youth at year 13 in 2017 found that young people get their careers advice and information, in order, from parents/caregivers (48%), internet (42%),

---

<sup>64</sup> LLENs are local networks in Victoria that coordinate opportunities for young people in transitions from school to work, including those disengaged from, education or training.

<sup>65</sup> *Report of the Inquiry into sustainable employment for disadvantaged jobseekers*, Victorian Government, 2020, p.50

<sup>66</sup> Evidence given by Gary Workman, AEN CEO, at public hearing for the Inquiry into sustainable employment for disadvantaged jobseekers, 2019.

<sup>67</sup> National Youth Commission Inquiry into youth employment and transitions Report, NYC, 2020,\ and a series of subsequent reports 2020-2022.

friends (32%), then careers advisors (25%).<sup>68</sup> This picture is unlikely to be different, and may be even more concerning, for young people who leave school earlier. As the 2020 report reviewing post-secondary education in NSW noted, these kinds of influencers often possess limited understanding of the labour market and how it is likely to develop. This can undermine the decisions of young people or lead them to work towards options that might align neither with their skills and interests, nor the future needs of the workforce.<sup>69</sup>

### A competitive training system also confuses

A competitive vocational education and training sector that often promotes job pathways to prospective learners because they have VET course enrolment targets to meet presents a further challenge to participants trying to make well-informed choices about skills and job options. As Gary Workman, quoted above, says: “We tend to have a system in Australia where we sell the training; we do not actually sell the job or the occupation that it is linked to.”

Another submission to the Victorian Government Inquiry into Sustainable Employment for Disadvantaged Jobseekers sums up how these forces work for young unemployed people:

*We don't have any career pathway planning that's accessible and that's not attached to either a school or a sales pitch. Our kids who have left school - who have disengaged, the only way they can get career or pathway advice is either to go back to their school - well they're not going to do that, they've disengaged from their school, they're not going to go back again. To walk into a TAFE or an RTO [is an option], but then it's going to be a sales pitch. Cut it whichever way you like, it's going to be a sales pitch.*<sup>70</sup>

### What gets onto the menu of options for PBAS?

There is no report to date on the range of choices known to be available and deemed to be “allowable activities” for people in case management, though “other government programs” and “non-government programs” are included in the Points Based Activation System list. So how much do case managers know about services and activities (whether approved or not) other than Department of Employment funded programs, and what advice to people in case management get about what they can choose from?

---

<sup>68</sup> R Bisson and W Stubleby. ‘After the ATAR: Understanding how Gen Z transition into further education and employment’, cited in *Looking to the future: Report of the review of senior secondary pathways into work, further education and training*, COAG Education Council, June 2020

<sup>69</sup> *Looking to the future*, COAG Education Council, June 2020

<sup>70</sup> Submission 54 to the Inquiry into sustainable employment for disadvantaged jobseekers, from the Greater Dandenong Regional Employment Taskforce, Attachment 1, 2019.

Victoria, for example, offers Skills and Jobs Centres as part of the TAFE network. There are Learn Local pre-accredited training courses, in many instances through Neighbourhood Houses;<sup>71</sup> Centres for Work and Learning in 5 areas; a network of Jobs Victoria Employment Services; and Local Learning and Employment Networks map and coordinate youth transitions activities and opportunities. There are also many social enterprises that seek explicitly to create employment and work experience for unemployed and disadvantaged people. What is showing up on the computer screens of Workforce Australia case managers, to keep them informed of the range of possible activities?

In Appendix 1 we provide a snapshot of the multitude of employment-related services identified for migrants in the Dandenong area, mapping done as part of an excellent report developed by a coalition led by the City of Dandenong. This table illustrates the vast range of services and supports that can exist in a community; a picture repeated for other cohorts in that report.<sup>72</sup>

Could Workforce Australia providers know about all these options? Whose job is it to know about, advise on, and coordinate not just referrals but deeper partnerships in this changing ecosystem of provision? How well is the “market” of differently contracted providers working this out, for themselves, separately or together? By what process are the diverse activities in a local ecosystem of options deemed to be “allowable” activities to earn PBAS points, and how many points could they merit? What happens if a good program involves a waiting period? Would the jobseeker be “allowed” to wait for it? The need for a strong map of possible activities becomes more obvious in those circumstances.

### Local mapping and coordinated communications to inform choice is needed

We have argued in Sections 2 and 3 of this submission that the responsibility to map and improve options for employment and skills pathways is best fulfilled by a public sector Local Jobs and Skills Coordinator. They would be responsible for ensuring that information and advice about the wide range of employment services and skills training options available in a local community are kept current and made known to all people who are unemployed.

---

<sup>71</sup> Learn Local providers across Victoria are unable to communicate in a systematic way their offers of foundation skills and pre-accredited training courses through the Department of Employment contracted provider network (see Footnote 37) and being smaller, community-based organisations seldom have the communications/partnership development capacity to do the work of contacting multiple local ES providers. Yet the Learn Local offer is an ideal option for long term unemployed people, being a supportive, informal, adaptive learning environment.

<sup>72</sup> From the Appendix to *Making the Match: Understanding and addressing barriers to accessing employment supports and employment in the Greater Dandenong area* Final Report, March 2021.

The changing and often short-term nature of community-led initiatives also points to the opportunity to coordinate not just learning from those initiatives, but the chance to add or broker resources, perhaps combining with State government or philanthropic funding to support models that enhance choices and get results. These might be related also to the coordination of industry and employer relationships, an inherently complementary role to play.

### Case studies to learn from

The case studies that follow illustrate the mix of resources and relationships that can be joined to inform people about skills, jobs, and workplaces, while engaging employers to recruit people they may not otherwise have considered. In general, these examples aim to ensure that people can get a more concrete understanding of workplaces and job roles in them.

Case studies 1 to 5 are examples of organisations acting as intermediaries between employers and people needing to make informed choices about work and learning pathways. For employers it reduces the risk, red tape, and other hassles that can put them off hiring candidates who it is too early to commit to.

The place-based initiatives, case studies 6 to 8, are included to show how niche services can be designed to offer something unique that responds to individuals' needs and interests. These are ongoing operations with strong staff expertise and community relationships and communications that *serve the people and places where they operate*.

For example, the Centres for Work and Learning (Case study 6) are a place to go to that offers advice and information based on what help visitors are looking for. The adult foundation skills teaching in community settings (Case study 7) is an example of how to contextualise adult learning into activities that are more hospitable and positive than might be expected, given that many participants have been compulsorily referred via Work for the Dole or for a community work order from the justice system. Community volunteers explaining what their job involves to young people (Case study 8) in face-to-face meetings is another example of core local infrastructure that offers something unique – and utilises the experience of working people to contribute to career education.

Taken together, Case Studies 1 to 8 illustrate the kind of different activities that would diversify choices and options for people looking for work. Options like these, with more direct links to workplaces, real-world workplaces and workers, and jobs in the line of sight, represent genuine choices and better-quality service options for people who are unemployed.

### Employer-facing examples for quality matching and work experience

1. [Multi-industry pre-apprenticeship program](#)
2. [Agribusiness placements brokerage to try skills and jobs pathways](#)
3. [Multi-industry social enterprise employment program](#)
4. [Social enterprise employment trial of payment by outcomes](#)
5. [Not for profit labour hire](#)

### Place-based initiatives

6. [Centres for Work and Learning](#)
7. [Adult foundation skills linked with community projects](#)
8. [Community volunteers explaining what their job involves](#)

In Sections 8 and 9 we also give an account of how Work for the Dole could be converted to a more attractive and engaging [Work for the Community](#) option.

## Case studies

### 1. Multi-industry pre-apprenticeship program

Organisation/ partnership / network	Type(s) of activity / service (and start date)
<ul style="list-style-type: none"> <li>&gt; Multi industry pre-apprenticeship program (MIP)</li> <li>&gt; Delivered by Apprenticeship Employment Network (AEN) with 15+ GTO partners across 3 states,</li> <li>&gt; Funded with \$6.8m from the Commonwealth Department of Education in mid-2016</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Not for profit industry association (and Group Training Organisations) 2016-19</li> <li>&gt; Supported over 2,200 youth – a mix of programs for either school based or unemployed youth</li> </ul>
Problems this seeks to solve	Design and delivery features
<ul style="list-style-type: none"> <li>&gt; Lack of work experience makes it hard to get a first job, especially for young people</li> <li>&gt; Employers find it hard to commit to inexperienced employees, even to realise their commitment to diversity and inclusion targets, or social procurement policies that require hiring of disadvantaged candidates</li> <li>&gt; Hiring disadvantaged /inexperienced candidates one by one, workplace by workplace is extremely high when done individually: a lot of relationships, training materials, etc needs to be established.</li> <li>&gt; Even large companies employing at scale do not have in-house expertise for diversity and inclusion recruitment/training; this is not their field of expertise or mode of operation</li> <li>&gt; The Group Training Model, while very supportive, requires the candidate to commit to a VET qualification, hard to do without real-world work experience</li> <li>&gt; Currently only approx. 50% of youth complete their VET qualification – by providing 6–10-week multi-industry pre-apprenticeship programs with multiple work experience opportunities gave participants a chance to explore their next qualification – we found over 50% of participants changed their mind during the course which we believe has a direct correlation with improved completion rates</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Through local Group Training Organisations, various projects offered: <ul style="list-style-type: none"> <li>- a range of industry experiences to inform choices of further study or employment pathways in vocational (apprenticeship) industries</li> <li>- support to gain and complete an apprenticeship or traineeship</li> </ul> </li> </ul> <p>Key aspects of the program include:</p> <ul style="list-style-type: none"> <li>&gt; Hands on experience and knowledge sharing in multiple industries and occupations</li> <li>&gt; Collaborative relationships between all stakeholders of youth career pathways</li> <li>&gt; Practical and theoretical student project-based learning, and student research activities on individual industries, including: <ul style="list-style-type: none"> <li>- Workplace readiness - understanding employer expectations</li> <li>- Sustainability and environmental requirements of particular industries</li> <li>- Legal requirements of working in particular industries</li> <li>- Business processes, project management and communication skills</li> <li>- New and emerging technology for different industries</li> <li>- Career and further study pathways available in different industries.</li> </ul> </li> </ul>
Partners and what they bring	Relationship to employment services ecosystem
<ul style="list-style-type: none"> <li>&gt; GTOs designed local MIP programs with training/TAFE partners to meet local employment needs</li> <li>&gt; No two programs were the same (employers were encouraged – with support from GTOs to provide</li> </ul>	<ul style="list-style-type: none"> <li>&gt; GTOs were able to build on existing employment agency relationships to promote the MIP programs</li> </ul>

work experience opportunities to “trial” youth until there was a good match and then move into an apprenticeship.	
<i>Outcomes Intended / achieved</i>	<i>Info systems/ databases/ apps used for records/tracking</i>
<ul style="list-style-type: none"> <li>&gt; Improved knowledge of apprenticeship/ traineeship options, industries, and careers</li> <li>&gt; 34% employment outcomes into apprenticeship pathways after completing the program</li> <li>&gt; Employers improved readiness to host work experience, raise awareness of industry/ workplaces, and explain attitude and aptitude</li> <li>&gt; Stronger recognition of the role and value of GTOs</li> </ul>	<ul style="list-style-type: none"> <li>&gt; AEN and the GTOs has its own vacancy listing system</li> <li>&gt; AEN also developed a centralised GTO reporting system for project outcomes and milestone payments etc... in real time so governments/ partners could track progress.</li> </ul>

## 2. Agribusiness placements brokerage to try skills and jobs pathways

<i>Organisation/ partnership / network</i>	<i>Type(s) of activity / service (and start date)</i>
<ul style="list-style-type: none"> <li>&gt; Australian Training Company – Southeast Coast of NSW, a Not-for-profit Group Training Organisation and Registered Training Organisation.</li> </ul>	<ul style="list-style-type: none"> <li>&gt; This is an agribusiness industry-focused project to inform young people about opportunities for work and qualifications in a diverse range of small to medium businesses, ranging from honey production to oyster farming</li> </ul>
<i>Problems this seeks to solve</i>	<i>Design and delivery features</i>
<ul style="list-style-type: none"> <li>&gt; A lack of decent work opportunities for young people which results in a potential workforce abandoning rural communities.</li> <li>&gt; Awareness of employment opportunities – unless you have a family link to agriculture many people are unaware of the employment opportunities available.</li> <li>&gt; Employers in agriculture are unable to identify a skilled workforce.</li> <li>&gt; Current employees do not have opportunities to upskill or have current skills recognised.</li> <li>&gt; Institutional learning being unattractive to the pool of potential employees.</li> </ul>	<ul style="list-style-type: none"> <li>&gt; The Australian Training Company has worked with local Agri businesses to identify unmet demand for labour, to coordinate a series of paid employment placements to expose participants to various opportunities.</li> <li>&gt; Pre-employment training ensures employee expectations are realistic and safety issues are addressed prior to workplace exposure, eg use of quad bikes.</li> <li>&gt; Existing employees in the businesses are encouraged to participate in training and education to create the next generation of workplace supervisors.</li> <li>&gt; The GTO works with managers/supervisors to foster an appropriate and supportive workplace environment.</li> <li>&gt; The RTO is focusing on training delivery that matches the current on-the-job expectations.</li> <li>&gt; The RTO is forming participants into small learning groups that encourages a sense of belonging and provides peer support opportunities.</li> </ul>
<i>Partners and what they bring</i>	
<ul style="list-style-type: none"> <li>&gt; This project has received financial support from a Philanthropic Trust. The support allows ATC to spend time communicating with a broad range of local partners –.</li> <li>&gt; Each partner has a significantly different offering but fundamentally is after the same outcome – access to potential employees.</li> </ul>	
<i>Outcomes Intended / achieved</i>	<i>Relationship to employment services ecosystem</i>



## PER CAPITA SUBMISSION

<ul style="list-style-type: none"> <li>&gt; This project is predominantly targeting employment opportunities and skill acquisition by leveraging the VET system. Success will be measured against qualification successfully achieved.</li> <li>&gt; The project recognises that in some circumstances a qualification may not be awarded in the first instance and that ongoing employment is also an indicator of success.</li> <li>&gt; An identifiable person, in the local community, creates interest and generates employer participation – they know they will be supported. Employers are referring Employees to ATC.</li> <li>&gt; ATC has been overwhelmed by people and organisations who want to be involved – most have encountered a barrier in creating employment opportunities and are looking to leverage off a “successful” organisation or individual.</li> <li>&gt; Communities have local strategies that need to be integrated for maximum effect eg The Bega Valley is interested in the benefits of being a circular economy and this is consistent with ATC’s objectives of local employment opportunities</li> </ul>	<ul style="list-style-type: none"> <li>&gt; The South East Coast of NSW is not well serviced by employment services. Many local residents relocate out of the area in search of employment.</li> <li>&gt; Previous interactions with Employment Service Providers has not been positive.</li> <li>&gt; This model helps employers meet their demand for labour by showing what <i>they</i> can do to train and work with people in their own community. This is more than the brokerage of labour, it develops them too</li> </ul>
	<p><i>Info systems/ databases/ apps used for records/tracking</i></p> <ul style="list-style-type: none"> <li>&gt; ATC uses GTO and RTO specific software to manage data (Codehouse and VETtrak). Some exchanges occur via the ATC website.</li> <li>&gt; This project will be independently evaluated from December 2023.</li> </ul>

### 3. Multi-industry social enterprise employment program

<i>Organisation/ partnership / network</i>	<i>Type(s) of activity / service (and start date)</i>
<ul style="list-style-type: none"> <li>&gt; YMCA Victoria and Green Collect (a social enterprise), with a range of other collaborating participating social enterprises in the western suburbs of Melbourne</li> <li>&gt; Funding</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Choose Your Career: Paid work experience in a range of businesses (social enterprises)</li> <li>&gt; A three-year project starting in July 2022</li> </ul>
<i>Problems this seeks to solve</i>	<i>Design and delivery features</i>
<ul style="list-style-type: none"> <li>&gt; Social enterprise employment offers a hospitable start in employment but can typically offer only one or very few job role choices and may not be in line with skills/labour demand in the area</li> <li>&gt; Social enterprise employment can become the destination, not the journey to a mainstream job</li> <li>&gt; Young people don't know where to start in approaching training or employment without practical knowledge of jobs and workplaces in different industries; this project offers a selection and rotation of different workplaces and job roles</li> <li>&gt; Most mainstream youth programs don't offer much choice of activity. This project was designed</li> </ul>	<ul style="list-style-type: none"> <li>&gt; A network of social enterprises in Melbourne will provide paid work and training/development support in the areas they trade, including:</li> <li>&gt; Industries include: warehouse/supply chain operations, logistics, landscaping construction, garden/grounds maintenance, retail services, admin and customer service, electrical tag and testing, resource recovery, commercial painting, plastering and carpentry, small business development and microenterprise</li> <li>&gt; Customers of the social enterprises are businesses, local and state governments, Tier 1 infrastructure companies, and others with social procurement</li> </ul>

## PER CAPITA SUBMISSION

<p>with young people, taking account of their needs to “find out what I’m good at”, have opportunities to “shop around” for job ideas, and have a choice and a say in what they might do.</p> <ul style="list-style-type: none"> <li>&gt; A salaries budget to pay young people ensures that their work is rewarded and supports expectations of productivity and full work team participation</li> </ul>	<p>commitments, creating the employment</p> <ul style="list-style-type: none"> <li>&gt; A salaries budget enables the young people to earn while learning for a notional period of up to 4 months before transitioning, with experience and references to non-social enterprise jobs</li> <li>&gt; Vocational training and traineeships are an option, in Warehouse and Supply Chain operations, Retails Services, Landscaping, Carpentry and Property Maintenance</li> </ul>
<i>Partners and what they bring</i>	<i>Relationship to employment services ecosystem</i>
<ul style="list-style-type: none"> <li>&gt; Social enterprise participating partners benefit from screening, induction, placement, and support for short to longer term placements from YMCA/Green Collect</li> <li>&gt; Philanthropic start-up funding is from a post-COVID Innovation Collaboration Grant (Gandel, Myer, Lord Mayors, Ian Potter, Vincent Fairfax Family)</li> </ul>	<p>Referrals are from:</p> <ul style="list-style-type: none"> <li>&gt; Youth justice at Parkville and Malmsbury</li> <li>&gt; Headspace</li> <li>&gt; Youth Substance Abuse Service (YSAS)</li> <li>&gt; Workforce Australia and Transition To Work providers, including, Matchworks APM and Youth Projects</li> </ul> <p>These referring organisations contribute wage subsidies and support with PPE ( boots, clothes etc)</p>
<i>Outcomes Intended / achieved</i>	<i>Info systems/ databases/ apps used for records/tracking</i>
<ul style="list-style-type: none"> <li>&gt; Goals are to achieve:</li> <li>&gt; 132 young people who get a wide range of work experiences and work readiness training</li> <li>&gt; 108 young people who get paid employment and pathways into long-term careers</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Information to assess participants and their eligibility, analyse progress and report impact to funders includes age and background (criminal, mental health , housing , drug and alcohol use etc)</li> <li>&gt; The Social Ventures Australia progress and monitoring review platform for youth employment programs is used to capture the social impact data that is shared with funders. Surveys are completed at weeks 1, 4, and 26.</li> </ul>

#### 4. Social enterprise employment trial of payment by outcomes

Organisation/ partnership / network	Type(s) of activity / service (and start date)
<ul style="list-style-type: none"> <li>&gt; White Box Enterprises is leading on this Social Investing Initiatives (DSS) to work with 15 social enterprises to achieve employment outcomes for people with disability.</li> <li>&gt; Impact investors have contributed a total of \$750,000 for upfront costs and working capital: Macquarie Group Foundation, Tripple, and Hand Heart Pocket Foundation.</li> </ul>	<ul style="list-style-type: none"> <li>&gt; 15 different social enterprises employing people with disability are participating in the trial, which started in July 2022 and will run for three years</li> <li>&gt; The trial is now open to 16 – 59-year-olds (previously 18-50).</li> <li>&gt; Find out more <a href="#">here</a>.</li> </ul>
Problems this seeks to solve	Design and delivery features
<ul style="list-style-type: none"> <li>&gt; Many groups experience barriers to mainstream employment: people with disability, mental illness, homelessness, refugees, Indigenous Australians.</li> <li>&gt; Jobs-focused social enterprises exist to create jobs for these people. Until the PBO Trial social enterprises received no direct support from the Federal Government for the job outcomes they create.</li> <li>&gt; Jobs-focused social enterprise have higher retention rates than mainstream employers due to the wrap around supports they provide; for example, onsite counsellors, case managers, increased flexibility and greater understanding and consideration of an individual's circumstances. The PBO trial recognises the costs of these supports for the first time.</li> </ul>	<ul style="list-style-type: none"> <li>&gt; &gt; Up to 140 people living with a disability will be supported into award wage employment with one of 15 jobs-focused social enterprises participating in the trial.</li> <li>&gt; &gt; As each person achieves a 6, 12 and 18 months milestone in their employment, the social enterprise employing and supporting them will receive outcomes-based payments at 6, 12 and 18 months, as well as additional payments when an employee chooses to transition to another employer.</li> <li>&gt; &gt; The payments will cover the costs of the wrap-around supports these businesses provide people living with a disability such as workplace capacity building, flexible work environments, social support structures, and career support.</li> </ul>
Partners and what they bring	Relationship to employment services ecosystem
<ul style="list-style-type: none"> <li>&gt; Department of Social Services – White Box is working with DSS and Workforce Australia to accurately track and measure the impact of social enterprise.</li> <li>&gt; There are 15 different social enterprises employing people with disability, for example, agribusinesses, food processors (Bega Cheese), industry associations (Dairy Australia, Wool Innovation), school communities and other not-for-profits, for example, Action 4 Youth and Action 4 Agriculture</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Social enterprises vary in how they get referrals; some work with DES providers, and others are working with other referral paths</li> <li>&gt; In this trial, both Workforce Australia and Disability Employment Services providers will be paid for outcomes achieved</li> <li>&gt; The social enterprise sector seeks to have this funding model adopted as an additional employment service option for people with a disability.</li> </ul>
Outcomes Intended / achieved	Info systems/ databases/ apps used for records/tracking
<ul style="list-style-type: none"> <li>&gt; Up to 140 people living with a disability will be supported into award wage employment with one of the 15 social enterprises participating in the trial. Six more social enterprises have joined the trial: Fruit2Work, Ability Works, Ability Enterprises, Hotel Etico, WISE Employment (Clean Force),</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Centrelink verifies eligibility and the information needed for employment outcome claims for the trial</li> <li>&gt; White Box is working directly with the Department of Social Services and Workforce Australia to verify all data provided by social enterprises.</li> </ul>

SevGen.

- > Since July 2022, 70 people living with a disability, previously unemployed for 9 of the previous 12 months, are now employed, with a minimum of 12 weekly hours, rising to at least 20 by six months, with more payment if people progress to a job outside the social enterprise

## 5. Not for profit labour hire

<i>Organisation/ partnership / network</i>	<i>Type(s) of activity / service (and start date)</i>
> Given the Chance (GtC): A social enterprise of the Brotherhood of St Laurence	> Not for profit labour hire (and Group Training Organisation)
<i>Problems this seeks to solve</i>	<i>Design and delivery features</i>
<ul style="list-style-type: none"> <li>&gt; Lack of work experience and understanding of industry/occupations makes it hard to get a first job, especially for young people and new migrants</li> <li>&gt; Employers find it hard to commit to inexperienced employees, even to meet their diversity and inclusion targets, including social procurement commitments to hire disadvantaged candidates</li> <li>&gt; Hiring disadvantaged /inexperienced candidates one by one, workplace by workplace is extremely high when done individually: a lot of relationships need to be established.</li> <li>&gt; Even large companies employing at scale do not have in-house expertise for diversity and inclusion training and recruitment. For most recruitment companies this is not their field of expertise or usual business model.</li> <li>&gt; The Group Training Model, while very supportive, requires the candidate to commit to a VET qualification, hard to do without real-world work experience.</li> <li>&gt; When untried or inexperienced candidates are struggling, they can avoid raising issues, or misunderstand team dynamics.</li> </ul>	<ul style="list-style-type: none"> <li>&gt; The Given the Chance not for profit labour hire model was commenced to support the ANZ bank to hire and trial refugees and new migrants for quality jobs with progression prospects in the banks. The partnership started in 2007.</li> <li>&gt; Employer demand-side focus means BSL works closely with the bank to develop deep understanding of job roles, workplace culture and conditions, and skills needs.</li> <li>&gt; Pre-employment training is based on that lesson.</li> <li>&gt; Pre-placement training is also offered to the bank's managers, work supervisors and peer workers, to foster a supportive workplace environment.</li> <li>&gt; Field officers provide pre-emptive advice drawn from years of watching people thrive or falter in the early stages of employment.</li> <li>&gt; Group /volume training and recruitment over the years deepens expertise and corporate commitment</li> <li>&gt; The "host employer" (in this case the bank) has a safe way to take, train, and monitor progress for people without previous work experience, on the expectation (but not the commitment) to direct hire later.</li> <li>&gt; This NFP labour hire model is now diversified by BSL to other roles arising from social procurement requirements for Victorian government infrastructure projects (eg Spark Consortium North East Link Tunnels project) with social procurement commitments to hire disadvantaged candidates, working with BSL.</li> </ul>
<i>Partners and what they bring</i>	<i>Relationship to employment services ecosystem</i>
<ul style="list-style-type: none"> <li>&gt; ANZ Bank: job roles, management commitment, funds for BSL recruitment, training, support costs, and salaries for staff 'hosted" by the bank for their initial 6 or 12 months of employment.</li> <li>&gt; Major Project employers such as ARUP and Fulton Hogan have provided a range of entry level professional services roles, such as business admin trainees, document controllers, and junior engineers.</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Word of mouth across Melbourne has tended to bring candidates to register directly with the BSL job board, or opportunity to put in an expression of interest in BSL forthcoming opportunities online.</li> <li>&gt; The GtC team follow up with federal employment services providers, who maintain contact and sometimes offer support or wage subsidies, though the model does not expect or rely on those.</li> </ul>
<i>Outcomes Intended / achieved</i>	<i>Info systems/ databases/ apps used for records/tracking</i>

## PER CAPITA SUBMISSION

- |  |  |
|--|--|
| <ul style="list-style-type: none"><li>&gt; Results in FY 22 were a 72% placement completion rate, and of those that completed, 78% got ongoing direct employment with the host employer, or a new employer in the same industry.</li><li>&gt; In FY 23 YTD, 84% have completed placement, and so far, 69% have achieved ongoing direct employment following placement.</li></ul> | <ul style="list-style-type: none"><li>&gt; BSL has its own vacancy listing system, called Ingenium, based on Salesforce, for candidates to register their interest in employment</li><li>&gt; BSL also co-designed a candidate management and recruitment process platform called WAVE XD, a system used by JobsBank, and various referral organisations and employers listing vacancies</li></ul> |
|--|--|

## 6. Centres for Work and Learning

Organisation/ partnership / network	Type(s) of activity / service (and start date)
<ul style="list-style-type: none"> <li>&gt; Brotherhood of Laurence (BSL) Work and Learning Centres, funded by the Victorian government (Jobs Victoria).</li> <li>&gt; Delivered by BSL in one Melbourne metro and one regional location, and in partnership in three regional locations with other community organisations, managed and coordinated by the BSL. This includes local area advisory/governance oversight and BSL support for cross-pollination of learning and activities between Centres</li> </ul>	<ul style="list-style-type: none"> <li>&gt; This is a network of five local Work and Learning Centres in areas in metropolitan and regional Victoria where people experience long term and intergenerational unemployment.</li> <li>&gt; The first Centre in Fitzroy, Melbourne started with funding from the federal government in 2010 and was extended to four further centres in 2011/2012, funded by the Victorian government</li> </ul>
Problems this seeks to solve	Design and delivery features
<ul style="list-style-type: none"> <li>&gt; Work and Learning Centres seek to work with and within communities to address the lack of trust and engagement that arises from compliance and conditionality-driven service delivery for people who experience long-term unemployment, low adult basic education skills, and sometimes multi-generational unemployment</li> <li>&gt; Support and services are attuned to the life circumstances of each person in working towards employment, with more individually developed approaches to training or job match options. This can include advocacy on behalf of participants to their federal employment services providers</li> <li>&gt; Services are delivered by community organisations whose staff have community knowledge and connections to people using the centre</li> </ul>	<ul style="list-style-type: none"> <li>&gt; The core offer is open access drop-in centres and outreach to social housing residents, offering advice and support to anyone interested in skills, employment, or participation that promotes personal development and learning. This might include work trials.</li> <li>&gt; Core funding from the Victorian government for staff supports flexible approaches to individual and group development activities</li> <li>&gt; Centres can bring together analysis of the challenges people they face in common, and broker supports working with other employment, government, and community services agencies.</li> <li>&gt; Can play a role to inform skills and employment services, policies, and planning, including industry-specific entry level job opportunities and skills pathways relevant to people coming into the Centres</li> </ul>
Partners and what they bring	Relationship to employment services ecosystem
<ul style="list-style-type: none"> <li>&gt; Delivery by community organisation partners in each area promotes locally relevant staff, delivery priorities and cooperative relationships with other local agencies, as well as employers</li> <li>&gt; Locally selected advisory groups share a community-wide approach to information sharing and coordination</li> <li>&gt; BSL-managed network coordination and sharing cross-pollinates knowledge and practice across Centres around Victoria</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Some participants are registered with federal employment services, some are not. Centre staff often advocate on behalf of participants to their federal employment services providers</li> <li>&gt; Centre staff have a local overview of the employment and adult basic education and VET skills options, and can provide independent advice informed primarily by the interests of the participant</li> <li>&gt; Because of the people they work with and engage, Centres can see how well government information, advice and training are reaching people most at risk of long-term unemployment</li> <li>&gt; Centre staff can also advise local employers about the employment services they might use</li> </ul>

<i>Outcomes Intended / achieved</i>	<i>Info systems/ databases/ apps used for records/tracking</i>
<ul style="list-style-type: none"> <li>&gt; 2,800 jobseekers assisted since July 2019 at all CWLs</li> <li>&gt; Over 1900 employment outcomes in 21 industries. The top four are Health, Hospitality, Manufacturing, Retail</li> <li>&gt; 2,800 training and coaching events (a number that is coincidental, ie not one each for those registered with CWLs), including accredited training, and diverse pre-employment preparation, including informal coaching</li> <li>&gt; Accredited training results in higher job outcome rates</li> </ul>	<ul style="list-style-type: none"> <li>&gt; A CRM system called Effort to Outcomes (ETO) captures rich participant data to enable profiling and learning about cohorts in each individual location.</li> <li>&gt; It enables correlation to be mapped between servicing and outcomes</li> <li>&gt; BSL has implemented an impact framework to evaluate the broader impact (eg feeling of wellbeing and financial security) for those going through WLCs.</li> </ul>

## 7. Adult foundation skills linked with community projects

<i>Organisation/ partnership / network</i>	<i>Type(s) of activity / service (and start date)</i>
<ul style="list-style-type: none"> <li>&gt; The Centre for Continuing Education (a Community College for adult education), in Wangaratta in regional Victoria.</li> <li>&gt; Uses funding for pre-accredited training (Adult Community and Further Education, Victorian Department of Education) to build foundation skills</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Adaptable personal development learning and achievement plans working individually to assess learning needs and undertake Certificate I and II in General Education for Adults, as well as pre-accredited courses.</li> <li>&gt; Community projects are investigated, designed, and conducted with learners for hands-on experiences,</li> <li>&gt; Employment outcomes and further education is the key focus</li> <li>&gt; Resilience building and team activities to promote real-life experiences.</li> </ul>
<i>Problems this seeks to solve</i>	<i>Design and delivery features</i>
<ul style="list-style-type: none"> <li>&gt; This program recognises that the ramp into engagement for learning needs to be slow and gradual, and different for each learner.</li> <li>&gt; Standard course offerings for pre-employment or Employability Skills Training, or the arbitrary nature of Work for the Dole placements often fail to work for people who have left school early, or have learning disabilities, low motivation, poor mental health, or a range of life challenges that seem more urgent than earning "activation points" or getting a job.</li> <li>&gt; There are few options and opportunities for people who are unemployed to "learn to learn".</li> <li>&gt; This program works from the operating assumption that people don't want to be there. It aims to convert that to voluntary and active engagement.</li> <li>&gt; Activities and approaches that have time to focus on people's life story and journey are lacking in the employment services system, but for many people this is the missing piece to start a process of engagement to learning with a view to getting into</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Works with young people and adults who left school early, or have low levels of language, literacy, numeracy or digital skills, along with a range of social/emotional or other barriers, meaning they are unable to participate in - or benefit from - the standard course offerings, work experience placement, or the usual employment services</li> <li>&gt; Staff at the Centre for Continuing Education use their various skills and experience to support individual learning and coaching, working through a range of modules</li> <li>&gt; The program also uses available resources, people, or needs and events in the local community as learning opportunities, hearing from guest speakers, or taking up other community activities to vary modes of learning, sharing, and engagements with community, eg by preparing a meal for an aged care centre.</li> <li>&gt; "Increasing confidence" is one of the most frequently reported outcomes, along with learning work-relevant skills, reading, maths, problem solving, personal growth, and opening up the pursuit of further learning options.</li> </ul>



work eventually	
<i>Partners and what they bring</i>	<i>Relationship to employment services ecosystem</i>
<ul style="list-style-type: none"> <li>&gt; jobactive providers (Workforce Australia now) require mandatory attendance at classes.</li> <li>&gt; Several employers, agreeing to employment outcomes.</li> <li>&gt; Department of Justice and Community Safety require mandatory attendance at classes.</li> <li>&gt; Participant Tuition fees are paid by the Department of Jobs Precincts and Regions</li> <li>&gt; Drug Court Shepparton requires mandatory attendance at classes to support participants to build on literacy, numeracy, and self-awareness</li> </ul>	<ul style="list-style-type: none"> <li>&gt; The program has mainly taken referrals from jobactive (now Workforce Australia), who pay \$98 to cover tuition fees.</li> <li>&gt; Adult learners can volunteer, including anyone not in employment services or even on the dole</li> <li>&gt; Department of Justice ex-offenders, participants on community work orders, or people on straight release from prison. Participants are ordered to attend The Centre's <i>Getting There</i> program as part of rehabilitation and engagement back into the community.</li> <li>&gt; Fines Victoria use The Centre's <i>Getting There</i> class for participants to pay off fines.</li> <li>&gt; Workforce Australia claims outcome fees if people get jobs</li> </ul>
<i>Outcomes Intended / achieved</i>	<i>Info systems/ databases/ apps used for records/tracking</i>
<ul style="list-style-type: none"> <li>&gt; This program started in 2017, and numbers have grown from 34 in 2017 to 92 in 2019. They continue to go up <ul style="list-style-type: none"> <li>- 2020 – 124 Participants</li> <li>- 2021 = 102 Participants (COVID)</li> <li>- 2022 = 128 participants</li> </ul> </li> <li>&gt; In 2017 – 2019 The Centre Delivered Getting There in Wangaratta, Benalla, and Seymour. In 2020-2023, program locations extended to Wangaratta, Benalla, Seymour, Shepparton, Wodonga and Broadford</li> </ul>	<ul style="list-style-type: none"> <li>&gt; The Centre has a Student Management System that records all training enrolment and outcomes. This information is uploaded to the Skills First SVST (Victorian Department of Education) system monthly.</li> <li>&gt; The centre records participants' personal circumstances, history, and barriers, along with employment outcomes or further education pathways through Sugar CRM, GEMS, and Vantage.</li> </ul>

## 8. Community volunteers explaining what their job involves

<i>Organisation/ partnership / network</i>	<i>Type(s) of activity / service (and start date)</i>
> Inspiring the Future (ITF) Australia was initiated and	> SIP-is a not-for-profit organisation with 25+ years of

## PER CAPITA SUBMISSION

is run by a registered charity, Schools Industry Partnership (SIP) and it partners with industry, community, education, and government organisations.	experience in delivering youth transition services. > ITF was launched in April 2017 as a free service to teachers across Australia.
<i>Problems this seeks to solve</i>	<i>Design and delivery features</i>
<ul style="list-style-type: none"> <li>&gt; Many young people today are unaware of exciting career options and pathways that are possible and available to them, due to limited information, gender, socio-economic and cultural stereotyping, and access to mentors as positive workplace role models.</li> <li>&gt; Thousands of young people are struggling in school and failing to see the relevance of their education</li> <li>&gt; Many young people have a limited understanding of what employers are looking for in an employee and of workplace expectations.</li> <li>&gt; Many industries and employers are facing skill shortages and find it challenging to reach out to young employees, especially for apprenticeship opportunities.</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Workplace volunteers from a broad range of occupations and industries register their profile on the secure ITF platform to offer at least one hour a year to interact with students on invitation from teachers.</li> <li>&gt; Teachers search the ITF platform to find and invite industry volunteers to visit their school to inspire their students and to broaden their career horizons.</li> <li>&gt; Volunteers share with students what they do in their job, how they got there and advise and encourage them to take charge of their future and career journey. They can also help by providing resume advice and job interview practice.</li> <li>&gt; Employers, (especially in industries experiencing skill shortages), have an opportunity to put jobs and career opportunities on the radar of young people and let them know what employers look for in job applicants.</li> </ul>
<i>Partners and what they bring</i>	<i>Relationship to employment services ecosystem</i>
<ul style="list-style-type: none"> <li>&gt; ITF industry and government partners commonly enable staff volunteers to participate in ITF school careers activities, and some are covering the costs of ITF staff to facilitate activities for schools.</li> <li>&gt; ITF Australia's global partner, Education and Employers does extensive and ongoing research (in collaboration with the OECD) and its findings evidence and underpin the reasons and need for ITF Australia.</li> <li>&gt; The NSW Department of Education is currently contracting ITF Australia to assist with a new school VET cluster pilot program in Western Sydney.</li> </ul>	<ul style="list-style-type: none"> <li>&gt; SIP's Youth employment service uses ITF to invite volunteers to speak with and inspire young jobseekers.</li> <li>&gt; Research undertaken by Education &amp; Employers in the UK (Founders of ITF) revealed that young people who have had four or more connections with people from the workplace while they were at school are five times less likely to be unemployed or not in education in their early 20s.</li> <li>&gt; ITF Australia is therefore an early intervention initiative to increase such connections, contributing to the minimisation of youth unemployment in Australia.</li> </ul>
<i>Outcomes Intended / achieved</i>	<i>Info systems/ databases/ apps used for records/tracking</i>
<ul style="list-style-type: none"> <li>&gt; ITF Australia currently has over 1000 registered volunteers and 900 registered teachers. Since ITF began in Australia, over 50,000 young people have participated in ITF activities and events to learn about career options they had not been aware of.</li> <li>&gt; Feedback from students, teachers and volunteers is overwhelmingly positive. In many instances, ITF events have encouraged students to remain at school and embrace their studies with renewed</li> </ul>	<ul style="list-style-type: none"> <li>&gt; The ITF Australia website uses the open-source platform Odoo, customised to be a self-matching service for teachers to invite volunteers on the ITF database. Volunteers complete a brief online profile including where they can travel to, the industry sector they represent, studies they can talk about, current job role and their career journey since leaving school.</li> <li>&gt; Volunteers can either accept an invitation, decline, or ask for more information. All communications</li> </ul>

<p>motivation</p> <ul style="list-style-type: none"> <li>&gt; ITF has the potential to minimise tertiary education and apprenticeship non-completion rates by enabling young people to interact with workplace role models and make more informed decisions about work and study.</li> </ul>	<p>are recorded on the teachers' home page. Teachers and volunteers communicate securely via the platform without revealing personal contact details.</p> <ul style="list-style-type: none"> <li>&gt; An automated feedback survey is sent to teachers and volunteers after each activity takes place.</li> <li>&gt; The ITF team monitor and manage the back end of the website, to track all registrations, invitations, and responses, and rectify any issues that may arise.</li> </ul>
--	---

## Recommendations for Section 5

### Choice in the kinds of assistance

16. **Commission independent research to gather feedback from people registered with Workforce Australia**, about how Centrelink (in the JSCI process) and employment services providers assess their needs, and their awareness of the range and suitability of service choices and options they have in the Job Plan process.
17. **The Department of Employment**, at national level, and through its Local Jobs and Skills Coordinator network, should:
  - a. **Map the range of state and local service choices and options**, to consider ways to partner, including ways to fund and support effective local programs;
  - b. **Explore the kinds of intermediary models of service design represented in the case studies**, and apply discretionary funding to models along these lines; and
  - c. **Enable and authorise activities available to jobseekers to choose**, and support valuation of PBAS based on jobseeker and employer perceptions of the value of activities, if the PBAS system is to continue in its current form.

## 6. Helping jobseekers into secure jobs

In its 2022 report on job insecurity, the Senate Select Committee noted that although the proportion of casual workers has remained at about a quarter of all those employed, the proportion of primary income earners for households doing casual work is growing. Casual work is defining the employment experience of more people who would “ordinarily have been employed as a permanent worker in the past”. It is also more persistent, in that casual work is not converting to permanent roles as it would have in the past.<sup>73</sup>

These changes mean that the employment services system faces a much greater challenge to find secure and lasting quality jobs than it faced in the early years of its existence.

### Insecure work makes reliance on JobSeeker Payment more enduring

In November 2022 the Department of Employment and Workplace Relations estimated that around 100,000 people on the transferred caseload from jobactive to Workforce Australia had current or recent employment but were not earning enough income to get off unemployment benefits.<sup>74</sup>

Jobseekers’ need to combine these two income sources needs a great deal more analysis. It raises questions about how the nature of increasingly more precarious labour demand interacts with choices and trade-offs for people on income support payments, balancing incentives to earn some income to supplement benefits (if not to get off the dole altogether) with the disincentives of effective marginal tax rates and continued mutual obligations arising from being on a part-payment from Centrelink.<sup>75</sup>

Jobseekers must also think about whether they can maintain the safety net that comes with continued eligibility for things like travel concessions, healthcare card, and Commonwealth Rent Assistance. The Senate Select Committee that investigated job precarity was sufficiently concerned about its impact on involuntary unemployment – and increasingly, under-employment - to recommend in its March 2022 report that the Australian Government “commits to providing an adequate financial and social safety net for all,

---

<sup>73</sup> *The job insecurity Report*, Senate Select Committee on Job Security, Feb 2022, pp14-15. This was based on HILDA data analysis, reported in 2021.

<sup>74</sup> Evidence to House Select Committee on Workforce Australia Employment Services, Parliament of Australia, Canberra, 3 November 2022, p14.

<sup>75</sup> Matthew Lloyd-Cape, ‘Slack in the system: the economic cost of under-employment’, Per Capita Discussion Paper, 2020, describes the growing crisis of underemployment in Australia, its causes and costs.

including by ensuring that the JobSeeker payment is sufficient.”<sup>76</sup>

### Skill level mismatch limits job access and threatens job security

Analysis of the employment services caseload by skill level, compared with the skill levels for jobs advertised online, shows that 57 per cent of the entire employment services caseload is at Skill Level 5, which is Certificate 1 or secondary education level. Yet only 14 percent of the jobs advertised online accept qualifications at that low skill level, while 42 percent of jobs are at VET qualification level III and IV.<sup>77</sup> This signals a particular risk of job access and retention by people with low levels of foundation skills: language, literacy, numeracy, and the increasingly important digital skills.

There is a clear need for employment services to ensure that they are aware of and linked to every program and opportunity to build, and to certify wherever possible, foundation skills. Ideally, these skills will be taught in real-world settings. Learn Local organisations across Victoria, for example, have access to courses that teach foundation skills in industry and workplace contexts. Ironically, it has been difficult to bring these courses to the attention of federal employment services providers, perhaps because pre-accredited training completion is not a payable outcome, though it may be a step towards a later employment outcome. Improving jobseekers’ access to relevant courses from which they would benefit is an important challenge to resolve.

It is important, however, to recognise also that skills training, even in informal settings or at the level of adult basic education is not always the answer. As we noted in Section 4, it is important to assess and take account of problems such as social isolation, stress and anxiety, poor physical health and fitness, and low self-esteem. Understanding and addressing these personal factors through diverse group and individual activities, sensitively and professionally addressed, would lay the ground for next-stage engagement.

### Employers' reluctance to commit to workers - and industry patterns

Data published by DESE in 2018 revealed that 14 out of 20 top employers were labour

<sup>76</sup> See *The job insecurity Report*, Senate Select Committee on Job Security, Recommendation 5, p xviii, Feb 2022.

<sup>77</sup> Incoming Government Minister Briefing 2022 prepared by DESE, bar graph p.43 showing Employment services caseload and job ads by skill level (1 to 5) at March 2022.

hire companies, listed in this footnote.<sup>78</sup> That did not analyse which industries the labour hire firms operate in, or the occupations and skill levels for those placed. It would also be important to learn more about the types of jobs, nature, and length of employment offered, whether wage subsidies were used, and the longer-term outcomes for those placed with wage subsidies, within or beyond the labour hire company. Worker experiences and preferences around terms of labour hire employment would also shed light on the value of significant government spending on these kinds of employment outcomes.

Some industries offer longer-term outcomes. The Health Care and Social Assistance industry yielded the highest proportion of sustained 26-week outcomes - more than 54 percent of those originally placed - but whether these were full-time and how long they lasted after 26 weeks is unclear.<sup>79</sup>

A great deal more research and analysis is needed to understand which industries offer the best quality jobs and full-time jobs, and which have the greatest rates of conversion to ongoing employment and progression. This could inform the government about how to structure employment services and wage subsidies for better *quality* jobs, rather than any job that takes people off benefits. This research should also seek to understand the reasons for employment attrition, and whether the maintenance or churn of employment placements stems from decisions of employers or workers. Job changes are not necessarily for negative reasons; for example, E61 analysis of youth job outcomes shows that greater job mobility leads to more progression and better pay prospects.<sup>80</sup>

In a period of relatively low headline unemployment and some industry sectors looking at acute shortages of workers, employers would benefit from greater understanding of what their prospective workers see as good jobs, what a quality workplace experience looks like to them, and what generates loyalty and productivity. Our national employment system

---

<sup>78</sup> *The Next Generation of Employment Services Discussion Paper*, Appendix 1, p99.

The 14 labour hire companies were: Programmed Skilled Workforce; Hays Specialist Recruitment; Chandler Macleod Group; Randstad; Labour Solutions Australia; Manpower Services (Australia); WorkPac; AWX Group; Toll Personnel; Labourpower Recruitment Services; Tailored Workforce; Programmed Integrated Workforce; Australia Personnel Global; Workforce Recruitment and Labour Services

<sup>79</sup> Ibid, p104. Health Care and Social Assistance, over that 2015-2018 period, was the 5<sup>th</sup>-largest employing industry, after accommodation and food, retail, and manufacturing. It is worth considering how to commission and pay for employment outcomes that distinguish between high-volume, low quality jobs, and lower-volume but higher-quality jobs - or employment/salary trajectories.

<sup>80</sup> "The Effect of the COVID-19 Pandemic on Young Australian Workers", E61 Institute presentation by Dan Andrews to Paul Ramsay Foundation, April 2022.

has a significant role to play in brokering this.

A UK study, *Not just any job, good jobs!* looks at how young people understand, define and make decisions around job quality. This signals the kinds of services and supports needed to achieve decent jobs that generate loyalty from prospective employees. It is a good example of questions the Australian employment services system, together with employers, could be asking and acting on.<sup>81</sup>

### What the case studies in Section 5 showed

Some of the case studies included in Section 5 characterise the kind of brokerage role that labour hire companies so usefully play for employers. The lesson from these studies is that employment services can do more than simply push harder on the unemployed labour supply side; they can take a different approach to working with employers. We take up this line of investigation further in the next section.

#### Recommendations for Section 6

##### Helping jobseekers into secure jobs

18. **Undertake research to examine in greater detail the employment outcomes achieved by people in employment services.** The research should consider both employer and jobseeker preferences for employment terms, conditions, hours, and progression, either through initial or subsequent jobs. It should investigate employer demand-side job hours and terms offered, as well as worker-side preferences, and should include labour hire employers.
19. **Investigate the design, delivery, role and appeal of intermediary organisations for employers,** and the extent to which they support employers' willingness to hire disadvantaged candidates.

<sup>81</sup> Not just any job, good jobs! A report for the Health Foundation's Young People's Future Health Inquiry, in association with the Institute for Employment Studies, Nov 2021

## 7. Meeting employers' needs

Most employers have turned away from using federal employment services to find their staff. Research conducted as part of the review of jobactive found that only 4 per cent considered using government employment services to recruit. The research noted that “recent strategies to promote jobactive were not seen to be effective by employer groups, who instead suggested a local-level approach to employer engagement, as well as targeted online advertising”.<sup>82</sup> At November 2022, employers had directly registered only 3.2 per cent of vacancies out of a total of 200,000 on the new Workforce Australia online platform,<sup>83</sup> which had been designed to streamline employers’ ability to list their vacancies (the others had been transferred across from other job boards).

In a range of OECD countries, employers have typically been less of a focus for strategy, design, and funding for Active Labour Market Programs, according to the researcher Jo Ingold:

*The defining feature of ALMPs since the 1990s has been a focus on the supply side of the labour market, that is, jobseekers. This has been thrown into sharp relief by mechanisms in the related policy domain of social security that have focused on the tightening of eligibility and conditionality for benefits to reduce in-flows and ‘welfare dependency’, and the extension of ALMPs beyond unemployed groups to other ‘economically inactive’ cohorts, key examples being lone parents and disabled people.*

*Consideration of the demand side (employers) has largely been absent from policies. This is despite the axiom that employers are critical.<sup>84</sup>*

As we argue in an [earlier section](#) of this submission, federal government spending on mandated services for people on income support far outweighs its inadequate strategy

---

<sup>82</sup> Department of Jobs and Small Business, Survey of Employers’ Recruitment Experiences 2017, cited in *I want to work*.

“Currently, only four per cent of employers use government employment services when they recruit”. Note that the data and methodology underlying this report on employers’ views are not published, meaning that the implications of employer survey findings for future practice cannot be properly understood or explored. NESA has pointed out that surveyed employers may not have recognised the jobactive brand, knowing only the name of the organisation holding the jobactive contract. This itself points to the need to share and agree on the data and methods that have such power to evaluate and inform policy, funding and design – a recurring theme of concerns raised in this submission about the conditions of shared learning for a better public service. See the discussion on research and evaluation at Section 11.

<sup>83</sup> Select Committee on Workforce Australia Employment Services Hansard: November 3, p49.

<sup>84</sup> *Employer Engagement: Making Active Labour Market Policies Work*, Edited by Jo Ingold and Patrick McGurk, Bristol University Press, 2023, p3.



and spending (outside of wage subsidies) on employer services.

### Principles and case studies for better practice

Case studies in this submission have illustrated greater focus on employers' perspectives and ways to meet their needs. They also expose the need to identify people from across the caseloads of multiple providers, if employers are to benefit from better scoping, screening and sorting of people with the skills, experiences, and interests relevant to their vacancies.

A study conducted in partnership between Social Ventures Australia, PriceWaterhouseCoopers and the Apprenticeship Employment Network explored what it would take to ensure better access to decent employment for young people.

Recommendations arising from the study stress the need for an employer-demand-side focus. Per Capita believes these recommendations apply to all unemployed people who are disadvantaged and who need support to access "earn and learn" opportunities.

The study recommends:

1. **Using financial levers to promote training investment by employers.** These levers would include tax credits or rebates and training guarantee levies, tailored subsidies for specific cohorts, investment via intermediaries.
2. **The revitalisation of existing support models for employers,** especially those operating in sectors without strong existing apprenticeship pathways. Group Training Organisations could play an important role in making employment services easier to navigate for both employers and people in earn and learn arrangements.
3. **Creation of collaborative pre-employment (training) models** to share the risk of hiring new and untried candidates.
4. **Use of the apprenticeship approach to suit industry needs,** and across more diverse industry sectors who do not yet use this approach.
5. **Use of procurement and contracting to drive skills development,** in the case of large government contracts, notably for large infrastructure projects, but more generally through supply chain management.

### The potential of a not-for-profit labour hire model

We propose a further recommendation to **explore industry-focused not-for-profit labour hire models,** to coordinate and broker employer-candidate engagements, in view of the

many labour hire companies that take on people from the employment services caseload.<sup>85</sup>

The Brotherhood of St Laurence [case study](#) of not-for-profit labour hire started with a major banking employer and has extended to construction trades, and it is adjacent and operationally similar to the BSL's Group Training Organisation. Labour hire arrangements in the private sector are extending to a broader range of industries.<sup>86</sup> If delivered on a not-for-profit basis and in the public interest, this vehicle could offer the government and providers significant potential to learn more about employers'/industry recruitment needs, assumptions and practices, job design and rostering, where they use labour hire arrangements to source workers. The labour hire model, brokering shorter-term engagements at lower risk for employers and candidates, would not preclude progression to apprenticeship/traineeship qualifications. Rather, it would inform choices on both sides and result in higher quality matching.

Such a model would require inbuilt research and development capability goals, enhanced by greater flexibility of funding. Operators of this model might work with employers or industry associations on a strategy for entry level jobs, in industries such as retail, hospitality, or agribusiness, or in industries requiring qualifications and that are subject to more regulatory controls, such as community services and health. More organised and comprehensive information about industries and occupations, including workplace visits and "taster" experiences, for people on the unemployed caseload and young people transitioning from school to work would help to inform better choices about the VET qualifications they might pursue, reducing non-completions that arise from poor choices and poor matching to employers.

### Employer demand-side innovation work

Social Ventures Australia (Employment Ventures) has undertaken studies and trials to focus on employer perceptions and hiring practices, and to investigate greater engagement of employers and jobseekers in the system. Its [Employer Innovation Labs](#) bring together employers and young people in groups to meet and exchange experiences, perspectives and needs. Building on what they learn from each other, participating employers design pilot initiatives for recruitment and training.<sup>87</sup>

A recent evaluation conducted with seven of the eight participating employers in the first

---

<sup>85</sup> *What will it take? Creating better, more sustainable jobs for young people: Literature Review*, PriceWaterhouseCoopers for Social Ventures Australia and Apprenticeship Employment Network, Oct 2021, p25.

<sup>86</sup> *Report of the Inquiry into the Victorian on-demand workforce*, Victorian Government, June 2020.

<sup>87</sup> Information about the Employer Innovation Labs is [here](#) (accessed 28 March, 2023).

round of the Employer Innovation Labs found:

*Overwhelmingly, the participants interviewed endorsed the Lab, emphasising that it challenged their preconceived ideas as well as their existing policies and practices with respect to recruitment and retention. In doing so, the Lab positively transformed their attitudes toward young people and created a catalyst to develop policies and practices capable of delivering more sustainable win-win outcomes along with the knowledge and support required to achieve those outcomes.<sup>88</sup>*

The potential of working with employers this way in a time of acute shortages of skills and labour, remains under-developed. For example, in 2021, the Australian government funded research into community perceptions of agricultural careers, and the experiences of agricultural workers, in response to series labour shortages in a wide range of agricultural industries.<sup>89</sup> The research findings revealed broader community perceptions of agricultural work tend to be stereotyped, out of date, and fairly negative, compared with those of existing workers in agriculture.<sup>90</sup>

This points to the need to close the gap between community perceptions and the opportunities for prospective workers that exist. The [agribusiness careers learning](#) case study included in this submission is one example of how this looks in practice. The Employer Innovation Lab model also has the merit of potential future workers in an industry to not just learning about the work itself but opportunities to raise – for example, in the case of agricultural work – important material considerations that make work and learning combinations possible; for example, needs for transport, housing, social connections, and information about pay and prospects.

These kinds of processes must be taken in a specific place, in conversation with specific employers, where there are jobs in the line of sight. Again, this reinforces our argument about the need for greater coordination place by place, and the ability to communicate with people from across different employment services caseloads.

---

<sup>88</sup> *Evaluation of Rebuilding the Career Ladder: Supporting business to enhance youth inclusion and economic mobility*, Jo Ingold, Angela Knox and Qian Yi Lee, Social Ventures Australia, Jan 2023.

<sup>89</sup> November 2021 [media release](#) announcing funding for research aiming to bolster agriculture's capacity to attract and retain workers. The steering group indicates the stakeholders in national skills and workforce planning R&D, members being: AWE, National Farmers' Federation, ABARES, National Careers Institute, SkillsOne, R&D corporation representatives and Primary Industries Education Foundation Australia (PIEFA). Such national level strategy needs to translate to local area initiatives coordinating

<sup>90</sup> Research findings were reported [here](#) (accessed 28 March, 2023).

### Less sales pitch to employers, more listening and learning is recommended

A Local Employment Facilitator advised Per Capita in an interview that a key problem in the current employment services system is the lack of understanding among providers' staff of the jobs and occupations in the industries that have vacancies.<sup>91</sup> Instead of listening to and learning about employers' staff needs, they are too interested in "telling and selling" Department of Employment services and products. Because provider staff tend not to think of visiting the factories, the farms, the aged care workplaces where the vacancies arise, they cannot help the person who might apply for those vacancies to prepare, or to highlight their potentially relevant skills and experience. Many employment advisers lack simple knowledge like the kinds of licences needed to drive a certain class of truck, or the need to pass a drug test. A significant reason for this is staff turnover: a National Employment Services Association survey showed that annual turnover was around 42 per cent in 2016, then on an upward trajectory.<sup>92</sup>

More specialist industry support is needed, and the profiles of jobseekers across various providers' different contracts in a given area need to be aggregated. Divided caseloads limit the numbers of prospective candidates that might be found in one postcode cluster with experience in, say, horticulture, or social care, who have access to transport and can pass a health or drug test. Such preliminary screenings call for aggregated and collaborative efforts from a range of providers.

A larger pool of candidates to screen for interest and suitability for a certain type of vacancy would enable workplace introductions and pre-employment training to be conducted in a more timely way. While there will inevitably be attrition when either candidates or employers determine they are not right for each other, such aggregation strengthens informed choice-making and lays the ground for better quality matching.

To deliver such a system, Local Jobs and Skills Coordinators must play a key role. To break down the siloed competition that sees unsuitable candidates put forward for vacancies, they must have the resources and the authority to interface with employers on one hand, and the range of providers on the other.

In the shorter term, Australian employers' lack of trust and engagement in the system might be improved with the acknowledgment of - and attempts to address - some poor

---

<sup>91</sup> This person understandably wishes to remain anonymous. Interview conducted in January 2023.

<sup>92</sup> National Employment Services Association (2016) Employment Services Workforce Survey of Remuneration and Human Resource Management Performance, cited in *I want to work: Employment services 2020 report*, 2018, p63.

practices they have endured from employment services. Employers should not have to confront a tide of unfiltered and unsuitable job applications just so that people can meet their mandated job search requirements. They should not be continually pursued for evidence of pay advice to support provider fee claims. Per Capita understands that even a ParentsNext provider, who as an employer hired an admin assistant from a provider's caseload, became vexed when chased for payslip evidence so that a provider could claim an outcome fee, when all parties knew the latter had not helped the assistant to get the job.

These kinds of practices – and the knowledge that people are “forced” to look for work – do not promote employers' trust in providers proposals to refer a candidate, even when they come with the sweetener of a wage subsidy.

## Recommendations for Section 7

### Meeting employers' needs

20. **Enable Local Jobs and Skills Coordinators to access data** (anonymised if required) to **analyse the experience and skill sets of people on providers' caseloads** in order to determine how their existing skills and experience could be adapted or refreshed to meet skills and labour shortages.
21. **Expand group training, multi-industry pre-employment projects, and not-for-profit labour hire models** (within or across industries) in order to de-risk for employers the trialling and hiring of more diverse candidates than they would have otherwise considered.
22. **Improve employer services by providing development support that can advise on incentives for hiring a greater diversity of employees**, including people with more upfront support needs; such support should include advice to employers on new ways to design jobs, recruit, and roster workers.

## 8. Mutual obligations and activation

And

## 9. Compliance and enforcement

Per Capita supports some form of mutual obligations for people who are unemployed and on income support. However, the legitimacy of a mutual obligations regime relies on the quality and effectiveness of services jobseekers can be offered. Section 4 makes various suggestions about how to assess people in order to learn what they need and how best to provide it.

That section also recommends that jobseeker needs assessments identify people unable to benefit from compulsory activities, who could be assigned to modified compliance or only periodic check-ins.

While Per Capita does not believe that participation in employment services should be entirely voluntary, we argue that any mutual obligation policy should meet participants' costs of attending compulsory activities when they cannot do so, and should demonstrate that these activities have a clear benefit for participants in terms of building their skills or social capabilities. The amount of \$20.80 per fortnight does not cover the costs of participation in mandated activities and is so manifestly inadequate that it adds material injury to the insult signified in the name of the program.<sup>93</sup>

### How the PBAS and TCF can be counter-productive

The PBAS and the Targeted Compliance Framework, with its three-stage traffic light system, are intended to be clear about how Social Security Legislation will be applied in ways that are meant to be procedurally fair. But because an unemployed person and their case manager do not have an equal relationship:

- People are put under pressure to take any job, without reference to their interests, aspirations, or life circumstances, increasing the risk of a negative employment experience.
- If the activities on the PBAS menu of options are not well understood or are limited (discussed at many points in this submission), people can be forced to participate in pointless activities from which they derive no benefit, while costing the government

---

<sup>93</sup> \$20.80 per fortnight does not cover the costs of participation in mandated activities. This amount has remained unchanged since its introduction, despite recommendations from many groups to increase this amount dating back 20 years.

money and damaging or destroying the participant's trust in the ability of the system to help them.

- People can resist this arrangement in many ways, including passive resistance, gaming the rules where possible, or seeking – often with the help of their case manager – reclassification to a different service to try for reduced compliance obligations.

Mutual obligation, in its current form, is an example of a policy intention that is realised in ways that can be mechanised, punitive, and demoralising.

Per Capita recommends, in the short term, the introduction of more discretion and flexibility for both staff and participants around points-based activities and monitoring, and perhaps also different language use, since what dignity is there in being “activated”, and what encouragement and motivation value is there in a “points-based” system? In the medium term, better mapping of the full range of local employment, skills and community services options should contribute to a system of mutual obligations that is both more effective and more dignified for users.

Also in the medium term, there is scope to look at more research and development opportunities to increase the range of employment-related participation and development options. One example is the community self-help groups listed in the Department's PBAS advice as a possible PBAS activity. What do we know about them? Could they be grouped by cohorts relating to worker experience, industry, or qualifications, thereby bringing people together from across caseloads to share their stories, challenges in finding work, and ways to meet them? Facilitated well, such groups could begin by offering a more authentic, meaningful, and relevant peer-to-peer conversations about employment, probably a welcome change from the one-to-one with a case manager or sitting in a training room. Some groups might go further to co-design of skills and employment assistance.

Finally, it is important to learn more about how mutual obligations affect attitudes and behaviour over time. Expert organisations such as the Behavioural Insights Team could advise on how to conduct such research. How do mutual obligations affect attitudes and behaviour? Are these attitudes held person by person, or in common among families, communities, or other social networks? How effective are financial sanctions, really, either as a threat or as a punishment? What, if any, are the options for sanctions regimes that would not cause material harm? Or do sanctions by their nature have to cause harm, from the point of view of people subject to them?

On the other hand, what can we learn from people who report that although they were upset that they had mutual obligations to fulfil, they were later glad they were “made to”



do something that their earlier self would have rejected outright?

### Work For the Dole converted to Work for the Community - with wages for the duration

Successive governments have not taken the opportunity to learn from and build on the positive elements of Work for the Dole and to reform its three most objectionable features: the name of the program, the lack of respect shown to participants in not supporting their choice of activities and design inputs, and finally - and most importantly - the lack of pay for the work done, even as our government has assigned considerable funds, often under-utilised, for wage subsidies.

Work for the Dole is one of the forms of mutual obligations that was founded on the premise that the program would “build good work habits”, implying that the cause of unemployment inheres in the person who collects the dole.<sup>94</sup> But despite its sorry origins in this ideology, its poor branding, and its compulsory referral of people to unpaid work, the program nonetheless resulted in some positive experiences for participants.

In 2006, when most participants were required to spend 15 hours a week for 26 weeks in Work for the Dole (WfD), a survey report showed that 85 percent were satisfied or very satisfied with their project in terms of overall quality of assistance and service. A surprising 76 percent of participants nominated it as a preferred activity,<sup>95</sup> and though this put it behind activities such as voluntary work (94 percent), part-time study (92 percent), and part-time work (88 percent), it is a high enough figure to ask what value was derived from the program and whether any of that could be amenable to further development, recognising that hands-on work experience and learning are important.

In 2003, ANU researchers Ann Nevile and John Nevile published a detailed study of Work for the Dole based on interviews with 100 participants and a similar number of staff from organisations involved with the program. The title of John Nevile’s paper based on that research sums up their conclusions: *Work for the Dole: A Success in Spite of Practically Everything*. Despite mandated attendance requirements, no pay for the work done, and

---

<sup>94</sup> This narrative is explained at length in Per Capita’s response to the White Paper on unemployment.

<sup>95</sup> At that time there were intermediary organisations to take and manage the approval of proposals for WfD projects, called Community Work Coordinators, who were advised by committees of various local community stakeholders. There was also funding for project planning, supervisor wages, and budgets for materials and equipment. Under current arrangements, individual placements through WA are funded, with \$500 payable for arranging a Work for the Dole placement, divided between the host organisation for the WfD placement and the WA provider.

the bad brand of the project among both participants and employers, Work for the Dole supervisors and participants were both positive about the program's capacity to provide practical work experience, to enable participants to work in a group, to learn new things, meet new people, and make something of tangible value for the community.

Though John Nevile reported several concerns about the program, he noted the ways that staff in the community organisations often used their discretion to make it work for people compelled to participate. He concluded that there was significant scope to improve the program with greater alignment and commitment to skills teaching and job destinations.

Per Capita recommends that the government consider **Work for the Community** projects **to replace Work for the Dole**. A reformed program would not arbitrarily design and assign jobs to be done, but instead would work with people on the unemployed caseload to identify and design the activities they identified as important for their own communities, **with the incentive to be paid wages** for the duration of a project. Such projects, with the opportunity to earn wages, even if for a limited period, could provide a welcome break from a cycle of unpaid and unrewarding rounds of standard mutual obligation staples.

The change would require project hosts or auspicing organisations, and funds for required materials and a skilled supervisor with technical/ trade skills. To facilitate project ideas and design, people with community interests, skills and geographic proximity, perhaps also commonalities of language and culture that might shape project work, would have to be identified. Facilitators with a social entrepreneur's mindset and an ability to spot micro-sized to small-to-medium opportunities would be needed to make new things happen.

[The Australian Centre for Rural Entrepreneurship](#) is one organisation that does this work well. We need to think afresh about how to configure government and community resources to create community development activities that enthuse and engage unemployed people where they live. Despite the challenges, an employment services system committed to effective innovation would trial social enterprise-based, skills learning projects such as the ones we are recommending through Work for the Community.

### Engaging community organisations with more to offer than attendance reporting

Mark Pearce, CEO of Volunteering Australia, has said that forcing people to engage in programs as a condition of receiving income support does not meet Volunteering Australia's definition of "volunteering", which he describes as "time willingly given for the

common good and without financial gain”.<sup>96</sup>

Some community organisations, such as those managed by faith-based organisations, will not accept placements of people with mutual obligations – such as for Work for the Dole – because their value statements prevent reporting on a person who may be sanctioned for non-attendance as a result. Submissions to the Committee about the ParentsNext program gave many examples of these kinds of organisations. Yet the loss of a wider range of community organisations as sites of voluntary work for that reason represents a loss of workplaces where people working for causes in the community, for example, the environment, public health, creative industries (just to name a few) might extend informal pastoral care, social connections and networks that could benefit unemployed people.

These kinds of support represent more value than is counted in “points-based activation” hours attended. As the CEO of Volunteering Australia has pointed out, however, matching “volunteers” - if that is what they really are – and supervising them needs to be properly resourced.<sup>97</sup>

Research into the value of prescribed or proposed jobseeker activities needs to consider the role and values of community organisations, the true costs of the supervision and support roles they play, as well as the costs of attendance for participants. Less attention to policing the number of hours attended, and more to the relevance and value of a community work placement in building skills, social networks, and work experience, could lead to better cost benefit analysis of these work placements, and the beginnings of a system in which participants willingly took roles in such community organisations.

## Recommendations for Sections 8 and 9

### Mutual obligations and activation, compliance and enforcement

*These recommendations are included in our response to Section 1, policy objectives of the system.*

Recommendation 3. **Balance mutual obligations with a government commitment to quality services, and with reference to the availability of local jobs that could be in scope for them, recognising and respecting the circumstances of each individual, diversifying and trialling mutual obligation options, and evolving policy based on that.**

<sup>96</sup> Mark Pearce, CEO Volunteering Australia, Select Committee on Workforce Australia Employment Services Hansard, 11 Nov, p13-16.

<sup>97</sup> Ibid.

Recommendation 4. **Modify mutual obligations for people assessed to have ongoing and long-term personal development and/or foundation skills needs**, who should maintain contact with the employment services system but be offered choices in participation and learning options and, periodically, opportunities to experience paid employment

We also recommend that the government should:

23. **Develop a dedicated research plan to generate richer behavioural insights into mutual obligation** experiences, attitudes, and motivation, both from those who are subject to it, and from staff who implement these policies and required activities.

24. **Investigate the creation of Work for the Community projects that could provide wages to people with mutual obligations** for the duration of the project, along with skilled supervisors and materials/ consumables to ensure the project can be delivered.

25. **Investigate the feasibility of freely chosen, quality volunteering placements**, their benefits for both supervisor organisations and participants, and the true costs of supervision and attendance for participants, related to the benefits that result.

## 10. Oversight, quality, and assurance

Per Capita reiterates its view, developed after assessing many perspectives, that the system's oversight and quality assurance mechanisms should focus on the experiences of unemployed people and how they perceive the quality of services they are invited or compelled to engage with.

### Who gets to define “quality” and “performance”?

The Deed for Workforce Australia providers<sup>98</sup> stipulates in Clause 92.3 that “When assessing the Provider’s performance, the Department **may also take into account other factors as specified in any Guidelines** [emphasis added]”. This includes:

*Clause 107.4: The Provider must comply with its obligations under clause 97 in relation to the Social Security Law and ensure that the relevant Delegate complies with the rules set out in any Guidelines when entering into or updating a Job Plan.*

That is an indication of the double layering of compliance being contracted: that of the provider ensuring mutual obligations of participants are enforced, and under the scrutiny of contract management in a performance framework that monitors compliance with “any Guidelines”.

The Deed goes on to say:

*Clause 93.2: ... the Department may rely on information and data collected from any source, including feedback from Participants, Employers, Host Organisations, other employment services providers and intelligence from the Department’s Employment Services Tip off Line.*

The difference between what the Department “will” do and the information it “may” use to assess performance illustrates the priority on performance framed not just within the terms of the Deed, but in new goal posts that might be established under the general provisions of those clauses.

As Considine’s cogent analysis in *The Careless State* demonstrates, this discretion is essential because the Department must be able to anticipate its likely need to manage the risks of gaming, rorting, or other perverse behaviours endlessly innovated by organisations established to generate profits.<sup>99</sup> However, such contract management and compliance

<sup>98</sup> Workforce Australia Services Deed of Standing Officer 2022-2-28.

<sup>99</sup> Mark Considine. *The Careless State: Reforming Australia’s social services*, 2022, Chapters 2 and 9.

work is both self-perpetuating and largely irrelevant to the intended purpose of the system: to match people to decent jobs.

These points illustrate the central argument at the top of this submission: that contract management is the main kind of expertise the Department values, and is the inevitable postscript of the immense procurement exercise that commits to so much expenditure.

The statement that the Department “may” rely on other information and data from any source may have the effect of ensuring general deterrence from poor practice, but it provides no guarantee that “Participants” and “Employers” have ways to report their concerns or have them addressed, outside of the formal complaints process.

As we note elsewhere, more transparency and public reporting is needed. In particular:

- Information about feedback and complaints must at present be elicited through Standing Committee Questions On Notice. Yet this information is of interest to all stakeholders, and could help to support people's understanding of the government's accountability for a fair and effective public service.
- Providers' uses of Employment Funds, wage subsidies, self-referrals to fee-earning services, and other indicators of their service practices would be immensely interesting and useful to observers, analysts and stakeholders.

Participants receive insufficient guidance about what they can expect by way of service choices, options and discretionary spending, for driving lessons, for example.<sup>100</sup> The problem is exacerbated by the power of case managers to make decisions according to organisational policies that are unclear to people who they case manage. Participants who are not confident they are getting the full picture of their rights and access to resources should have recourse to independent advice.

Such independent advice might also settle occasional disputes that can be prosecuted in vexatious ways, ensuring greater clarity about rights and responsibilities, and respect for the government's position, assuming it is fair and reasonable.

Proactive and more positive ways to develop and improve quality and performance have been swallowed up by the Department's efforts to stay ahead of the game in contract managing providers. More information from, for, and about those intended to benefit from employment services is needed.

## Recommendations for Section 10

### Oversight, quality, and assurance

26. **Ensure that definitions of quality and performance devised by both unemployed people and employers are built into all policies, strategy, research and evaluations related to employment services.**
27. **Overhaul feedback mechanisms, including the complaints system, to ensure that they enable all stakeholders to engage in open, honest, constructive dialogue, and to raise and resolve concerns about employment services dialogue and to raise and resolve concerns about employment services.**

<sup>100</sup> Many frontline staff in jobactive were not aware that jobseekers could have discretionary spend applied to driving lessons, as reported in *Evaluation of jobactive Final Report*, Nov 2022.





## 11. Research, evaluation, and adaption

Market competition among providers was meant to ensure diverse, innovative solutions to unemployment, bringing commercial intelligence to a more effective and efficient system. It has not achieved this goal.

Six related problems present serious obstacles to the capacity of the employment services system to learn, adapt and improve. They are:

1. **Department of Employment analysis and reporting** is a closed process, when it should be open to all stakeholders, and not only unemployed people and employer and industry groups. Researchers, analysts, state and local government, philanthropists and other organisations could all use such analysis and data to collaborate or otherwise contribute to a better system. The limited scope of evaluation reports and the paucity of data explanations behind them compromises opportunities to consider employment services as a system that could be integrated, as well as opportunities to undertake research and development to enable more diverse entities to operate in the market, and to adapt and trial program design.
2. Given that the employment service system has been in place for 25 years, it should be ready for – and needs – more robust commentary and analysis from external researchers. **The IT system and its recording and reporting capabilities are used only to focus on jobseeker and provider compliance**, when they could be applied to research and development, including for more effective profiling of skills and job occupation preferences, to enable better supply/demand analysis and matching.
3. **Both unemployed people and researchers need more information about what success in employment looks like** beyond the crude success indicator of the Workforce Australia program: getting off the dole. More nuanced insights are needed about the incentives, disincentives and obstacles to work, and how each person might act in relation to them.
4. **The siloed nature of data across federal and State governments** means that different programs under different jurisdictions and funders are using different information systems and programs to record and report information about candidates and employers, services, and outcomes. There are missed opportunities to develop a common approach to defining, measuring, and reporting outcomes, and to recognise that these can and should incentivise collaboration and reporting of collective impact.
5. **Social impact research and reporting is too often held as private intellectual property generated by organisations for the purposes of business development**, when its methodologies and data could and should be put towards the public interest and

shared social mission that organisations claim when applying for grants and tenders.

6. **The make-up and skills of the employment services workforce** is unknown and needs further investigation.

These points are discussed in further detail below, to demonstrate ways that reform of the employment services system should rest on a complete overhaul of the research, development and evaluation strategy of the Department of Employment.

### A Department evaluation strategy and more public data to improve accountability

Too often, the Department of Employment evaluates employment services program by program and in retrospect, with a scope that tends to be constructed to determine or justify procurement. Evaluations often focus on contract-defined success measures - that is, off-benefits and employment outcomes - yet without longitudinal analysis of outcomes for individuals or cohorts. Nor do evaluations adequately include the views, experiences, and feedback of unemployed people and employers, who are the primary agents of change and the system's most significant stakeholders.

Better use of data, such as one touch payroll, can determine whether someone who is off payment is really in a job (instead of being just out of the system) and also give greater detail about the nature of the job(s) they get beyond the period of a payable employment outcome fee.

As a result, the public service lacks the mindset and capabilities for reflective, adaptive, evidence-informed and real-time practice improvement. A culture of protecting the Department, its key personnel, or its Minister from the risk of adverse publicity may be costing us all the opportunity to improve the service and its outcomes.

Examples of this evaluation and data failure include:

- **Release of the ParentsNext Evaluation after procurement processes had started** to roll out the program nationally, and did not provide adequate information about the data on which it was based.<sup>101</sup>
- **Rollout of Employability Skills Training (EST) to participants of all ages in Workforce Australia**, when the training had been evaluated only for its value in the Youth Jobs PaTH program for equipping young people *starting* working life with employability skills.<sup>102</sup> EST will now be a default mutual obligation option for people in Workforce

<sup>101</sup> Department of Jobs and Small Business, *ParentsNext Evaluation Report*, 2018, was published *after* the procurement process for national rollout started.

<sup>102</sup> Youth Jobs Path Evaluation report, Dec 2022.

Australia (including for online services after four months), and will be much used, since it is less “administratively complex” than Work for the Dole.<sup>103</sup>

- The decision to extend EST to all ages should have been more evidence-based, given that the contract projects expenditure of \$127million in 2022-2023, and that providers who hold both Workforce Australia and Employability Skills Training contracts are able to refer participants to their “own entity”, a clear potential conflict of interest. The value and impact of EST for young people cannot be extrapolated across to older people, especially those who have previously worked. Given the cost of the program, some “recognition of prior learning” process<sup>104</sup> to determine the value of EST, or to establish its relevance to learners, would have yielded greater value to the government and participants.
- **The 2020-2022 Social Ventures Australia evaluation of the Local Jobs Program** came *after* the expansion of the LJP to a further 26 Employment Regions, announced in the 2021–22 Budget. Moreover, because no theory of change for the program yet existed, the evaluators were required to develop one, to determine what their evaluation questions should be.
- **Inadequate publication by the Department of Employment of administrative data that is explained in ways that make it ready for analysis**, to enable stakeholders and researchers to understand how the market is operating and improve the accountability of contracted employment services. For example, such information would encompass which providers have multiple contracts with the Department of Employment; what kinds of activities are most commonly included in Job Plans; what categories of spending Employment Funds are being applied to, and which are in-house expenses and which are funded by outside organisations. The Post Program Monitoring Survey results (see “Positive Outcomes” tab) are thin on definition, detail, and even rudimentary trend analysis.<sup>105</sup>
- **Inadequate information about the number and nature of complaints raised by people**, and how they were resolved. At present this information has to be pursued through the Standing Committee on Education and Employment, as Questions on Notice.<sup>106</sup>

---

<sup>103</sup> New Employment Services Model: Regulatory Impact Statement, Department of Education Skills and Employment, p82.

<sup>104</sup> A term used in the VET sector, but its principle applicable here, even if no certification is involved.

<sup>105</sup> See, for example, <https://www.dewr.gov.au/employment-research/resources/jobactive-ppm-survey-results-1-july-2021-30-june-2022>.

<sup>106</sup> See, for example, the complaints data analysis provided in response to QON SQ22-001162 about the

- A lack of independent, honest and nuanced investigation of the positive and negative impacts of compliance and conditionality regimes, not just as they are experienced by people referred to pre-employment and employment programs, but by the frontline staff who interface with people referred to them.
- **Insufficient analysis and real-time localised information about the profile of people on the caseload:** Job Plan activities available and undertaken, compared with what jobseekers and employers think *should* be made available. Such analysis could enable local ecosystems of employment providers and skills organisations to contribute to or coordinate more joined-up, place-based solutions, or even to introduce a degree of challenge and contestability into the provider market mix (if our recommendation for Local Jobs and Skills Coordinators is adopted). It could also inform more focused analysis of industry-focused skills and recruitment initiatives – using information about who is on the *total* local caseload, not just one contract or another – leading to innovative new programs.

### Missed opportunities to learn about needs, define success, and improve practice

An entire body of research and activity is missing from the government's strategy: feedback from jobseekers and employers about what defines success for them. Section 4 of this submission discusses the great value of learning from participants about perceived obstacles to employment, their reasons for working, and what progress would look like to them.

The concept of "data sovereignty", exemplified in the work of Professor Ray Lovett at ANU in Aboriginal health research and practice, points to the need for critical reflection about what the government chooses to count and measure, and for which purposes. Questions arise about whether any citizen being counted should have a say in defining what counts, what has value to their lives, culture, and communities, and in turn, what priorities and options this understanding informs for spending on services.<sup>107</sup>

The critical need for this approach is vividly illustrated by the introduction, in 2015, of the Remote Jobs and Communities Program, which arbitrarily imposed on unemployed people claiming income support 25 hours of unpaid work across the board. This was more time than that required of their metropolitan counterparts, and in more diverse and

---

number and nature of complaints, the providers involved, and how complaints were resolved. These data and the processes are opaque to all stakeholders in the system, not least jobseekers.

<sup>107</sup> Though this concept has been developed and applied in research and practice related to Indigenous affairs, it is an important concept with broader application to people who are the subject of public policy and programs.

difficult conditions: of labour markets, health, housing and transport infrastructure, climate and physical conditions, community and social networks, and cultural norms and practices. The concept of “data sovereignty” is particularly relevant for people who are seriously disadvantaged and more likely to be suffering from inappropriate services, risk of mutual obligations failures, and the stress and hardship that arise from them. More than that, it raises the question of whether it is *individuals* who should be the only unit of investment and value definition. Families, communities, professional/practice networks or other kinds of organisations could also be units of value for progress and performance.

### IT system capability could be turned towards R & D, not just for compliance

Job Plans are typically completed within the limits of what the advisor or jobseeker knows about what is approved for the purposes of the PBAS, and what is visible on the IT system. As noted in Section 4, identifying the needs of jobseekers would mean *adding the administrative capacity to note needs* that at present are not codified in the existing closed menu of “allowed activities”.

Such a reform would be less about performance management or contract adherence than about re-engineering each caseworker’s screen lists to collect information for a more open, learning system rather than one that merely monitors and reports jobseeker and provider/caseworker compliance with contract requirements.

Social Ventures Australia commissioned in-depth interview research with four young people looking for work in Dandenong in 2021, to explore specifically what “a good job” meant to them. It is clear that the subject of “a good boss” or a “decent job” really matters, and that there is fruitful ground for further work building a more responsive, meaningful and engaging employment service.<sup>108</sup>

For people in case management, there are so many more important kinds of data to collect than those in the scope of the IT information system, the Job Plan, or other program Guidelines. These data could inform not only individual case management but broader aggregation of needs analysis for a more adaptive and innovative employment services system.

A Local Employment Facilitator has advised Per Capita that there is a vital piece of missing information in the IT system that could improve job matching and achieve greater alignment of labour supply and demand. This is a record of the *preferred primary*

---

<sup>108</sup> Unpublished report, “Decent Work for young people in Dandenong”, SVA, 2021.

*occupation* people are looking for. Though the system records information about Skill Level (I to V), this information is not specific enough information to support matching. Employers conceive of jobs, advertise them, and apply pay and Award provisions by *occupation*, so adding that single data point would enable more strategic workforce planning and communications with both jobseekers and employers.

For example, a coordinator of jobs and skills could discover that too many people are looking for a job in hospitality in an area where quality jobs in cafes and restaurants are scarce. This might result in greater analysis of decent hospitality-related jobs in aged care, health care, and other institutions that may not have previously been well-understood by those jobseekers. Identification of “adjacent” jobs and skills pathways will need improved data capture for better labour/supply alignment strategy.

### The privatisation of social impact reporting for business development

Organisations in the employment and social services sector who have developed jobs and skills initiatives increasingly do research and evaluation studies on them as part of their strategy to win funding. This means that the evaluations and case studies they put into the public domain are infused with good news stories and positivity, with results attributable to their own efforts. It is a rare and arguably self-defeating organisation that would share what did *not* work well. The casualty of that is an honest and balanced view of what has been learned, for the benefit of Australian communities and public services.

Organisations’ increasing employment of professional fundraisers, communications specialists, and business development executives, who are typically expected to meet income targets, makes it very difficult to get a full picture of learning that comes from what is *not* working, or the possibility that other organisations or forces at work are achieving “collective impact”. It is logical for organisations keen to increase their own funding base to be cautious about recognising collective impact. This is another reason to argue for more public sector leadership at local level.

The tendency of organisations to invest in experienced consultants to help them write bids for government business results not only in selective reporting of outcomes data and impact, but claims that it can be difficult to verify without audit; for example, claims to having local partnerships in areas where a provider has not previously operated, to having in-house expertise, or menus of service choices for program participants. The good news stories, the numbers and claims read off the pages of bid proposals read in Canberra would be better verified through procurement processes that are more live and more local.

But it is not only funding and policy decisions that should be more grounded in the work observed in communities, on a more ongoing basis and in dialogue with organisations and groups. Considine has talked about the need for “greater transparency among the agents as part of their everyday operations” in his discussion of about public employment services. This idea takes us to a different paradigm altogether for how to “do” research and evaluation, not so much as an exercise in retrospect to justify program funding, or as a way to promote an organisation’s claims to a share of the business, but for the purposes of ongoing self-reflection about practice improvement.

In Denmark, for example, embedded academic researchers in municipal-level employment services have a regular presence in employment services operations, participating in staff meetings and discussions, observing meetings with unemployed people, talking with employment advisors about their work. This has resulted in the more self-reflective discussions and shared questions among frontline employment advisors, leading to an inherently adaptive system of practice. This kind of approach to innovation and development makes “good practice” less of an artefact created to win business than it is an open-source process to generate and share public value.<sup>109</sup>

### The siloed nature of data across federal and State governments

In a submission to the current Senate Committee Inquiry into Poverty in Australia,<sup>110</sup> Per Capital recommends a more diverse, granular, and real-time analysis of the multiple dimensions of poverty, in ways that enable both federal and state governments to coordinate their efforts to alleviate poverty. These points are relevant to employment services.

[Appendix 2](#) in this submission maps the range of possible touchpoints an individual might have with various governments at State and federal level. Each touchpoint could be an opportunity to understand more holistically a person’s current status, and what they need that is related to employment access. This kind of mapping of affordable housing, transport, childcare, training and other services can inform collective solutions.

Such data can be misused – as was the case with Robodebt – or it can be used well. As with debates about the merits of computers, it depends on what you use them for.

---

<sup>109</sup> This work was the subject of presentations at a two-day workshop, *New Digital Governance in Welfare-To-Work*, held at Melbourne University, February 15 and 16, 2023.

<sup>110</sup> Per Capita submission to the Inquiry into the extent and nature of poverty in Australia, March 2023.



With proper privacy protections, better data use can reduce duplication of effort and costs for both government and the community. This includes initiatives funded by philanthropy. The Jobs and Skills Funders Network estimated from a survey of its members in 2021 that members of this group had made over \$50million in grants for skills and jobs projects during the survey year. If these initiatives are resourced for evaluation, their methods and data sources will be many and various. Yet many – perhaps most - of the people in those funded projects pilots will be claiming Centrelink support in some form. They will likely have records of current or past involvement with education and training organisations, employment services providers, health services, community organisations, the justice system, and so on.

Many social impact programs that government and philanthropy have been invested in over recent decades have struggled to access decent data, maintain contact with people who were involved with programs, and – critically – attribute to the right sources any improvements in outcomes. [The Multi-Agency Data Integration Project](#) provides capability for such analyses (including of under-employment) but the Department of Employment administration has not yet seemed able to take up the many possibilities that this capability signals.

This is a lost opportunity to understand how to make more visible and align the resources and roles of philanthropy, government and community more effectively.

The Scottish government is establishing a National Outcomes and Measurement Framework that is based on the recognition that “so much policy delivery is devolved to different agencies, with their own mechanisms, systems and processes”. Reviewing its aspiration to establish an employability system in which no-one is left behind, the government has recognised that a shared outcomes framework will be needed to enable success to be defined - and progress measured - in ways that are applicable across the entire system of entry points to assistance.

The review has also recognised that an employability system should measure more than just job outcomes, it might address wider issues of health and well-being, and would look to embed measures of fairness, dignity, and respect.<sup>111</sup>

---

<sup>111</sup> ‘Employability Shared Measurement Framework’ working paper, published in 2022 as part of [Scottish government strategy for No One Left Behind: Review of employability Services](#).



## The last word: Who gets a say in what counts?

Per Capita has argued throughout this submission that research, development and evaluation should focus on defining, measuring and reporting on employment services based on what the citizens they serve consider important to them. Jobseekers and employers are the prime intended beneficiaries – the point and purpose - of government funding of the employment services system. With a more strategic approach to data collection and analysis, claims of “outcomes” could be better validated and verified by the person that used that service, did that course, got that job, or by the employer who found a worker they had reason to value.

### Recommendations for Section 11

#### Research data and reporting

28. **Establish an independent group to devise data insights and evaluation strategies and the key questions that need to be answered** (both national and local) with a balance of stakeholders, including employers and unemployed people, for independent research and real time analysis and evaluation reports to inform evidence-based innovation and improvements, including ways to apply funding to employment services.
29. **Include the impact of compliance and sanctions, along with people’s access to travel, childcare, IT, and other conditions needed for participation, in all research projects.**
30. **To inform service responses, review ways the IT system interface can connect with service users** to get more feedback, including exploration of the crowdsourcing of needs and problem definitions.
31. **Participate in cross-government initiatives and involve philanthropic funders** to explore ways to share data (anonymised as required) about people likely to be registered with a wide range of government services, to harmonise definitions about outcomes and impact, and to establish quality standards to enable meaningful comparisons of impact and social return on investment.
32. **Make employment services data available to researchers**, appropriately de-identified.

## Bibliography

### Per Capita reports and submissions

Owen Bennett et al, 'Working it out: Employment Services in Australia', Per Capita, 2018

Simone Casey and Abigail Lewis, 'Redesigning employment services after COVID19'  
Discussion Paper, April 2020

Simone Casey, 'Mutual obligation after COVID19', Per Capita Discussion Paper, June 2020

Simone Casey, 'At what cost? Getting back to jobactive', Per Capita Briefing Paper, Sept 2020

Matthew Lloyd-Cape, 'Slack in the system: the economic cost of under-employment', Per Capita Discussion Paper, 2020

Emma Dawson and Matthew Lloyd-Cape, 'Full Employment in 21st Century Australia: A lode star policy in an age of uncertainty', Per Capita, November 2022

Submission to the Workforce Australia Inquiry: Pre-employment programs and ParentsNext, Dec 2022

Submission to the Inquiry into the extent and nature of poverty in Australia, March 2023

### Department of Employment documents

Request for Proposal (RFP) documents for the New Employment Services Model, Australian Government, 2022, including: Appendix 1 Enhanced Services Statement of Requirements; RFP Appendix 2 Employability Skills Training Statement of Requirements; RFP Appendix 3 Career Transition Assistance Statement of Requirements

Factsheet: Enhanced Services Outcome Payment Ratios (to inform financial modelling for bidders)

Workforce Australia Services Deed of Standing Offer 2022-2-28.

Incoming Government Minister Briefing 2022 prepared by DESE (released upon FOI request), which includes Budget and Forward Estimates as at the 2022-2023 Budget.

### Department of Employment discussion papers and reports

*The next generation of employment services Discussion Paper and Appendices*, 2018

*I want to work: Employment Services 2020 Report*, 2018

*Employment Services 2020 Consultation report* from Nous Group for Department of Jobs and Small Business, Aug 2018

*Transition to Work Final Evaluation Report*, DESE, May 2021

*User-centred design research* conducted by ThinkPlace March-July 2018, for the

Department of Jobs and Small Business and the Expert Panel for the NESM. Submission 55, Attachment 2, for the Senate Inquiry into the appropriateness and effectiveness of the objectives, design, implementation and evaluation of jobactive.

*New Employment Services Model: Regulatory Impact Statement*, Department of Education Skills and Employment, no date.

*Evaluation of jobactive Final Report*, Nov 2022

*Local Jobs Program 2020–2022 Evaluation Report* by Social Ventures Australia, Nov 2022

*New Employment Service Trial Evaluation, Phase 1, July 2019 – June 2021 Report*, Nov 2022

*Youth Jobs Path Evaluation Report*, Dec 2022.

### Employment services Guides and Guidelines

Job Seeker Classification Instrument Guidelines, DEWR

Workforce Australia Guidelines Part B: Workforce Australia Services, Dec 2022, effective Jan 1, 2023

National Customer Service Line Complaints Processing and Handling Policies and Guidelines, DEWR

[Points Based Activation System](#), DEWR

Targeted Compliance Framework Guidelines, DSS

### Government inquiry documents and reports

Select Committee on Workforce Australia Employment Services Hansard: November 3 and 11 and December 6 and 7, 2022

Select Committee on Workforce Australia Employment Services Additional Documents:  
DEWR presentation slides: Overview of Workforce Australia and Caseload

Expenditure on Employment Services, Advice provided by the Parliamentary Budget Office to the Select Committee on Workforce Australia Employment Services, November 2, 2022

*The job insecurity Report*, Senate Select Committee on Job Security, Feb 2022

*Jobactive: Failing those it is intended to serve*, Senate Education and Employment References Committee Report, 2019

*Report of the Inquiry into the Victorian on-demand workforce*, Victorian Government, June 2020

*Report of the Inquiry into sustainable employment for disadvantaged jobseekers*, Victorian Government, August 2020

### Other government reports

*Climbing the jobs ladder slower: Young people in a weak labour market*, Productivity Commission Staff Working Paper, July 2020

*Looking to the future: Report of the review of senior secondary pathways into work, further education and training*, Council of Australian Governments Education Council, June 2020

*Making the match: Understanding and addressing barriers to accessing employment supports and employment in the Greater Dandenong area*, Final Report, City of Greater Dandenong with partners March 2021

*Our public service, our future. Independent Review Of The Australian Public Service*, PMC, 2019

### Non-government reports

*Evaluation of Rebuilding the Career Ladder: Supporting business to enhance youth inclusion and economic mobility*, Jo Ingold, Angela Knox and Qian Yi Lee, Social Ventures Australia, Jan 2023

*Not just any job, good jobs! A report for the Health Foundation's Young People's Future Health Inquiry*, in association with the Institute for Employment Studies, Nov 2021

*What will it take? Creating better, more sustainable jobs for young people: Literature Review*, PriceWaterhouseCoopers for Social Ventures Australia and Apprenticeship Employment Network, Oct 2021

## Books

Mark Considine. *The Careless State: Reforming Australia's social services*, Melbourne University Press, 2022

Jo Ingold and Patrick McGurk (eds), *Employer Engagement: Making Active Labour Market Policies Work*, Bristol University Press, 2023

Ann Nevile and John Nevile, *Work for the Dole: Obligation or Opportunity?* UNSW Press, 2003

Siobhan O'Sullivan, Michael McGann, Mark Considine, *Buying and Selling the Poor: Inside Australia's privatised welfare-to-work market*, Sydney University Press, 2021

## Articles and papers

"The Effect of the COVID-19 Pandemic on Young Australian Workers", E61 Institute presentation by Dan Andrews to Paul Ramsay Foundation, April 2022.

"New public management and the rule of economic incentives: Australian welfare-to-work from job market signalling perspective", Mark Considine, Phuc Nguyen & Siobhan O'Sullivan, *Public Management Review*, July 2017

"Choice and voice in welfare reform", May Lam, Ingeus Centre for Policy and Research, June 2008

"Contracting out community services, marketisation and wages", Fiona Macdonald and Michael Pegg, in *The wages crisis in Australia: What it is and what to do about it*, Andrew Stewart, Jim Stanford and Tess Hardy (eds), 2017

"The grasping hand: An industry analysis of outsourced employment in public services in Australia", Margaret McKenzie, Paper presented at Federation University Victoria and at UTS Alternative Research Perspectives Business School with Society of Heterodox Economics, 2019.

"The Category Game and its Impact on Street-Level Bureaucrats and Jobseekers: An Australian Case Study", Siobhan O'Sullivan, Michael McGann, Mark Considine, *Social Policy and Society*, 18:4, 631-645, 2019

"Shared Measurement Framework" working paper, published in 2022 as part of [Scottish government strategy for No One Left Behind](#): Review of employability Services.

## Appendix 1

This illustrates the wide range of local-level programs and activities that might exist in a given area, at least in a metropolitan area attracting many programs due to its traditionally high levels of unemployment. It is included in this submission as an example of the challenge of reconciling the PBAS “allowable activities” with what is available locally.

From *Making the Match: Understanding and addressing barriers to accessing employment supports and employment in the Greater Dandenong area* Final Report, March 2021

# Cohort Map 1

## Migrants

		Employment supports - specific to the cohort		Employment supports - available for, but NOT specific to the cohort —>										Youth migrant employment supports - available for, but NOT specific to the cohort —>									
		Notes on visa classes - **HV** = humanitarian visa		SMRC **HV	AMEP **HV	CASEY/CARDINA & GREATER DANDENONG COMMUNITY JOBS PORTALS	Chisholm SC	JVEN *Must be eligible	DES *must be eligible	Community Reintegration *must be from Dandenong or Doveton	1% Project *CGD only	SEE *Must be referred by an Employment Services Provider	Stepping Stones Program (BSL) *women only	AMES (both <a href="#">A</a> and <a href="#">B</a> ) * must be eligible - depends on program	Job Active Providers *Must be Australian resident	ASRC *Must be person seeking asylum	Youth Learning Pathway	Youth Jobs Path * Must be youth and eligible for jobactive	Transition to Work * Must be youth and safety <a href="#">eligibility requirements</a>	SLES *Must have a disability, must be in year 12, must be eligible for NDIS	Employment Empower's Program *Must be youth	Skill First Reconnect *Must be youth and meet specific provider's eligibility requirements	Australian Apprenticeship Support Network *Must be youth and meet eligibility of <a href="#">specific provider</a>
Axis A		Axis B																					
Job search & matching	Resume/cover letter support																						
	One-on-one - Individualised, tailored support																						
	Career counselling																						
	Brokerage																						
	Post placement follow-ups & opportunities																						
	Relationships with employers																						
	Job carving																						
Training & skills	Matching b/w employer and jobseeker																						
	Employability skills																						
	Language skills																						
	Technical skills																						
	Computer skills																						
	Pre-employment training opportunities																						
	Work placement																						
Life Challenges	On-the-job training																						
	Industry specific training/networks/assistance																						
	Client case management																						
Culture	Support for complex life barriers and trauma																						
	Support with personal and family challenges																						
	Cultural awareness and responsiveness																						
Culture	Building understanding of what employers want - work ethic																						

## Appendix 2

