#### PARLIAMENT OF VICTORIA



### **LEGISLATIVE ASSEMBLY Economy and Infrastructure Committee**

# Inquiry into sustainable employment for disadvantaged jobseekers

Parliament of Victoria Legislative Assembly Economy and Infrastructure Committee

Ordered to be published

VICTORIAN GOVERNMENT PRINTER August 2020

PP No 161, Session 2018-2020 ISBN 9781 922425 041 (print version), 9781 922425 058 (PDF version)

### Committee membership



Hon. John Eren



**Gary Blackwood** Narracan



**Juliana Addison** Wendouree



**Sarah Connolly** Tarneit



**Brad Rowswell**Sandringham



**Steph Ryan** Euroa



**Kat Theophanous** Northcote

### **About the Committee**

#### **Functions**

The Economy and Infrastructure Standing Committee is established under the Legislative Assembly Standing Orders Chapter 24—Committees.

The Committee's functions are to inquire into and report on any proposal, matter or thing connected with the following departments and their related agencies:

- the Department of Education and Training
- the Department of Jobs, Precincts and Regions
- the Department of Transport
- the Department of Treasury and Finance.

#### Secretariat

Kerryn Riseley, Committee Manager Dr Marianna Stylianou, Research Officer Shweta Saroha, Administrative Officer (until 31 January 2020) Janelle Spielvogel, Administrative Officer (from 20 January 2020) Anna Scott, Administrative Officer (from 18 February 2020)

#### **Contact details**

Address Legislative Assembly Economy and Infrastructure Committee

Parliament of Victoria

**Spring Street** 

**EAST MELBOURNE VIC 3002** 

**Phone** 61 3 8682 2822

**Email** <u>eic.assembly@parliament.vic.gov.au</u>

Web https://www.parliament.vic.gov.au/eic-la

This report is available on the Committee's website.

### **Contents**

#### **Preliminaries**

	Con	nmitte	e membership	ii
	Abo	ut the	Committee	iii
	eference	viii		
	Cha	ir's for	reword	ix
	Exe	cutive	summary	хi
	Find	lings a	nd recommendations	XV
	Acre	onyms		xxxi
	Figu	ıres, ta	ables and case studies	xxxiii
1	Inti	roduc	tion	1
	1.1		jobseeker facing disadvantage experiences a unique set of enges	2
		1.1.1	There is no standard definition of disadvantage	2
		1.1.2	Barriers to employment can be individual, employer-related or structural	3
		1.1.3	Long-term unemployment can have scarring effects and further entrench disadvantage	4
	1.2	Susta	ainable employment is secure, ongoing and suitable work	6
		1.2.1	Sustainable employment benefits individuals, their families and the broader community	6
	1.3	A sna	apshot of unemployment and underemployment in Victoria	9
		1.3.1	Underemployment creates a more complete picture of the labour market	13
	1.4	Austi	ralian and Victorian Government employment services	14
		1.4.1	Most jobseekers are registered with the Australian Government's jobactive	15
		1.4.2	Jobs Victoria was developed to fill gaps in the employment services system	16
	1.5	Scop	e of the Inquiry	17
	1.6	Inqui	ry process	17
	1.7	Repo	ort outline	18
2	Δd	dracci	ing individual barriers to sustainable employment	19
_				
	2.1	2.1.1	Personal circumstances directly and indirectly affect employment outcomes	<b>20</b>
		2.1.2		39
		4.1.4	- 1 John Jaming Caperiorice and grapp of the labour market also natifically	~~

	2.2	Com	olex barriers need intensive services tailored to the jobseeker	51
		2.2.1	Holistic, wraparound services are the first step in addressing disadvantage	52
		2.2.2	Mentoring provides jobseekers vital support to find and stay in employment	70
		2.2.3	Jobseeker training needs to be targeted and accessible	74
		2.2.4	Earlier intervention at school could alleviate some employment barriers	94
		2.2.5	Better data collection would improve the evaluation of services	105
3		•	ing employers to provide sustainable work nities	107
	3.1	-	oyers' knowledge, attitudes and practices sometimes create further ers for jobseekers facing disadvantage	107
		3.1.1	Business constraints can influence employers' recruitment choices	108
		3.1.2	Stigma and unconscious bias can lead to discrimination against jobseekers	111
		3.1.3	Non-inclusive recruitment practices and workplaces create barriers to sustainable employment	118
		3.1.4	Not all employers engage with employment programs	121
	3.2	Bette	er support and collaboration will help employers to remove barriers	122
		3.2.1	Success stories and incentives can encourage employers to reduce barriers	124
		3.2.2	Co-developing employment programs with employers benefits all parties	132
		3.2.3	Training and support for employers will help create inclusive workplaces	136
		3.2.4	More employers will offer work placements if risks and burdens are reduced	151
		3.2.5	Post-placement support for employers is critical for worker retention	154
		3.2.6	Better data collection and reporting can identify areas for improvement	157
4	Rer	novin	g structural barriers to sustainable employment	159
	4.1		abour market, geography and existing services can all create oyment barriers	159
		4.1.1	Current labour market conditions hinder jobseekers facing disadvantage	160
		4.1.2	Where jobseekers live can affect their ability to find and retain work	167
		4.1.3	Most employment services are not meeting the needs of jobseekers	177
	4.2	Flexil barri	ble and collaborative approaches are best to reduce structural ers	202
		4.2.1	Place-based approaches provide customised and more effective responses	204
		4.2.2	Social procurement is an effective employment lever	212
		4.2.3	Social enterprises provide genuine training and employment opportunities to jobseekers with significant employment barriers	226
		4.2.4	Co-designing employment programs with jobseekers improves outcomes	230
		4.2.5	Entrepreneurship and self-employment are effective ways to create jobs	232
		4.2.6	Improved transport and digital connectivity will reduce employment barriers	240

				Content
		4.2.7	Long-term funding of employment services contracts allows for more intensive support	244
		4.2.8	Workforce strategies are needed for regional areas and young people	248
5	Со	nclud	ing remarks	251
Аp	pen	dices		
	1	List o	of submissions	253
	2	List o	of witnesses	257
Glo	ossa	ry		265
Bik	oliog	ıraphy	, ,	267

### Terms of reference

# Inquiry into sustainable employment for disadvantaged jobseekers

Received from the Legislative Assembly on 1 May 2019:

An inquiry into the social and economic benefits of seeking to place disadvantaged jobseekers into sustainable employment to the Economy and Infrastructure Committee for consideration and report no later than 30 June 2020.

The Speaker advised the House on 2 June 2020 that the Legislative Assembly Economy and Infrastructure Committee has extended its reporting date for the Inquiry into sustainable employment for disadvantaged jobseekers to 30 September 2020.

This extension was agreed to by the Committee under the resolution of the House on 23 April 2020.

### Chair's foreword

From the start of this Inquiry, our Committee knew supporting jobseekers facing disadvantage into sustainable employment would yield vital benefits to jobseekers, their families and society, but we also understood overcoming the barriers these jobseekers faced was challenging work. When the COVID-19 pandemic hit as we were finalising this report, we realised its economic impact would magnify these barriers and make assisting these jobseekers even more complicated and urgent.

Meeting with jobseekers facing disadvantage, and the people whose job it is to support them into employment, further improved our understanding of the multiple and complex barriers many jobseekers experience when searching for and starting work. Employment barriers may be created by personal circumstances but can also emerge in recruitment and workplace practices and from the economy and external environment. It was clear that finding and retaining employment is not just up to the jobseeker but also requires input and commitment from employers, educators, employment and support services providers, and each level of government.

In our consultations, the Committee met many jobseekers who had experienced a range of challenges and we listened to moving and often inspirational accounts of their search for work. We are extremely grateful to these jobseekers, some of whom are now employed, for sharing their experiences and views so candidly. Their journeys, many of which are highlighted in the report's case studies, remind us of the human stories behind the statistics and help us to develop better policies and programs.

Throughout the Inquiry, I was pleased to hear stakeholders say the Victorian Government's Jobs Victoria Employment Network (JVEN) is an improvement on previous employment programs and that it is producing better outcomes for both jobseekers and employers. We took on board suggestions for improvement and supported further funding for JVEN so it can continue to achieve employment outcomes for jobseekers with multiple barriers, especially now when there will be more applicants for fewer jobs following the economic fallout from COVID-19.

Social procurement also emerged in the evidence as a game changer for jobseekers facing disadvantage. Using the Government's purchasing power to persuade bidders to employ these jobseekers directly, or to buy goods and services from enterprises that employ them, has given the private sector a push to take a chance on jobseekers they otherwise would have passed on. There is even greater potential for social procurement to improve employment outcomes for jobseekers facing disadvantage if more councils and employers come on board.

The recommendations in this report aim to break down employment barriers through tailored and flexible support and collaboration between employers, service providers, educators and government. It is not easy to address the many complex barriers to employment many jobseekers experience. On top of that, the impact of the COVID-19

pandemic on employment will make the search for work more competitive, which risks further marginalising jobseekers facing disadvantage. For this reason, the implementation of these recommendations is imperative to prevent these jobseekers from being forgotten as we rebuild the economy in the aftermath of COVID-19.

On behalf of the Committee, I thank the individuals, support organisations, business groups, councils, educators and researchers who wrote submissions and attended public hearings. The Committee greatly appreciates the time and effort of all who contributed their views and experiences during the Inquiry.

I also thank my fellow Committee Members, in particular the Deputy Chair, Mr Gary Blackwood MP, for their genuine dedication to the Inquiry and their bipartisan approach to preparing this report. And on behalf of the Committee, I extend our gratitude to the secretariat for their hard work and support, especially when the pandemic not only changed the backdrop to the Inquiry but also the way the Committee would be able to continue its work.

Hon. John Eren

John Enen

Chair

### **Executive summary**

Jobseekers in Victoria have varying access to opportunities and resources, which can have an impact on their ability to find and retain secure employment. Personal circumstances can combine with broader social and economic factors to create disadvantage and set up a range of employment barriers. For jobseekers facing disadvantage, these barriers are often numerous and complex. This Inquiry's terms of reference asked the Legislative Assembly's Economy and Infrastructure Committee to examine the social and economic benefits of placing disadvantaged jobseekers into sustainable employment. The Committee chose to expand the Inquiry's scope to also look at the employment barriers these jobseekers face and how they can be addressed.

### Sustainable employment benefits individuals, their families and society more broadly

Sustainable employment, which is secure, ongoing employment that a worker is willing and able to continue working in, benefits individuals and their families economically by increasing household income and improving living standards. It also improves individuals' self-esteem, health and wellbeing and reduces their risk of social isolation.

The economy also benefits from placing disadvantaged jobseekers into sustainable employment through reduced reliance on government welfare, decreased public spending on services, and increased tax revenue and consumer spending. Sustainable employment also improves social cohesion and reduces social and economic inequalities, and employers benefit from greater workforce diversity and access to different skills, views and experiences. While there are few cost-benefit analyses of services designed to place jobseekers facing disadvantage into employment, research suggests the social return on investment could be threefold in terms of reduced spending on benefits and services and increased tax revenue.

# Each disadvantaged jobseeker faces a unique set of personal and work-related barriers

Personal circumstances, such as financial hardship, disability, caring responsibilities and substance dependence, can create barriers to employment by limiting access to opportunities and resources that improve jobseekers' employment prospects and enable them to find and retain work. Without adequate support, personal circumstances can also erode jobseekers' confidence and reduce their motivation to search for work. Long-term joblessness can have scarring effects resulting in a greater chance of future periods of unemployment, lower lifetime earnings and poorer physical and mental health.

Poor access to opportunities and resources can also create work-related barriers to employment by limiting jobseekers' ability to gain skills, work experience, networking opportunities and an understanding of labour market conditions. As each jobseeker's circumstances are unique, so is the set of employment barriers they face. Jobseekers facing disadvantage often experience multiple employment barriers.

## The economic fallout from COVID-19 will intensify employment barriers

The Coronavirus disease (COVID-19) pandemic emerged as the Committee was concluding this Inquiry. Government restrictions to slow the spread of the virus such as social distancing, trading restrictions and the shutdown of non-essential services have since led to sharp increases in unemployment and underemployment. Young people, women and unskilled workers were the hardest hit because they were more likely to be working in the industries that were most affected such as hospitality, tourism and retail. They were also more likely to be working casually, preventing access to leave entitlements and the Australian Government's JobKeeper wage subsidy if they had been with their employer for under 12 months.

The types of employment barriers experienced by jobseekers facing disadvantage will persist and are likely to intensify following the COVID-19 pandemic. Increased competition for fewer job vacancies will also make it harder for these jobseekers to gain employment. The impact of COVID-19 increases the urgency of implementing this report's recommendations to avoid the scarring effects of long-term unemployment for these jobseekers.

### Holistic, wraparound support is needed to overcome complex barriers

Getting highly disadvantaged jobseekers work ready can be a difficult and lengthy process. It requires a holistic approach, which takes into account their personal and family circumstances, and coordinated, tailored support from a range of service providers. Once these jobseekers find employment, they need continued support to identify and manage any issues that arise to improve their chances of retaining employment.

The Victorian Government's Jobs Victoria Employment Network (JVEN) is an employment services program that stakeholders agreed was providing flexible and tailored support to jobseekers facing disadvantage. The Committee recommends the program be continued for a further five years beyond 2020 when current funding was due to end. The Committee also makes a series of recommendations to improve remuneration of pre-employment services, extend post-placement support, help more people gain a driver licence, expand flexible working arrangements and encourage more mentoring of jobseekers facing disadvantage.

### Better access to targeted training and career development will improve work readiness

Jobseekers facing disadvantage should undertake training that improves their work readiness and is aligned with real employment opportunities. Some jobseekers may feel intimidated to enrol in and attend larger education and training providers such as TAFEs, so softer entry points to training such as Learn Locals are a valuable alternative to ease the transition. The Committee recommends measures to better support Learn Locals as well as improve training opportunities for newly arrived migrants and refugees, people leaving out-of-home care and prisoners.

Aboriginal jobseekers are also more likely to have successful employment outcomes if training and services are provided in culturally safe environments. The Committee recommends supporting more Aboriginal-controlled organisations to become providers of both accredited and non-accredited training and employment services.

More effective career development at school will also help young people overcome some of the work-related barriers they may face. While the Victorian Government has started to implement improvements to school career development, the Committee recommends the Government prioritise early intervention from junior years involving individualised guidance, more opportunities for work experience and greater collaboration with local employers and industry.

#### **Employers can sometimes create barriers inadvertently**

Although many employers want to offer sustainable employment to jobseekers facing disadvantage, business constraints and financial considerations might limit their ability to do so. Employers' recruitment processes and workplaces might also be set up in a way that excludes some jobseekers. Often employers are unaware of the challenges experienced by jobseekers facing disadvantage and they may not recognise these jobseekers' strengths and potential contributions to the workplace. Employers' unconscious bias and stigmatisation of jobseekers facing disadvantage can also lead to workplace discrimination, particularly when soft labour market conditions allow employers to be more selective when recruiting.

# With more support and collaboration, employers will offer more work opportunities

Employers need more support to encourage them to hire jobseekers facing disadvantage who may need more time and extra training to settle into the workplace. The Committee recommends financial incentives, recognition programs, extended post-placement support and arrangements that reduce employers' financial risks and compliance burdens when offering work placements. In addition, better guidance and self-audit checklists will help employers and their staff to understand the challenges faced by jobseekers facing disadvantage and thereby create more inclusive recruitment practices and workplaces.

The Committee also recommends the co-development and co-delivery of employment programs by employers, employment services providers and training providers. This collaboration creates mutual benefits by producing work-ready candidates who can fill pre-determined vacancies, while also providing employers with the necessary support.

### Structural employment barriers are beyond the control of jobseekers and employers

Structural employment barriers, such as a weak labour market, limited services and opportunities in regional areas, and poor employment service provision can create considerable challenges for jobseekers facing disadvantage. A recurrent theme in the evidence received by the Committee was the inadequacy of government employment services, in particular the Australian Government's jobactive and Disability Employment Services, to effectively support jobseekers with high levels of disadvantage. Stakeholders were more favourable towards JVEN, but parts of its funding model and program evaluation could be improved.

#### Structural barriers can be eased through collaboration

Place-based approaches where local people create and deliver solutions to local problems have been effective at creating work opportunities that meet the needs of jobseekers and the local labour market. These approaches are flexible to local conditions and can capitalise on the community's links with employers and support services.

Another effective lever to create jobs for jobseekers facing disadvantage is social procurement, where organisations use their purchasing power to achieve social benefits such as employment opportunities. Stakeholders strongly supported the Victorian Government's Social Procurement Framework but were concerned it may not achieve its intended outcomes if targets are unclear and commitment is not there at all points of the labour supply chain. The evidence also indicated that some Victorian councils are not using social procurement despite being well placed to create employment opportunities for local jobseekers through their purchasing power and close connection to the community. The Committee recommends improved monitoring of social procurement contracts for compliance and outcomes as well as the development of social procurement policies and frameworks in all Local Government Areas with high levels of socioeconomic disadvantage.

The Committee also makes a series of recommendations to address other structural barriers such as improving public transport, encouraging entrepreneurship and self-employment, co-designing employment programs with jobseekers and employers, and entering into longer funding agreements with employment services providers so they can better support jobseekers facing disadvantage. A youth employment strategy and regional skills demand profiles are also recommended.

### Findings and recommendations

#### **Findings**

#### 1 Introduction

**FINDING 1:** Sustainable employment benefits the individual economically through increased income and improved living standards, and socially through increased self-worth, improved health and wellbeing and a reduction in social isolation.

9

**FINDING 2:** Sustainable employment benefits society and the broader economy through less dependence on government welfare, less public spending on healthcare and housing, increased tax revenue, more consumer spending, improved social cohesion and lower crime rates.

9

### 2 Addressing individual barriers to sustainable employment

**FINDING 3:** The Australian Government's base income support rates are inadequate to cover the living expenses and job search activities of jobseekers facing disadvantage. **25** 

**FINDING 4:** Personal circumstances, such as financial hardship, disability, caring responsibilities and poor confidence, can create employment barriers by limiting access to opportunities and resources that improve jobseekers' employment prospects and enable them to find and/or retain work.

38

**FINDING 5:** Jobseekers with poor access to the opportunities and resources they need to gain the skills, education and experience required by the labour market may face barriers to finding and retaining sustainable employment.

51

**FINDING 6:** The Jobs Victoria Employment Network is a valued service providing a holistic approach and customised supports that address the individual barriers to employment experienced by jobseekers facing disadvantage.

59

**FINDING 7:** Jobseekers facing disadvantage are more likely to achieve sustainable employment if they receive adequate support services to get them work ready.

<b>FINDING 8:</b> Outcomes-based funding models for employment services discourage service providers from investing time and effort in jobseekers facing disadvantage who are difficult to place.	62
<b>FINDING 9:</b> New recruits facing disadvantage often require continued post-placement support beyond the first 26 weeks of employment offered by most government employment programs.	64
<b>FINDING 10:</b> Caring responsibilities for children, older family members and family members with disability limit jobseekers' ability to find and retain suitable work.	66
<b>FINDING 11:</b> Poor access to affordable child care and child care that is available beyond standard work hours can prohibit mothers from finding and retaining employment.	66
<b>FINDING 12:</b> There are not enough opportunities for jobseekers without a driver licence and access to a supervising driver or car, to gain the necessary practice to apply for a probationary licence.	y <b>67</b>
<b>FINDING 13:</b> Aboriginal jobseekers are more likely to have successful employment outcomes if employment services are culturally safe.	70
<b>FINDING 14:</b> Mentoring of jobseekers facing disadvantage is a valuable way to encourage and support them to find employment and stay employed over the long terms.	m. <b>74</b>
<b>FINDING 15:</b> Without easy and affordable access to digital devices or the internet, jobseekers facing disadvantage may struggle to develop the digital skills they need to apply for jobs and to function effectively in the workplace.	77
<b>FINDING 16:</b> Neighbourhood houses are less intimidating than other training providers and are a valuable soft entry point into training for jobseekers facing disadvantage.	80
<b>FINDING 17:</b> Learn Locals that customise courses to meet local industry needs can boost course participants' employability and link participants to real job opportunities.	. 82

**FINDING 18:** Course completion rates are higher for jobseekers facing disadvantage when additional support structures are in place to address individuals' needs.

86

**FINDING 19:** There does not appear to be a greater uptake of free TAFE courses among people living in disadvantaged areas when compared with non-free TAFE courses.

93

**FINDING 20:** The success of the Victorian Government's Free TAFE initiative may be limited by the capacity of industry to host student placements.

94

**FINDING 21:** School career development is not meeting the needs of students and would be more effective if it was provided earlier to all students, especially students facing disadvantage.

100

**FINDING 22:** Some students are missing out on work experience because schools and employers are dissuaded from participating due to the administrative burden and legal requirements.

103

**FINDING 23:** Older jobseekers lack structured opportunities to undertake work experience so they can gain exposure to different industries.

105

**FINDING 24:** There is a lack of data on the employment experiences and outcomes of jobseekers facing disadvantage to comprehensively assess the effectiveness of government employment services.

106

## 3 Supporting employers to provide sustainable work opportunities

**FINDING 25:** Many employers want to offer sustainable employment to jobseekers facing disadvantage but they need support to do so in a way that balances the social benefits with productivity.

111

**FINDING 26:** Unconscious bias and stigmatisation of jobseekers facing disadvantage can lead to employers discriminating against these jobseekers especially when soft labour market conditions make it easier for employers to be more selective when recruiting.

FINDING 27: Offering employers financial incentives at later milestones would encourage the retention of recruits facing disadvantage for longer periods and enable these recruits to gain more skills and experience in the workplace, improving their future employment prospects. 127 **FINDING 28:** Greater awareness of the benefits of employing jobseekers facing disadvantage and success stories of their employment will encourage more employers 130 to actively recruit these jobseekers. FINDING 29: Employer pledge programs encourage businesses to actively support the recruitment of jobseekers facing disadvantage and provide businesses with relevant support, access to new talent and a favourable public profile. 132 **FINDING 30:** The co-development and co-delivery of employment programs by employers, employment services providers and training providers benefit all parties by creating work-ready candidates that meet labour market needs while providing support to employers recruiting jobseekers facing disadvantage. 135 **FINDING 31:** Education on the barriers experienced by people facing disadvantage and their needs will help employers to create inclusive workplaces and better support 138 jobseekers and employees. FINDING 32: The development and implementation of disability action plans help businesses and organisations to eliminate discrimination, improve accessibility and 140 remove employment barriers for jobseekers with disability. FINDING 33: Cultural awareness training for employers and their staff helps to build knowledge and respect for different cultures and create more inclusive workplaces. 142 **FINDING 34:** Jobseekers with overseas professional or trade qualifications can find the process of getting their qualifications recognised by the relevant registering 147 authority in Australia complex, expensive and time-consuming. FINDING 35: Workers facing disadvantage are more likely than other workers to

be exploited in the workplace because they may be unaware of their rights and/or

reluctant to make a complaint.

**FINDING 36:** Work placement programs for jobseekers facing disadvantage run by employers, or employers in partnership with community service organisations, help these jobseekers obtain corporate experience while connecting employers with new talent pools.

152

**FINDING 37:** More employers would offer work placements to jobseekers facing disadvantage if there were fewer financial risks and compliance burdens and the process was centrally coordinated by a third party.

154

**FINDING 38:** Employers benefit from access to post-placement support to help retain employees facing disadvantage.

156

**FINDING 39:** There is a lack of data collection and reporting on workforce composition in Victorian workplaces to measure workforce diversity, the effectiveness of interventions and progress over time.

157

# 4 Removing structural barriers to sustainable employment

**FINDING 40:** Soft labour market conditions prior to the COVID-19 pandemic, which were characterised by fewer entry-level roles, a high proportion of part-time and casual work and increasing demand for highly qualified workers, reduced the number of opportunities for jobseekers facing disadvantage to find and retain sustainable employment.

167

**FINDING 41:** Increased competition for fewer available job opportunities in the aftermath of the COVID-19 pandemic will further harm the chances of jobseekers facing disadvantage finding and retaining sustainable employment.

167

**FINDING 42:** Limited education and employment opportunities and poor access to public transport and support services in some areas of regional Victoria and outer suburban Melbourne are a significant employment barrier for jobseekers facing disadvantage.

177

**FINDING 43:** Australian Government employment services such as jobactive and Disability Employment Services are not meeting the needs of highly disadvantaged jobseekers resulting in poor employment outcomes.

FINDING 44: Data analysis of Jobs Victoria Employment Network's effectiveness at placing and retaining participants in employment has not yet been published to enable assessment of the program. 190 **FINDING 45:** While in some cases the Jobs Victoria Employment Network outcomes payment model based on at least 15 hours per week for 26 weeks is not sufficient to ensure sustainable employment, for some jobseekers facing disadvantage these 196 thresholds are high and not always achievable. **FINDING 46:** Eligibility criteria for some state and federal employment services are too restrictive resulting in some jobseekers facing disadvantage missing out on assistance to secure sustainable employment. 199 FINDING 47: There are too many state and federal employment services providers working under different government programs within the same region creating competition between providers and confusion for jobseekers and employers. 202 FINDING 48: Place-based approaches to address local unemployment in disadvantaged areas enable the development and delivery of programs by community members and organisations that best understand the local context and have strong 211 links to local employers and support services. FINDING 49: There is inconsistent adoption of social procurement policies and processes across local government resulting in a failure to improve the employment 219 outcomes of jobseekers facing disadvantage. FINDING 50: Contracts with unclear definitions of the target jobseeker population in their social procurement clauses can result in inferior employment outcomes for 221 jobseekers facing disadvantage. FINDING 51: There are risks that social procurement will not achieve the intended outcome of employing jobseekers facing disadvantage if targets are unclear, commitment does not flow down the labour supply chain and employers do not 225 understand how social procurement works. FINDING 52: Social enterprises that employ jobseekers facing disadvantage provide an important stepping stone for these jobseekers to move into mainstream employment. 230 **FINDING 53:** Employment program design is enhanced by collaborating with jobseekers facing disadvantage who can share their lived experience and identify areas of improvement for service delivery.

**FINDING 54:** Assisting jobseekers from disadvantaged backgrounds to start a small business helps them gain financial independence and can lead to them creating jobs and employing jobseekers from similar backgrounds.

239

232

**FINDING 55:** Higher education study hubs in regional areas provide students in regional and rural Victoria with infrastructure and support services enabling them to complete university or TAFE courses locally.

244

**FINDING 56:** Short-term government funding of employment programs is inadequate to cover the intensive and long-term support required by highly disadvantaged jobseekers to become work ready and to find and retain employment.

247

**FINDING 57:** Following the impact of the COVID-19 pandemic on unemployment rates, Victoria would benefit from a greater understanding of existing skills gaps across the state and the adoption of whole-of-government workforce strategies to address these gaps.

#### Recommendations

#### 2 Addressing individual barriers to sustainable employment

**RECOMMENDATION 1:** That the Victorian Government through the National Cabinet advocate for an increase to the JobSeeker Payment and Youth Allowance rates following the phasing out of the Coronavirus Supplement to ensure jobseekers can meet their living expenses and search for work.

25

**RECOMMENDATION 2:** That the Victorian Government continue funding the Jobs Victoria Employment Network for a further five years.

59

**RECOMMENDATION 3:** That the Department of Jobs, Precincts and Regions review the Jobs Victoria Employment Network funding model to consider remunerating service providers for improvement in work readiness using the Employment Readiness Scale or a similar measurement tool to assess service effectiveness.

62

**RECOMMENDATION 4:** That the Department of Jobs, Precincts and Regions adopt a similar post-placement support model to Disability Employment Services whereby Jobs Victoria Employment Network participants can request post-placement support beyond 26 weeks if and when required.

64

**RECOMMENDATION 5:** That the Victorian Government encourage men in the public sector to take parental leave and flexible working arrangements.

66

**RECOMMENDATION 6:** That the Victorian Government encourage medium and large-sized enterprises to offer flexible working arrangements to all employees so they can fulfil caring responsibilities for any family member.

66

**RECOMMENDATION 7:** That the Victorian Government through the National Cabinet advocate for measures that encourage greater flexibility and improved access to affordable child care for jobseekers facing disadvantage.

66

**RECOMMENDATION 8:** That the Victorian Government support the Transport Accident Commission to expand the L2P Learner Driver Mentor Program to offer more places in regional areas and to jobseekers facing disadvantage, and increase the upper age limit from 21 to 30 years.

**RECOMMENDATION 9:** That the Victorian Government support Aboriginal-controlled organisations across Victoria to run a volunteer driving school for Aboriginal learner drivers.

68

**RECOMMENDATION 10:** That the Victorian Government support more Aboriginal-controlled organisations to become training and/or employment services providers.

70

**RECOMMENDATION 11:** That the Victorian Government prioritise and increase funding for employment programs that incorporate mentoring for jobseekers facing disadvantage.

74

**RECOMMENDATION 12:** That the Victorian Government create an avenue for current or retired senior public servants to become mentors to new starters in the Victorian public sector who may be facing disadvantage.

74

**RECOMMENDATION 13:** That the Victorian Government incentivise large private sector employers to implement mentoring programs to support new starters in their enterprise who may be facing disadvantage.

74

**RECOMMENDATION 14:** That the Victorian Government support the State Library of Victoria and local government libraries to run free digital literacy workshops that teach the basics of using a computer, navigating the internet and creating a résumé.

77

**RECOMMENDATION 15:** That the Victorian Government support more neighbourhood houses to register as Learn Local providers to offer pre-accredited training in employment skills, including digital literacy, to enhance the work readiness of jobseekers.

80

**RECOMMENDATION 16:** That the Victorian Government raise awareness among the community, particularly individuals experiencing disadvantage, of the learning opportunities neighbourhood houses and Learn Locals provide.

81

**RECOMMENDATION 17:** That the Department of Education and Training support more projects similar to Strengthening Pathways for Adult Learners in Gippsland to give Learn Locals across Victoria the skills to develop training courses in collaboration with local industry.

**RECOMMENDATION 18:** That the Department of Education and Training work with the TAFE and Learn Local sectors to encourage greater collaboration and further strengthen the pathways into TAFE for jobseekers facing disadvantage.

82

**RECOMMENDATION 19:** That the Victorian Government raise awareness among the community of the existence and locations of Skills and Job Centres and who is eligible to use their services.

83

**RECOMMENDATION 20:** That the Victorian Government raise awareness among the community, particularly individuals experiencing disadvantage, of eligibility and access to the Skills First Reconnect program.

87

**RECOMMENDATION 21:** That the Victorian Government consider five-year funding terms for the Skills First Reconnect program when funding is due for renewal.

87

**RECOMMENDATION 22:** That the Department of Education and Training work with English language program providers to develop and support delivery modes tailored to the varied needs of newly arrived migrant and refugee jobseekers.

88

**RECOMMENDATION 23:** That the Victorian Government work with Victorian universities to develop alternative entry pathways into undergraduate study specifically for people who have been in out-of-home care.

89

**RECOMMENDATION 24:** That Corrections Victoria ensure its prison education and employment services engage with employers to co-develop training programs that address industry skill shortages and link prisoners with real job opportunities post release. 91

**RECOMMENDATION 25:** That the Department of Education and Training consider how it can reduce barriers other than financial for jobseekers facing disadvantage to enrol and participate in free TAFE.

93

**RECOMMENDATION 26:** That the Department of Education and Training work with growth industries to enhance their capacity to host placements for students undertaking free TAFE courses.

**RECOMMENDATION 27:** That the Victorian Government implement all recommendations in the Economic, Education, Jobs and Skills Committee's 2018 report for the Inquiry into career advice activities in Victorian schools, prioritising:

- incorporation of career development into the school curriculum from at least Year 7
- reductions in school career practitioners' teaching loads so they can devote most,
   if not all, their hours to career development and student counselling
- mandatory professional development for school career practitioners on labour market trends and emerging industries
- online access to local labour market information for students, parents and schools
- better utilisation of Local Learning and Employment Networks to connect students with local employers and industry
- expansion of Years 7-10 students' access to local industry taster or immersion programs
- mandatory professional development for school career practitioners on the needs of student groups facing disadvantage.

100

**RECOMMENDATION 28:** That the Department of Education and Training develop a mechanism for schools to directly refer school leavers to On Track Connect from October each year so that Local Learning and Employment Networks can provide support to school leavers earlier.

101

**RECOMMENDATION 29:** That the Victorian Government provide support, ease the administrative burden and develop financial incentives to encourage more employers to take on work experience students.

103

**RECOMMENDATION 30:** That the Victorian Government expand the number of work experience placements it offers secondary students at its departments and agencies, and set a proportion of these placements for students facing disadvantage.

103

**RECOMMENDATION 31:** That the Victorian Government support more Skills and Jobs Centres to provide paid local internships for adults who are seeking to return to the workforce.

**RECOMMENDATION 32:** That the Department of Jobs, Precincts and Regions capture de-identified data on Jobs Victoria Employment Network participants to enable the evaluation of program effectiveness for particular cohorts.

### 3 Supporting employers to provide sustainable work opportunities

**RECOMMENDATION 33:** That the Department of Jobs, Precincts and Regions consider bonus lump sum payments for employers when an employee hired through the Jobs Victoria Employment Network reaches 12 and 24 months of continuous employment.

127

**RECOMMENDATION 34:** That the Department of Jobs, Precincts and Regions develop and distribute employer packs on targeted jobseeker cohorts, such as people with disability and older people, promoting success stories, the benefits of employing these cohorts and how to support them in the workplace.

130

**RECOMMENDATION 35:** That the Victorian Government support the creation of employer pledge programs to publicly recognise and support employers who actively commit to recruiting jobseekers facing disadvantage.

132

**RECOMMENDATION 36:** That the Department of Jobs, Precincts and Regions support training providers and employment services providers to work with employers to co-develop and co-deliver employment programs that meet current and future demand for skills and workers at both a local and state-wide level.

135

**RECOMMENDATION 37:** That the Department of Jobs, Precincts and Regions support relevant community service organisations and advocacy groups to expand their delivery of employer training on workplace inclusiveness.

138

**RECOMMENDATION 38:** That the Department of Jobs, Precincts and Regions, in collaboration with relevant community service organisations, work with WorkSafe, the Fair Work Commission and the Victorian Human Rights Commission to develop best practice guidelines and self-audit checklists for employers to assess the inclusiveness of their workplace.

138

**RECOMMENDATION 39:** That the Victorian Government require large-sized enterprises that employ 200 or more employees to develop and implement a disability action plan.

141

**RECOMMENDATION 40:** That the Victorian Government require all public sector bodies, and encourage all non-public sector employers, to deliver cultural awareness training to their staff on a regular basis to capture all new and existing employees.

**RECOMMENDATION 41:** That the Victorian Government through the National Cabinet advocate for a streamlined recognition process of overseas professional and trade qualifications.

148

**RECOMMENDATION 42:** That the Victorian Government pilot a program to support recently arrived refugee jobseekers gain recognition of their overseas qualifications using the evaluation findings of the Department of Social Services' Career Pathways Pilot for Humanitarian Entrants to inform the program's operation.

148

**RECOMMENDATION 43:** That the Victorian Government require all public sector bodies, and encourage all non-public sector employers, to review their recruitment and workplace practices to ensure they are inclusive of jobseekers and workers diverse in age, culture and ability.

150

**RECOMMENDATION 44:** That the Department of Jobs, Precincts and Regions run separate education campaigns for employers and jobseekers on workers' rights and available employment law services, and provide this information in different languages including easy English.

151

**RECOMMENDATION 45:** That the Victorian Government continue funding and consider expanding the Jobs Victoria Youth Cadetship Scheme if evaluation findings of the pilot program show that it has created sustainable employment opportunities for young Victorians.

152

**RECOMMENDATION 46:** That the Victorian Government continue supporting and investing in employment programs that partner community service organisations with private sector employers to provide employment opportunities to jobseekers facing disadvantage.

152

**RECOMMENDATION 47:** That the Victorian Government fund Local Learning and Employment Networks to appoint employment outreach officers, who would meet and work with local employers to coordinate opportunities for all jobseeker groups facing disadvantage within their region, not only young people who have disengaged from school.

154

**RECOMMENDATION 48:** That the Victorian Government support community service organisations and social enterprises to establish or expand supported labour hire arrangements to encourage more employers to host work placements for jobseekers facing disadvantage.

**RECOMMENDATION 49:** That the Department of Jobs, Precincts and Regions create an avenue for employers to request post-placement support for Jobs Victoria Employment Network participants beyond 26 weeks of employment if and when required.

156

**RECOMMENDATION 50:** That the Victorian Government encourage public sector bodies to publish their workforce composition with respect to Aboriginal and culturally diverse employees and employees with disability in their annual report, in addition to age and gender diversity.

158

**RECOMMENDATION 51:** That the Victorian Government encourage non-public sector employers with 100 or more employees to report on their workforce composition in relation to gender, age, ability and cultural diversity.

158

## 4 Removing structural barriers to sustainable employment

**RECOMMENDATION 52:** That the Victorian Government make public the South Australian Centre for Economic Studies' 2019 program evaluation of the Jobs Victoria Employment Network.

191

**RECOMMENDATION 53:** That the Victorian Government regularly publish data on the number and percentage of participants, placements and outcomes achieved through the Jobs Victoria Employment Network by cohort to enable assessment of the program's outcomes and progress over time.

191

**RECOMMENDATION 54:** That the Department of Jobs, Precincts and Regions review its outcomes payment model for Jobs Victoria Employment Network providers in terms of the appropriateness of employment thresholds for specific jobseeker cohorts, especially jobseekers experiencing family violence or mental ill-health, and develop strategies to accommodate cases where the thresholds may be too high.

196

**RECOMMENDATION 55:** That the Victorian Government expand the eligibility criteria for its employment and reengagement programs to enable more jobseekers to access services, including removing restrictions against unemployed people who have completed Year 12 or who have previously attained a Certificate III.

**RECOMMENDATION 56:** That the Department of Jobs, Precincts and Regions review the number of employment services providers awarded contracts within a region to simplify the process for employers and jobseekers.

202

**RECOMMENDATION 57:** That the Victorian Government prioritise and fund place-based employment programs that target local jobseekers facing disadvantage.

211

**RECOMMENDATION 58:** That the Victorian Government strongly encourage all councils, and require councils that govern a Local Government Area ranked in the three lowest quintiles of the Index of Relative Socio-economic Disadvantage, to develop and implement a social procurement policy and a framework to achieve the policy's objectives within five years.

219

**RECOMMENDATION 59:** That the Victorian Government ensure its contracts stipulate explicit employment targets in their social procurement clauses that reflect the circumstances and demographics of jobseekers in that workplace's location.

221

**RECOMMENDATION 60:** That the Department of Treasury and Finance provide information on, review compliance with, and evaluate the effectiveness of, the Victorian Government's Social Procurement Framework.

226

**RECOMMENDATION 61:** That the Victorian Government continue to support the creation and capacity building of social enterprises through its Social Enterprise Strategy with a stronger focus on regional social enterprises.

230

**RECOMMENDATION 62:** That the Department of Jobs, Precincts and Regions work directly with jobseekers facing disadvantage and employers to co-design improvements to employment programs so they meet jobseekers' needs.

232

**RECOMMENDATION 63:** That the Victorian Government introduce a revolving and forgivable loan fund to support jobseekers from disadvantaged backgrounds start a small business.

239

**RECOMMENDATION 64:** That the Victorian Government provide resources and mentoring and run workshops through Small Business Victoria specifically for Aboriginal and culturally and linguistically diverse people interested in starting a small business. 239

XXIX

**RECOMMENDATION 65:** That the Department of Transport review the number and frequency of bus services to and from education centres and commercial and industrial zones in metropolitan and regional Victoria in relation to where jobseekers facing disadvantage live, and make improvements where necessary to increase access.

242

**RECOMMENDATION 66:** That the Victorian Government support the creation of higher education study hubs in regional and rural areas of Victoria with poor access to tertiary education options.

244

**RECOMMENDATION 67:** That the Victorian Government enter into five-year funding agreements with not-for-profit organisations to enable them to provide intensive wraparound employment services to jobseekers facing disadvantage.

247

**RECOMMENDATION 68:** That the Victorian Government improve efficiency by extending funding for pilot programs that have achieved significant improvements in employment outcomes for jobseekers facing disadvantage.

247

**RECOMMENDATION 69:** That the Victorian Government develop a youth employment strategy to help young people gain the skills and experience they need to successfully transition into the workforce.

250

**RECOMMENDATION 70:** That the Victorian Skills Commissioner work with each of Victoria's Local Learning and Employment Networks to develop and regularly update skills demand snapshots for their regions to inform students, jobseekers, educators and the broader community of local skills shortages and future workforce training needs.

### **Acronyms**

ABS	Australian Bureau of Statistics
AEN	Apprenticeship Employment Network
AHRC	Australian Human Rights Commission
Ai Group	Australian Industry Group
AMEP	Adult Migrant English Program
AND	Australian Network on Disability
BSL	Brotherhood of St Laurence
CALD	Culturally and linguistically diverse
CMY	Centre for Multicultural Youth
CPD	Centre for Policy Development
COTA Vic	Council on the Ageing Victoria
DES	Disability Employment Services
DJPR	Department of Jobs, Precincts and Regions
DSP	Disability Support Pension
ECCV	Ethnic Communities' Council of Victoria
ERS	Employment Readiness Scale
GDP	Gross domestic product
GFC	Global Financial Crisis
GROW	Growing Regional Opportunities for Work
IRSD	Index of Relative Socio-economic Disadvantage
ISET	Indigenous Skills and Employment Training program
JSCI	Job Seeker Classification Instrument
JVEN	Jobs Victoria Employment Network
KPIs	Key performance indicators
LGA	Local Government Area
LLEN	Local Learning and Employment Network
LSAY	Longitudinal Surveys of Australian Youth
MAV	Municipal Association of Victoria
MIP	Multi Industry Pilot
NAB	National Australia Bank
NDIS	National Disability Insurance Scheme
NESA	National Employment Services Association
NSA	Newstart Allowance
OECD	Organisation for Economic Co-operation and Development

PTSD	Post-traumatic stress disorder
RISE	Regional Industry Sector Employment program
SA2	ABS Statistical Area Level 2
SBATs	School-Based Apprenticeships and Traineeships
SEIFA	Socio-Economic Indexes for Areas
SPALG	Strengthening Pathways for Adult Learners in Gippsland project
SPF	Social Procurement Framework
SRSS	Status Resolution Support Services
VAADA	Victorian Alcohol and Drug Association
VACRO	Victorian Association for the Care and Resettlement of Offenders
VACSAL	Victorian Aboriginal Community Services Association Limited
VCAL	Victorian Certificate of Applied Learning
VCOSS	Victorian Council of Social Service
VET	Vocational education and training
VPS	Victorian Public Service
WRISC	Women's Resource Information and Support Centre
	· · · · · · · · · · · · · · · · · · ·

### Figures, tables and case studies

### **Figures**

1	Introduction			
	Figure 1.1	Benefits of placing jobseekers facing disadvantage in sustainable employment	8	
	Figure 1.2	Unemployment rate in Victoria (trend), by sex, November 1999 to November 2019	10	
	Figure 1.3	Unemployment and underemployment rate in Victoria (trend), November 1999 to November 2019	14	
2	Addressi	ng individual barriers to sustainable employment		
	Figure 2.1	Individual barriers to employment	21	
	Figure 2.2	Strategies to address individual barriers to employment	52	
3	Supporti	ng employers to provide sustainable work opportunities		
	Figure 3.1	Employer-related barriers to employment	108	
	Figure 3.2	Strategies to address employer-related barriers to employment	123	
4	Removin	g structural barriers to sustainable employment		
	Figure 4.1	Structural barriers to employment	159	
	Figure 4.2	Strategies to address structural barriers to employment	203	
Та	bles			
4	Removin	g structural barriers to sustainable employment		
	Table 4.1	Top 10 Local Government Areas by smoothed unemployment rate, Victoria, December 2019	168	
	Table 4.2	Top 20 Statistical Area Level 2s by smoothed unemployment rate, Victoria, December 2019	169	

#### **Case studies**

#### 2 Addressing individual barriers to sustainable employment

Case study 2.1:	for a job'	19
Case study 2.2:	'[E]ven though I wanted to work and gain further education and training I had no-one to assist me'	30
Case study 2.3:	'It is stuck with you for the rest of your life'	34
Case study 2.4:	'I'm not going to get a job because of my skin'	36
Case study 2.5:	'My big one is keeping the position and sustaining it'	38
Case study 2.6:	'I applied for well over 150 jobs'	45
Case study 2.7:	'It is pretty hard for a young person to look for a job in Ballarat'	46
Case study 2.8:	Subhashini's story: 'After attending Fitted for Work I had confidence in me'	48
Case study 2.9:	'Her work ethic and attitude are so valued'	54
Case study 2.10:	'I feel like I have my life back'	55
Case study 2.11:	'The program at Charcoal Lane made a bigger difference than I could possibly have imagined'	56
Case study 2.12:	'Charcoal Lane has been a really big support for me'	57
Case study 2.13:	'She needed to settle at least some parts of her life before the efforts to get work could begin'	60
Case study 2.14:	'It was the first time I had completed something'	69
Case study 2.15:	Marlene's story: 'Fitted for Work helped me see my strengths and strengthen my weaknesses'	71
Case study 2.16:	'Many of the jobs that I applied for never called me'	76
Case study 2.17:	'The Neighbourhood House has been helping me to do all those things, and I got a job.'	80
Case study 2.18:	'When I did turn 18 I was instantly homeless'	89

	Case study 2.19:	'Tim went into full-time work as an apprentice spray painter'	91
	Case study 2.20:	'I felt really supported and I was able to complete it, whereas I did not feel supported in school'	96
3	Supporting en	nployers to provide sustainable work opportunities	
	Case study 3.1:	'It might just be some sort of unconscious bias'	112
	Case study 3.2:	'I found that I was not considered for positions despite all of my experience'	117
	Case study 3.3:	'[A] very new way of thinking that just brings those fresh eyes'	129
	Case study 3.4:	'[H]e was putting in five days a week, nine to five, and not earning the money that he should have been'	139
	Case study 3.5:	'[O]ur members are absolutely flocking to use that program'	144
	Case study 3.6:	'Sharif worked as a surgeon in Iraq [but] struggled to find his way into practising medicine again'	146
	Case study 3.7:	'[T]hey recognise the value that older, more experienced people bring to their organisation'	149
4	Removing stru	actural barriers to sustainable employment	
	Case study 4.1:	'Client with schizophrenia moved from DSP to NSA after 15 years'	182
	Case study 4.2:	'Michael struggles to succeed in an environment that is not culturally safe'	183
	Case study 4.3:	'The service provider didn't understand her sensory or auditory challenges'	185
	Case study 4.4:	'Collapsed at work after unsuccessfully trying to claim DSP'	187
	Case study 4.5:	The GROW initiative—a place-based approach to addressing unemployment	208
	Case study 4.6:	'[T]he Flemington Works program just seemed to work really well with me'	210
	Case study 4.7:	'I really appreciate the Brotherhood of St Laurence for helping me'	211
	Case study 4.8:	'I work with Fulton Hogan on the Evans Road project It is really cool'	215

#### Figures, tables and case studies

Case study 4.9:	'[H]aving identified those gaps, Enable have emerged with a 'collaborate, not duplicate' business model'	229
Case study 4.10:	There is 'a need to support African women in running businesses and supporting entrepreneurship'	233
Case study 4.11:	'[T]hey are able to get part-time employment because of the opportunity they had here'	238

# 1 Introduction

On 1 May 2019, the Legislative Assembly's Economy and Infrastructure Committee received terms of reference to conduct an inquiry into sustainable employment for disadvantaged jobseekers. At the time, Victoria's unemployment rate was lower than the national rate. However, pockets of high unemployment persisted in certain Victorian locations and among particular cohorts. People in these pockets were likely to be living with low incomes and possibly social isolation and poor health and wellbeing. Some also faced barriers to finding and retaining employment, further entrenching disadvantage.

The Coronavirus disease (COVID-19) pandemic emerged as the Committee was concluding this Inquiry. The economic fallout from the pandemic was sharp and it continues to unfold. Government measures implemented from March 2020 to slow the spread of the virus, such as social distancing, trading restrictions and the shutdown of non-essential services, have resulted in productivity and employment losses. Despite the introduction of government support packages, unemployment and underemployment rates have risen substantially and will take years to recover. The disadvantage present before COVID-19 will continue and is likely to grow in the aftermath.

The Parliament of Victoria's Legislative Assembly, which referred the Inquiry, asked the Committee to consider the social and economic benefits of trying to place jobseekers facing disadvantage into sustainable employment. Recognising the diverse experiences of jobseekers, which can be shaped by their personal circumstances, place of residence as well as broader economic trends, the Committee chose to look beyond the social and economic benefits of sustainable employment and also examine how sustainable employment can be achieved for all Victorian jobseekers.

The Committee's first task was to define the terms 'sustainable employment' and 'disadvantaged jobseekers', neither of which has a universal definition. It then consulted widely across Victoria and among communities facing disadvantage to understand the challenges jobseekers and those trying to assist them regularly experience.

These consultations all occurred in 2019, prior to the emergence of COVID-19 in Australia. The social and economic impact of the pandemic will only exacerbate the barriers experienced by jobseekers facing disadvantage, and the increased competition for the fewer jobs available will make it even tougher for them to gain employment. While the fundamental challenges presented in the evidence remain unchanged, the urgency to act on them has only intensified following COVID-19.

This report presents evidence highlighting the multiple and complex barriers some jobseekers face to find employment, and equally as important, to retain it. The report's recommendations aim to alleviate these barriers where possible and to support jobseekers facing disadvantage as well as their employers to achieve sustainable employment outcomes.

# 1.1 Each jobseeker facing disadvantage experiences a unique set of challenges

The Inquiry's terms of reference refer to 'disadvantaged jobseekers' and submissions to the Inquiry identified groups of jobseekers who could be considered disadvantaged. The list was long and included young people; older people; single parents; people at risk of, or experiencing, homelessness; public housing tenants; recently arrived migrants; refugees; people with disability; Aboriginal and Torres Strait Islander people; young people in out of home care; ex-offenders; people with substance dependence; women experiencing family violence; and people living in rural and regional areas.<sup>1</sup>

However, the term 'disadvantaged jobseekers' can be problematic because it assumes this is a uniform group when jobseekers facing disadvantage have diverse experiences and each has different challenges to finding and retaining employment.<sup>2</sup> While some challenges are common to all groups of jobseekers, such as a weak labour market, other challenges may be specific to particular groups, such as poor English proficiency among refugees. Also, the personal circumstances of each individual jobseeker are unique, resulting in a unique set of challenges for each jobseeker.

For this reason, considering the above groups of jobseekers as one cohort is unsatisfactory. Jobseekers often do not fit neatly into one group; for example, a mature age jobseeker could also have a substance dependence, a young jobseeker could also have a disability, and a culturally and linguistically diverse jobseeker could also be a single parent living in public housing.<sup>3</sup>

In addition, not everyone who fits into these groups is necessarily facing disadvantage and neither may they consider themselves to be disadvantaged. For example, not all people living in regional areas are facing disadvantage and not all people with disability consider themselves to be disadvantaged.

### 1.1.1 There is no standard definition of disadvantage

According to the Australian Institute of Health and Welfare, 'disadvantage is complex, with no universally preferred definition or approach to measurement.' It is not necessarily related to low income but more closely related to a lack of opportunities. In its Social Procurement Framework, the Victorian Government defines disadvantaged Victorians as:

AMES Australia, Submission 34, p. 4; Outer Eastern LLEN, Submission 40, p. 1; WEstjustice Community Legal Centre and Springvale Monash Legal Service, Submission 62, p. 4; Djerriwarrh Community & Education Services, Submission 66, p. 1; Jobs Australia, Submission 90, p. 6; Victorian Council of Social Service, Submission 95, p. 7.

<sup>2</sup> Victorian TAFE Association, Submission 79, p. 4.

<sup>3</sup> Municipal Association of Victoria, *Submission 33*, p. 2.

<sup>4</sup> Australian Institute of Health and Welfare. *Australia's welfare 2017*. AIHW. Canberra, 2017, p. 40.

<sup>5</sup> Rosalie McLachlan, Geoff Gilfillan and Jenny Gordon, Deep and persistent disadvantage in Australia, staff working paper, Productivity Commission, Canberra, July 2013, pp. 2, 6.

People or groups that are in unfavourable circumstances or considered to be vulnerable, especially in relation to financial, employment or social opportunities. This may include, but is not limited to, youth, long-term unemployed, people with disability, refugees, migrants and persons needing to develop skills to become work ready.<sup>6</sup>

The Productivity Commission notes that disadvantage can be viewed through the lens of social exclusion, where people are denied access to opportunities and resources due to a combination of problems such as unemployment, discrimination, poor skills, low income, inadequate housing, high crime, poor health and family breakdown. These problems are often the result of personal and family circumstances interacting with the wider economic and social environment. When they combine, they reinforce one another and can create a cycle that is difficult to overcome.<sup>7</sup>

The Brotherhood of St Laurence, a community service organisation that works to prevent and alleviate poverty, has developed a scale of social exclusion with three levels: marginal, deep and very deep social exclusion. In 2017, 19% of Australians experienced marginal social exclusion, 5.6% experienced deep exclusion and 1.2% experienced very deep exclusion. These figures had risen slightly from 2008, when the proportions were 17%, 5.1% and 0.9% respectively. In population numbers, 1.1 million Australians were experiencing deep social exclusion in 2017.8

People facing a high level of disadvantage are not work ready and need assistance to overcome the challenges created by their personal circumstances and to build their skills and capacity for work. Due to the complex nature of disadvantage and the diversity of experiences within groups of jobseekers, this report will approach jobseekers facing disadvantage by the types of employment barriers they face. The merits of this approach are that it recognises jobseekers within a particular cohort can have diverse experiences and that jobseekers can face multiple barriers or types of disadvantage.

# **1.1.2** Barriers to employment can be individual, employer-related or structural

Barriers to finding and retaining employment can be broadly divided into three groups: individual barriers, employer-related barriers and structural barriers.

**Individual barriers** to employment can be divided into vocational and non-vocational barriers. Examples of vocational, or work-related, barriers include a lack of skills or work experience, and low educational attainment. Types of non-vocational, or personal, barriers include poor health, caring responsibilities, housing issues, family violence

<sup>6</sup> Victorian Government, Victoria's Social Procurement Framework: building a fair, inclusive and sustainable Victoria through procurement, Victorian Government, Melbourne, 2018, p. 41.

<sup>7</sup> McLachlan, Gilfillan and Gordon, Deep and persistent disadvantage in Australia, pp. 2, 7.

<sup>8</sup> Brotherhood of St Laurence, *Depth of social exclusion*, 2019, <a href="https://www.bsl.org.au/research/social-exclusion-monitor/measuring-social-exclusion/depth-of-social-exclusion/#c6976">https://www.bsl.org.au/research/social-exclusion-monitor/measuring-social-exclusion/depth-of-social-exclusion/#c6976</a> accessed 18 December 2019.

<sup>9</sup> Jeff Borland, et al., What are best-practice programs for jobseekers facing high barriers to employment?, policy brief, no. 4/16, Melbourne Institute, Melbourne, June 2016, p. 5.

and a criminal record. Personal barriers can limit jobseekers' access to opportunities and resources to participate in education, develop skills and gain work experience, which would help them overcome work-related barriers and improve their employment prospects.

**Employer-related barriers** might include unconscious bias, discrimination, and non-inclusive recruitment and workplace practices. While employers may want to offer more opportunities to jobseekers facing disadvantage, business considerations may limit their capacity to do so.

**Structural barriers** are created by the broader environment and are beyond individuals' control. They include a lack of transport, poor access to employment and educational opportunities, an unfavourable labour market and deficiencies of employment services.

Similar to types of disadvantage, jobseekers may experience multiple barriers to employment. The Give Where You Live Foundation, which delivers programs that address the effects of disadvantage on Geelong's most vulnerable people, has identified 54 barriers experienced by jobseekers who use its service.<sup>10</sup> It also determined that:

- 20% of its clients experience 1–5 barriers
- 33% experience 6-10 barriers
- 38% experience 11-15 barriers
- 9% experience 16 or more barriers.<sup>11</sup>

Throughout the Inquiry, the Committee was repeatedly presented with evidence of vulnerable jobseekers facing multiple and complex barriers to finding and retaining employment. This report considers each group of barriers in a separate chapter along with strategies to address these barriers.

# 1.1.3 Long-term unemployment can have scarring effects and further entrench disadvantage

Long-term unemployment can have significant adverse effects on individuals and their families. The longer someone is unemployed, the likelihood he or she will re-enter the workforce declines as their skills and confidence wane. Skill levels can decline quickly through lack of use and/or training, especially in jobs that have experienced rapid technological change. As unemployment increases because of the COVID-19 pandemic, more unemployed people are likely to stay so long term, that is, they will remain unemployed for 12 months or longer. Based on the industries most affected, many of them will be women, young people and unskilled jobseekers. <sup>13</sup>

<sup>10</sup> Give Where You Live Foundation and GROW G21 Region Opportunities for Work, Submission 82, p. 3.

<sup>11</sup> Ibid., p. 4.

<sup>12</sup> Hume City Council, Submission 61, p. 3; National Employment Services Association, Submission 87, p. 4.

<sup>13</sup> Raja Junankar, Actions to avoid unemployment in a post-coronavirus economy, 2020, <a href="https://newsroom.unsw.edu.au/news/business-law/actions-avoid-unemployment-post-coronavirus-economy">https://newsroom.unsw.edu.au/news/business-law/actions-avoid-unemployment-post-coronavirus-economy</a> accessed 22 May 2020.

Several submissions highlighted the negative impact of long-term joblessness on individuals' financial, physical and mental wellbeing. Lextended periods of unemployment can result in permanently lower wages in the future, poorer physical and mental health and higher mortality rates compared with people who have not experienced long-term joblessness. These effects can be passed on to an individual's family; studies show that stress caused by low household income and poverty can result in poorer educational, social and health outcomes among family members. Let

Disadvantage can also be passed down to future generations. Analysis of Australian social welfare data has found that children whose parents received social welfare payments were almost twice as likely to need social welfare assistance themselves, had poorer educational and health outcomes, and engaged in more risky behaviours such as binge drinking or committing an offence.<sup>16</sup>

Research also shows prolonged unemployment, especially when young, can create scarring effects whereby the probability of future unemployment increases and lifetime earnings decrease. Lateral Economics calculated the cost of scarring caused by a delayed transition to full-time employment among young Victorians to be between \$60 million and \$100 million per year. This figure is made up of a \$60 million loss of income and economic productivity, about \$20 million in costs to the health system and other services, and a \$24 million loss in non-economic wellbeing such as mental health impacts. Is

The significant short-term and long-term impacts of disadvantage and joblessness on individuals and their families emphasises the importance of placing jobseekers facing disadvantage into sustainable employment.

<sup>14</sup> For example, National Employment Services Association, *Submission 87*, p. 5; Orygen, The National Centre of Excellence in Youth Mental Health, *Submission 86*, p. 1.

<sup>15</sup> Department of Jobs, Precincts and Regions, *Submission* 99, pp. 6, 10.

<sup>16</sup> Committee for Economic Development of Australia, Disrupting disadvantage: setting the scene, Committee for Economic Development of Australia, Melbourne, 2019, p. 70; Deborah Cobb-Clark, et al., Intergenerational disadvantage: learning about equal opportunity from social assistance receipt, Life Course Centre working paper series, no. 2017–17, ARC Centre of Excellence for Children and Families over the Life Course, Brisbane, 2017, p. 8; Australian Institute of Health and Welfare, Australia's welfare 2017, p. 47.

<sup>17</sup> Jordan Glatt and Phanindra Wunnava, 'Help not wanted: the dismal science of youth unemployment's scarring effect', iBusiness, vol. 10, no. 2, 2018, p. 52; Harvey Krahn and Angela Chow, 'Youth unemployment and career scarring: social-psychological mediating effects?', Canadian Journal of Sociology, vol. 41, no. 2, 2016, p. 130.

<sup>18</sup> Lateral Economics, Youth resilience and mental wellbeing: the economic costs of delayed transition to purposeful work, report for VicHealth, Melbourne, 2018, pp. 6–7.

# 1.2 Sustainable employment is secure, ongoing and suitable work

Sustainable employment is another term without a generally accepted definition.<sup>19</sup> Of the few submissions that defined sustainable employment, most considered it to be employment that is ongoing and secure, and some added that the employment should offer fair pay and conditions, the opportunity to develop skills and equal opportunity for advancement.<sup>20</sup>

The quality and suitability of the work from the worker's point of view was also raised.<sup>21</sup> For example, the Victorian Council of Social Service, the peak body for the social and community sector in Victoria, stated:

it is not the case that 'any job is a good job'. For some Victorians, insecure or otherwise poor quality jobs perpetuate existing health, social and/or economic inequities, and do not provide a pathway out of disadvantage.<sup>22</sup>

The Inner Eastern Local Learning and Employment Network, which supports young people from Boroondara, Stonnington and Port Phillip who are at risk of disengaging from school or work, used the definition: 'the extent to which workers are able and willing to remain working now and in the future'.<sup>23</sup>

In this report, the Committee defines sustainable employment as secure, ongoing employment that a worker is willing and able to continue working in.

# **1.2.1** Sustainable employment benefits individuals, their families and the broader community

According to the Productivity Commission, 'Employment is the route out of disadvantage for most people of working age.'<sup>24</sup> Stakeholders presented the Committee with numerous benefits that placing jobseekers facing disadvantage into sustainable

<sup>19</sup> Anna McCord and Rachel Slater, Social protection and sustainable employment, Department of Foreign Affairs and Trade, Canberra. 2014. p. 10.

<sup>20</sup> Australian Lawyers for Human Rights, Submission 35, p. 4; JobWatch, Submission 59, p. 4; Victorian Trades Hall Council and National Union of Workers, Submission 75, p. 4; Give Where You Live Foundation and GROW G21 Region Opportunities for Work. Submission 82, p. 1.

<sup>21</sup> Dr Sarah Squire, Head of Women's Research, Advocacy and Policy Centre, Good Shepherd Australia New Zealand, public hearing, Melbourne, 4 September 2019, *Transcript of evidence*, p. 42.

<sup>22</sup> Victorian Council of Social Service, Submission 95, p. 2.

<sup>23</sup> Inner Eastern LLEN. Submission 21, p. 3.

<sup>24</sup> McLachlan, Gilfillan and Gordon, Deep and persistent disadvantage in Australia, p. 2.

employment would bring to the individual, families, employers, governments and society more broadly.<sup>25</sup> These benefits are summarised in Figure 1.1.

Several studies have quantified the benefits to the economy of greater workforce participation by taking into account increased gross domestic product (GDP), reduced welfare expenditure and greater self-reliance in retirement. For example:

- increasing the workforce participation of mature age people by 7% from 2016 to 2022 would increase GDP by about \$25 billion<sup>26</sup>
- improving workforce participation of people with disability so that Australia ranks in the top eight Organisation for Economic Co-operation and Development (OECD) countries would add \$50 billion to GDP by 2050<sup>27</sup>
- improving employment outcomes for one year's intake of humanitarian migrants by 25% would increase their income by \$465 million over 10 years and save the Australian Government \$175 million in benefits and service provision<sup>28</sup>
- placing a single worker with no dependants in a job earning \$40,000 per year creates \$20,550 of value for government through tax revenue, welfare savings and reduced spending on health and welfare.<sup>29</sup>

Mr Peter Parker, Submission 6, p. 1; Alpine Shire Council, Submission 13, p. 1; Apprenticeship Employment Network, Submission 19, p. 3; Wyndham Community & Education Centre, Submission 20, p. 1; Victorian Alcohol and Drug Association, Submission 22, p. 4; Yarrawonga Neighbourhood House, Submission 29, p. 1; AMES Australia, Submission 34, pp. 2, 4-5; National Disability Services, Submission 37, pp. 2-3; Sex Work Law Reform Victoria, Submission 38, p. 5; Outer Eastern LLEN, Submission 40, p. 2; Foundation House-The Victorian Foundation for Survivors of Torture, Submission 45, pp. 3-4; City of Stonnington, Submission 48, pp. 1-2; Inner Northern LLEN, Submission 50, p. 3; Capital City LLEN, Submission 51, p. 2; McAuley Community Services for Women, Submission 52, pp. 4, 8-9; Greater Dandenong Regional Employment Taskforce, Submission 54, p. 1; Council on the Ageing Victoria, Submission 55, p. 13; Hume City Council, Submission 61, pp. 3-4; Mission Australia, Submission 64, p. 3; Djerriwarrh Community & Education Services, Submission 66, p. 1; Aspergers Victoria, Submission 71, p. 11; Mildura Rural City Council, Submission 73, p. 2; yourtown, Submission 74, pp. 4, 5; Council to Homeless Persons, Submission 76, p. 8: Department of Health and Human Services, Submission 81, p. 2: Give Where You Live Foundation and GROW G21 Region Opportunities for Work, Submission 82, p. 1; Australian Network on Disability, Submission 88, p. 1; Centre for Multicultural Youth, Submission 89, p. 7; Whitelion, Submission 94, pp. 5, 6; Brotherhood of St Laurence, Submission 96, p. 8; Victorian Multicultural Commission, Submission 97, p. 2; Department of Jobs, Precincts and Regions, Submission 99, p. 5; Ms Jenny Smith, Chief Executive Officer, Council to Homeless Persons, public hearing, Melbourne, 4 September 2019, Transcript of evidence, p. 55; Ms Felicia Dean, Chief Executive Officer, Rumbalara Aboriginal Co-operative, public hearing, Shepparton, 20 November 2019, Transcript of evidence, p. 28; Ms Wendy Bateman, Manager, Aged and Health Support, Returned and Services League of Australia-Victorian Branch, public hearing, Melbourne, 19 November 2019, Transcript of evidence, p. 12; Ms Tracy Adams, Chief Executive Officer, yourtown, public hearing, Melbourne, 4 September 2019, Transcript of evidence, p. 21; Ms Donna de Zwart, Chief Executive Officer, Fitted for Work, public hearing, Melbourne, 4 September 2019, Transcript of evidence, p. 41; Ms Jocelyn Bignold, Chief Executive Officer, McAuley Community Services for Women, public hearing, Melbourne, 4 September 2019, Transcript of evidence, p. 41; Ms Stella Avramopoulos, Chief Executive Officer, Good Shepherd Australia New Zealand, public hearing, Melbourne, 4 September 2019, Transcript of evidence, p. 41; Ms Tamsin Jowett, President, Aspergers Victoria, public hearing, Melbourne, 4 September 2019, Transcript of evidence, pp. 60-61; Ms Julie McKay, Founder and Managing Director, Enable Social Enterprises, public hearing, Melbourne, 19 November 2019, Transcript of evidence, p. 37.

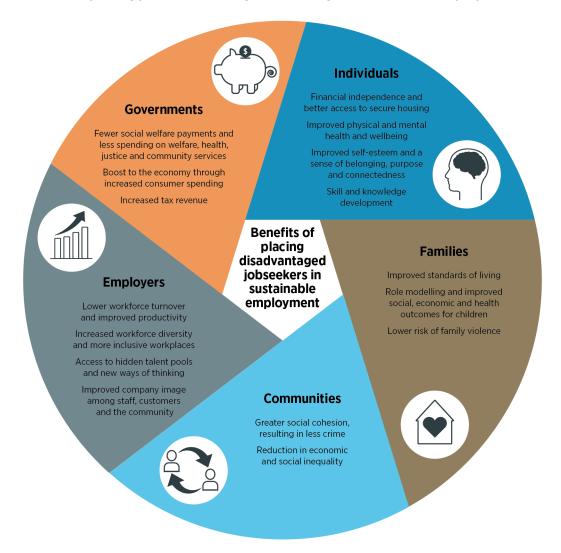
<sup>26</sup> Australian Human Rights Commission, Willing to work: national inquiry into employment discrimination against older Australians and Australians with disability, Australian Human Rights Commission, Sydney, 2016, p. 12.

<sup>27</sup> Ibid., p. 18

<sup>28</sup> Centre for Policy Development, *Settling better: reforming refugee employment and settlement services*, Centre for Policy Development, Sydney, 2017, p. 6.

<sup>29</sup> David Hetherington, *Unlocking the value of a job: market design in employment services*, research paper, Per Capita, Melbourne, 2008, p. 6.

Figure 1.1 Benefits of placing jobseekers facing disadvantage in sustainable employment



AMES Australia, a settlement agency which supports newly-arrived refugees and migrants, illustrated the local social and economic impact of increasing employment among refugee communities using the example of the Karen community, an ethnic minority from Myanmar, in Nhill. Its research with Deloitte Access Economics found:

The local IGA supermarket has experienced an increase in spending at the supermarket (estimated at around \$5,000 a week) and is working with the Karen community to expand their range of stock to include specialty items the Karen go to Melbourne to buy ... The gain to Nhill has been an increase in population, a reliable workforce, growth in local business and infrastructure and more volunteers in all areas.<sup>30</sup>

The same study found settlement of the Karen people in Bendigo also boosted the local economy, which has experienced a cumulative \$31.9 million increase in household consumption from 2007 to 2016 as a result of the local employment of Karen people.<sup>31</sup>

<sup>30</sup> AMES Australia, Submission 34, p. 6.

**<sup>31</sup>** Ibid., p. 5.

Few evaluations and cost-benefit analyses have been conducted on employment services for jobseekers facing disadvantage to identify the net benefit to government of investing in these services.<sup>32</sup> However, a 2012 evaluation of Ready for Work, a UK employment program that worked with 140 businesses across 20 cities to provide training, work placements and post-placement support to over 2,400 jobseekers facing disadvantage, found £3.12 of social value was generated for every £1 invested. This threefold social return on investment was determined by considering government savings from a reduced need for housing, health and justice services, reduced unemployment benefit payments and increased revenue from income tax paid by program participants.<sup>33</sup>

**FINDING 1:** Sustainable employment benefits the individual economically through increased income and improved living standards, and socially through increased self-worth, improved health and wellbeing and a reduction in social isolation.

**FINDING 2:** Sustainable employment benefits society and the broader economy through less dependence on government welfare, less public spending on healthcare and housing, increased tax revenue, more consumer spending, improved social cohesion and lower crime rates.

# 1.3 A snapshot of unemployment and underemployment in Victoria

The unemployment rate is the number of people who are not working and are actively looking for work expressed as a percentage of people in the labour force. The labour force includes all people aged 15 and over who are employed or unemployed. It does not include people who are retired, unable to work, choose not to work, are permanently unable to work, or who only undertake unpaid household duties, caring or voluntary work. A person is considered employed if they work at least one hour per week. Employment figures in 2020 are changing rapidly due to the economic impact of the COVID-19 pandemic, and this report presents data available at the time of the report's adoption.

Victoria's trend unemployment rate in November 2019 was 4.7% (about 169,300 people), compared with the national rate of 5.2%.<sup>34</sup> As shown in Figure 1.2, Victoria's rate had fallen over the previous five years from 6.7% in November 2014 to 4.7% in

<sup>32</sup> Peter Davidson, Is the Job Services Australia model 'made for measure' for disadvantaged jobseekers?, 2019, <a href="https://needtoknowconsulting.org/2019/08/23/is-the-job-services-australia-model-made-for-measure-for-disadvantaged-jobseekers/#\_ftnref2">https://needtoknowconsulting.org/2019/08/23/is-the-job-services-australia-model-made-for-measure-for-disadvantaged-jobseekers/#\_ftnref2</a> accessed 23 June 2020; European Commission, Making the business case for public employment services: cost-benefit analysis and productive efficiency analysis, report prepared by Lars Behrenz, Lennart Delander and Jonas Månsson, European Commission, Brussels, 2013, p. 15.

<sup>33</sup> Nicola Inge, Social return on investment of Ready for Work, Business in the Community, London, 2012, pp. 2–3.

<sup>34</sup> Australian Bureau of Statistics, Table 23, Labour force, Australia, November 2019, cat. no. 6202.0, 2019, <a href="https://www.abs.gov.au/AUSSTATS/abs@.nsf/DetailsPage/6202.0Nov%202019">https://www.abs.gov.au/AUSSTATS/abs@.nsf/DetailsPage/6202.0Nov%202019</a> accessed 20 December 2019.

November 2019, and the female unemployment rate was higher than the male unemployment rate over that period.

Figure 1.2 Unemployment rate in Victoria (trend), by sex, November 1999 to November 2019



Source: Australian Bureau of Statistics, Table 23, Labour force, Australia, November 2019, cat. no. 6202.0, 2019, <a href="https://www.abs.gov.au/AUSSTATS/abs@.nsf/DetailsPage/6202.0Nov%202019">https://www.abs.gov.au/AUSSTATS/abs@.nsf/DetailsPage/6202.0Nov%202019</a> accessed 20 December 2019.

In April 2020, following the introduction of COVID-19 restrictions, 127,100 Victorians lost their job and the seasonally adjusted unemployment rate in Victoria rose to 6.0%.<sup>35</sup> By June 2020 the rate had increased to 7.5%.<sup>36</sup> These figures are not directly comparable to the trend unemployment rate, which the Australian Bureau of Statistics (ABS) has suspended during the COVID-19 period due to the inability to accurately account for a sudden shock in the labour market time series over the short term.

These unemployment rates do not reflect the true number of people who are no longer working because they exclude out-of-work recipients of the Australian Government's JobKeeper wage subsidy, introduced to help businesses affected by the COVID-19 pandemic retain workers. The ABS considers these recipients still employed. They also exclude people who were not looking for work in that period for reasons such as giving up searching due to the weak labour market or caring for children unable to go to school.

The number of Victorians who dropped out of the labour force, that is, they were not employed and not looking for work, between March and April 2020 was 103,500.<sup>37</sup> The ABS pointed out that the Australian unemployment rate in April would have risen from 6.2% to 9.6% if the number of Australians who left the labour force was added to the number of unemployed Australians.<sup>38</sup>

<sup>35</sup> Australian Bureau of Statistics, *Labour force, Australia, April 2020*, cat. no. 6202.0, 2020, <a href="https://www.abs.gov.au/AUSSTATS/abs@.nsf/allprimarymainfeatures/5383175C81DD2A0ECA25858A00263A2B">https://www.abs.gov.au/AUSSTATS/abs@.nsf/allprimarymainfeatures/5383175C81DD2A0ECA25858A00263A2B</a> accessed 14 May 2020.

<sup>36</sup> Australian Bureau of Statistics, Labour force, Australia, June 2020, cat. no. 6202.0, 2020, <a href="https://www.abs.gov.au/AUSSTATS/abs@.nsf/allprimarymainfeatures/6050C537617B613BCA25836800102753">https://www.abs.gov.au/AUSSTATS/abs@.nsf/allprimarymainfeatures/6050C537617B613BCA25836800102753</a>> accessed 16 July 2020.

<sup>37</sup> Australian Bureau of Statistics, Table 5, *Labour force, Australia, April 2020*, cat. no. 6202.0, 2020, <a href="https://www.abs.gov.au/">https://www.abs.gov.au/</a> AUSSTATS/abs@.nsf/DetailsPage/6202.0Apr%202020> accessed 14 May 2020.

<sup>38</sup> Ibid.

In April, the Victorian Department of Treasury and Finance predicted Victoria's unemployment rate could rise to 11% with job losses peaking at 270,000 in the September 2020 quarter.<sup>39</sup> The Department revised these figures down to 9% and 200,000, respectively, in its July economic update due to a smaller than expected decline in employment in the June quarter.<sup>40</sup> The Treasurer, the Hon. Tim Pallas MP, acknowledged that Victoria will be hit harder than other states due to the impact of COVID-19 restrictions on tourism and international education.<sup>41</sup> International education has been Victoria's largest services export industry for over a decade generating over \$70 billion for the economy over that time and supporting almost 79,000 Victorian jobs in 2018.<sup>42</sup>

Between 14 March and 18 April 2020, Victoria recorded the greatest decrease in employee jobs (8.6%) of all Australian jurisdictions.<sup>43</sup> Job losses since the COVID-19 pandemic have been greatest in the accommodation and food services industry (fall of 33.4%) followed by arts and recreation services (27.0%). Young people and women are more likely to be employed in these industries so they will be most affected. The number of hours worked by women fell by 11.5% between March and April 2020 compared with 7.5% for men.<sup>44</sup>

According to the Grattan Institute, the Australian unemployment rate could rise to between 10 and 15% due to COVID-19 and recovery will be slow, citing examples of Australian economic downturns where it typically took two to three times as long to recover as it did to reach the peak unemployment rate.<sup>45</sup>

Data from the 2016 Census of Population and Housing showed that national unemployment rates are higher among certain cohorts. For example, the rate was 8.9% for people who had left school with no qualifications, 9.2% for single mothers, 14.0% for Aboriginal and Torres Strait Islander people, 15.2% for young people, 15.6% for people with disability and 19.9% for recently arrived migrants.<sup>46</sup>

<sup>39</sup> Department of Treasury and Finance, *Coronavirus economic outlook*, factsheet, Victorian Government, Melbourne, April 2020, p. 1.

<sup>40</sup> Department of Treasury and Finance, Victorian economic update: July 2020, factsheet, Victorian Government, Melbourne, July 2020, p. 2.

<sup>41</sup> Bridget Rollason and Richard Willingham, 'Coronavirus modelling from Victorian Treasury predicts unemployment of 11 per cent, falling property prices', *ABC News*, 22 April 2020, <a href="https://www.abc.net.au/news/2020-04-22/coronavirus-modelling-impact-victorias-unemployment-property/12169684">https://www.abc.net.au/news/2020-04-22/coronavirus-modelling-impact-victorias-unemployment-property/12169684</a> accessed 12 May 2020.

**<sup>42</sup>** Department of Jobs, Precincts and Regions, *International education*, 2019, <a href="https://dipr.vic.gov.au/priority-industries-sectors/international-education">https://dipr.vic.gov.au/priority-industries-sectors/international-education</a> accessed 22 May 2020.

<sup>43</sup> Australian Bureau of Statistics, Weekly payroll jobs and wages in Australia, week ending 18 April 2020, cat. no. 6160.0.55.001, 2020, <a href="https://www.abs.gov.au/ausstats/abs@.nsf/mf/6160.0.55.001">https://www.abs.gov.au/ausstats/abs@.nsf/mf/6160.0.55.001</a>> accessed 12 May 2020.

<sup>44</sup> Australian Bureau of Statistics, Labour force, Australia, April 2020.

<sup>45</sup> Brendan Coates, et al., Shutdown: estimating the COVID-19 employment shock, Grattan Institute, Melbourne, 2020, pp. 3, 34.

<sup>46</sup> Department of Jobs, Precincts and Regions, Submission 99, p. 7.

Almost one-quarter of unemployed Australians (23.8% in November 2019) are long-term unemployed, that is, they have been looking for work for over one year. While this figure had increased from 14.8% in 2009, it was lower than the OECD average.  $^{48}$ 

According to demographic data from the Australian Department of Social Services, 66% of Newstart Allowance (unemployment benefit, now known as the JobSeeker Payment) recipients in December 2018 had been receiving payments for over one year and 49% for two years or more. In October 2019, about 8,400 unemployed Victorians had been searching for work for between one and two years and about 19,200 had been searching for two years or more.

In November 2019, the Victorian youth unemployment rate (the rate for young people aged 15–24) was 9.2%.<sup>51</sup> In 2018, the annual average youth unemployment rate in Victoria was 11.4% compared with the national rate of 11.8%.<sup>52</sup> Between 2009 and 2018, the annual average youth unemployment rate in Victoria fluctuated between 11.3% and 14.6%.<sup>53</sup> In 2018, over half of Australian Youth Allowance recipients (52%) had been receiving payments for more than one year and 27% for two years or more.<sup>54</sup> Youth Allowance provides financial assistance to jobseekers aged 16–21 and students and apprentices aged under 25.

In April 2020, the Victorian youth unemployment rate rose to 14.2%.<sup>55</sup> Young people have fared worse from the COVID-19 economic fallout because they were more likely to work in the industries most affected by the shutdown such as retail and hospitality. In addition, many of them were casual employees who had not been at their job for at least 12 months making them ineligible for the JobKeeper subsidy and less likely to be retained and rehired. It will also be harder for them to find work in the aftermath since they will be competing against more experienced jobseekers and there will be fewer jobs as older workers are likely to delay retirement to rebuild their superannuation balances.<sup>56</sup>

<sup>47</sup> Australian Bureau of Statistics, Table 14b, Labour force, Australia, detailed—electronic delivery, November 2019, cat. no. 6291.0.55.001, 2019, <a href="https://www.abs.gov.au/AUSSTATS/abs@.nsf/DetailsPage/6291.0.55.001Nov%202019">https://www.abs.gov.au/AUSSTATS/abs@.nsf/DetailsPage/6291.0.55.001Nov%202019</a> accessed 20 December 2019.

<sup>48</sup> Australian Institute of Health and Welfare, Australia's welfare 2019 data insights, AIHW, Canberra, 2019, p. 5.

<sup>49</sup> National Employment Services Association, Submission 87, p. 4.

<sup>50</sup> Australian Bureau of Statistics, Table UM2, Labour force, Australia, detailed—electronic delivery, November 2019, cat. no. 6291.0.55.001, 2019, <a href="https://www.abs.gov.au/AUSSTATS/abs@.nsf/DetailsPage/6291.0.55.001Nov%202019">https://www.abs.gov.au/AUSSTATS/abs@.nsf/DetailsPage/6291.0.55.001Nov%202019</a> accessed 20 December 2019.

<sup>51</sup> Australian Bureau of Statistics, Table 16, *Labour force, Australia, November 2019*, cat. no. 6202.0, 2019, <a href="https://www.abs.gov.au/AUSSTATS/abs@.nsf/DetailsPage/6202.0Nov%202019">https://www.abs.gov.au/AUSSTATS/abs@.nsf/DetailsPage/6202.0Nov%202019</a> accessed 20 December 2019.

<sup>52</sup> Ibid.; Australian Institute of Health and Welfare, *Australia's welfare 2019 data insights*, p. 6.

<sup>53</sup> Committee analysis of Australian Bureau of Statistics, Table 16, Labour force, Australia, November 2019.

<sup>54</sup> National Employment Services Association, Submission 87, p. 4.

Australian Bureau of Statistics, Table 16, Labour force, Australia, April 2020, cat. no. 6202.0, 2020, <a href="https://www.abs.gov.au/AUSSTATS/abs@.nsf/DetailsPage/6202.0Apr%202020">https://www.abs.gov.au/AUSSTATS/abs@.nsf/DetailsPage/6202.0Apr%202020</a> accessed 14 May 2020.

<sup>56</sup> Jeff Borland, 'The next employment challenge from coronavirus: how to help the young', *The Conversation*, 17 April 2020, <a href="https://theconversation.com/the-next-employment-challenge-from-coronavirus-how-to-help-the-young-135676">https://theconversation.com/the-next-employment-challenge-from-coronavirus-how-to-help-the-young-135676</a> accessed 12 May 2020.

A similar situation occurred in the 2008 Global Financial Crisis where the proportion of young people employed fell almost twice as much as the proportion of people aged 25–54, and recovery took longer. Disadvantaged young people were harder hit; young people with a Bachelor degree were largely unaffected but the proportion of young people not studying full time and without a Bachelor degree who were employed fell 11%. This fall has only partly reversed since then.<sup>57</sup>

# 1.3.1 Underemployment creates a more complete picture of the labour market

Underemployed workers are part-time workers who would like and are able to work more hours. The ABS calculates the underemployment rate by expressing the number of underemployed workers as a percentage of the labour force. Victoria's trend underemployment rate in November 2019 was 8.4%.<sup>58</sup> In April 2020, the seasonally adjusted rate was 14.1%, reflecting a 10% fall in the hours worked by Victorians between March and April.<sup>59</sup> The rate fell to 12.8% in June 2020 after some COVID-19 restrictions were eased, but the rate is expected to increase again following the return to Stay at Home restrictions for residents of metropolitan Melbourne and Mitchell Shire in early July.<sup>60</sup>

Underemployment is higher among younger Australians; 31.0% of workers aged 15–19 and 19.8% of those aged 20–24 are underemployed.<sup>61</sup> Women are also more likely to be underemployed than men; six out of 10 underemployed workers are women.<sup>62</sup> According to data from the Household, Income and Labour Dynamics in Australia survey, an average underemployed worker works 17 hours per week and is most likely to work as a community and personal service worker, sales worker or labourer, and in a small business with fewer than 20 workers.<sup>63</sup>

As shown in Figure 1.3, the gap between unemployment and underemployment has increased over the past 15 years. One of the main reasons for this trend is the growth in part-time jobs compared with full-time jobs. This explains why the unemployment rate has fallen while underemployment remains high. The growth in part-time jobs can be attributed to job growth in industries that typically offer part-time shifts, such as retail, healthcare and hospitality, and the decline of jobs in manufacturing and mining, which usually offer full-time hours.<sup>64</sup>

**<sup>57</sup>** Ibid.

<sup>58</sup> Australian Bureau of Statistics, Table 23, Labour force, Australia, November 2019.

<sup>59</sup> Australian Bureau of Statistics, Tables 19, 23, Labour force, Australia, April 2020.

<sup>60</sup> Australian Bureau of Statistics, Table 23, Labour force, Australia, June 2020, cat. no. 6202.0, 2020, <a href="https://www.abs.gov.au/AUSSTATS/abs@.nsf/DetailsPage/6202.0Jun%202020">https://www.abs.gov.au/AUSSTATS/abs@.nsf/DetailsPage/6202.0Jun%202020</a> accessed 16 July 2020.

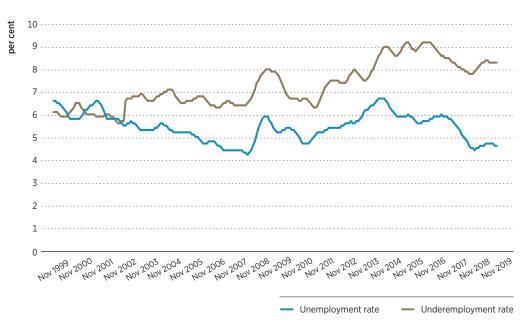
<sup>61</sup> Roger Wilkins and Inga Lass, *The household, income and labour dynamics in Australia survey: selected findings from waves 1 to 16*, Melbourne Institute: Applied Economic & Social Research, University of Melbourne, 2018, p. 64.

<sup>62</sup> Inner Eastern LLEN, Submission 21, p. 15.

<sup>63</sup> Wilkins and Lass, The household, income and labour dynamics in Australia survey, pp. 65-67.

<sup>64</sup> Inner Eastern LLEN, Submission 21, p. 16; Reserve Bank of Australia, Statement on monetary policy: February 2017, Reserve Bank of Australia, Sydney, 2017, p. 38.

Figure 1.3 Unemployment and underemployment rate in Victoria (trend), November 1999 to November 2019



Source: Australian Bureau of Statistics, Table 23, Labour force, Australia, November 2019, cat. no. 6202.0, 2019, <a href="https://www.abs.gov.au/AUSSTATS/abs@.nsf/DetailsPage/6202.0Nov%202019">https://www.abs.gov.au/AUSSTATS/abs@.nsf/DetailsPage/6202.0Nov%202019</a> accessed 20 December 2019.

According to the Reserve Bank of Australia, the average number of extra hours underemployed workers would like to work is about two days per week and this figure has remained stable since the mid-2000s. About half of underemployed workers want enough additional hours to be working full time.<sup>65</sup>

Underemployed workers will be competing with the unemployed for the same positions, which has an impact on jobseekers facing disadvantage who may not have the same extent and recency of work experience as underemployed workers.

# **1.4** Australian and Victorian Government employment services

There is a range of government and non-government employment services to help jobseekers to find work. The main government employment services are overseen by the Australian Government along with income support payments for people who are not working. The Australian Government services include:

- jobactive, the 'mainstream' employment service for jobseekers receiving income support such as JobSeeker Payment and Youth Allowance
- Disability Employment Services (DES), a specialised employment service for people with disability, illness or injury
- Transition to Work, a pre-employment service for young people aged 15–21

<sup>65</sup> Reserve Bank of Australia, Statement on monetary policy, p. 39.

- ParentsNext, a pre-employment service for parents with children aged under six years who have been receiving Parenting Payment income support for at least six months
- Community Development Program, an employment service for remote Australians which does not operate in Victoria.<sup>66</sup>

# **1.4.1** Most jobseekers are registered with the Australian Government's jobactive

The largest employment service program in Australia is jobactive. It provides employment assistance to income support recipients who are not serviced by specific programs such as DES. Jobseekers must participate in jobactive and meet mutual obligation requirements to receive income support payments. Mutual obligations include applying for up to 20 jobs each month, undertaking Work for the Dole or another activity (such as an eligible course or voluntary work) for six months each year, and attending appointments with their service provider.<sup>67</sup>

Since 1998, the delivery of publicly funded employment services in Australia has been entirely outsourced.<sup>68</sup> On 1 July 2015, jobactive replaced the previous government program, Job Services Australia. There are currently 42 subcontracted jobactive providers in Australia operating across about 1,700 sites.<sup>69</sup> Of these, 18 providers operate across 384 sites in Melbourne and regional Victoria.<sup>70</sup> There were 135,329 Victorian residents registered with a jobactive provider at 31 May 2019.<sup>71</sup>

Participants in jobactive are assessed for their needs and capacity to work and placed in one of three streams:

- Stream A—participants are job ready and require minimal support from their provider
- Stream B—participants need additional support from their provider to become job ready
- Stream C—participants have multiple individual barriers to employment and need extensive support from their provider.<sup>72</sup>

<sup>66</sup> Australian Government Department of Employment, Skills, Small and Family Business, Submission 57, p. 2.

<sup>67</sup> Department of Employment, Skills, Small and Family Business, *Providers of jobactive services*, fact sheet, Australian Government. Canberra. 2019. pp. 2–3.

<sup>68</sup> Dan Finn, Sub-contracting in public employment services: review of research findings and literature on recent trends and business models, European Commission Mutual Learning Programme for Public Employment Services, Brussels, 2011, pp. 8, 34.

<sup>69</sup> Parliament of Australia, Senate Education and Employment References Committee, *Jobactive: failing those it is intended to serve*, February 2019, p. 32.

<sup>70</sup> Australian Government Department of Employment, Skills, Small and Family Business, Submission 57, p. 3.

**<sup>71</sup>** Ibid

<sup>72</sup> National Employment Services Association, Employment services programme: jobactive, 2019, <a href="https://nesa.com.au/jobactive">https://nesa.com.au/jobactive</a> accessed 23 December 2019.

By 31 May 2019, jobactive had achieved 336,160 placements for Victorian jobseekers. Of these, 65% of job placements were retained for 4 weeks, 58% for 12 weeks and 42% for at least 26 weeks. These rates are slightly higher than the national rates of 64%, 56% and 40%, respectively.<sup>73</sup>

Funding for jobactive will end in June 2022 when a new employment services model replaces it. The new model will move to digital servicing for jobseekers with low to medium needs and will provide enhanced case management for jobseekers with high needs.<sup>74</sup> The digital service elements of the new model are currently being trialled in Adelaide South and the Mid North Coast of New South Wales.

# **1.4.2** Jobs Victoria was developed to fill gaps in the employment services system

The Victorian Government set up its employment service, Jobs Victoria, in October 2016 in response to a review of employment programs by the University of Melbourne. The review found numerous service gaps and identified a role for the Victorian Government to assist jobseekers who were not well serviced by jobactive.<sup>75</sup>

Jobs Victoria provides targeted support services for jobseekers and employers. It complements jobactive and other Australian Government employment services by providing more intensive support to jobseekers facing disadvantage. It is managed by the Department of Jobs, Precincts and Regions (DJPR) and consists of several programs.

The main program, Jobs Victoria Employment Network (JVEN), is targeted to long-term jobseekers with multiple employment barriers. There are about 50 JVEN service providers across Melbourne and regional Victoria. Jobs Victoria also has specialised programs for young people, public housing tenants, retrenched workers, justice clients, Aboriginal jobseekers, and African Australian, Pasifika Australian and other culturally diverse jobseekers.<sup>76</sup>

The Victorian Government has invested close to \$100 million in Jobs Victoria since 2016. By September 2019, almost 9,700 Jobs Victoria participants had found employment and 55% of JVEN participants had retained work for at least 26 weeks. 77

According to DJPR, the key elements of the Jobs Victoria model are:

- · voluntary participation
- flexible support

<sup>73</sup> Australian Government Department of Employment, Skills, Small and Family Business, Submission 57, p. 4.

**<sup>74</sup>** Ibid.

<sup>75</sup> Department of Jobs, Precincts and Regions, Parliament inquiry into sustainable employment for disadvantaged jobseekers: public hearing presentation, supplementary evidence received 3 September 2019, p. 4; Jobs Victoria, Jobs Victoria Employment Network: frequently asked questions, fact sheet, Victorian Government, Melbourne, 2016, p. 1.

<sup>76</sup> Department of Jobs, Precincts and Regions, Parliament inquiry into sustainable employment for disadvantaged jobseekers, pp. 5–6.

**<sup>77</sup>** Ibid., p. 7.

- strong employer engagement
- · collaborative local delivery
- place-based services tailored to the needs of local economies and employers.<sup>78</sup>

Jobs Victoria was originally funded until 31 May 2020. The 2020–21 State Budget, which was due to be handed down on 5 May 2020 has been deferred to later in the year. In the interim, funding for the ongoing operations of Government was extended to cover the first six months of the 2020–21 financial year.

# 1.5 Scope of the Inquiry

The terms of reference for this Inquiry required the Committee to examine the social and economic benefits of seeking to place disadvantaged jobseekers into sustainable employment. In addition to considering the benefits of sustainable employment for jobseekers facing disadvantage, the Committee broadened the scope of the Inquiry to also inquire into the barriers jobseekers experience and how they might be overcome.

# 1.6 Inquiry process

The Committee called for submissions to this Inquiry in June 2019 by advertising in *The Age* and on Facebook, Instagram and Twitter, and writing directly to over 250 stakeholders. The stakeholders invited to make a submission to the Inquiry included community and social service organisations, employment services providers, business associations, education providers, research centres and local, state and federal government bodies. The Committee also translated its media release calling for submissions into Arabic, Chinese, Spanish and Vietnamese and advertised its call for submissions on ethnic community radio station 3ZZZ.

The Committee received 101 submissions, which are listed in Appendix 1. Of these submissions, 20 were from individuals.

From September to December 2019, the Committee held eight days of public hearings. Three days of public hearings were held in Melbourne, and the other hearing days were held in Ballarat, Bendigo, Geelong, Shepparton and Warragul. Notice of the public hearings was given in *The Age* and the Parliament of Victoria's website, Twitter feed and Facebook news feed.

Appendix 2 lists the witnesses who gave evidence at the public hearings. At several hearings, current and recently employed jobseekers shared their personal stories with the Committee. The Melbourne public hearings were broadcast live on the Parliament of Victoria's website.

<sup>78</sup> Department of Jobs, Precincts and Regions, Submission 99, p. 12.

# 1.7 Report outline

This report consists of five chapters:

- This chapter, Chapter 1, introduces the Inquiry by outlining the Inquiry's context, scope and process.
- Chapter 2 considers the individual barriers jobseekers face to find and retain employment, and strategies to address these barriers.
- Chapter 3 discusses how employers can be encouraged to remove barriers to sustainable employment and to employ more jobseekers facing disadvantage.
- Chapter 4 examines the structural barriers to sustainable employment and how they can be alleviated.
- Chapter 5 provides a short conclusion to the report.

# 2 Addressing individual barriers to sustainable employment

Individual barriers to sustainable employment are barriers specific to a jobseeker. They can be work-related, such as a lack of skills or experience, or personal, such as poor health, caring responsibilities or housing insecurity. Often, personal barriers can deny jobseekers access to opportunities and resources to help them address their work-related barriers. Many jobseekers experience multiple individual barriers to employment, spanning both personal and work-related barriers, as demonstrated in Case study 2.1.

# **CASE STUDY 2.1:** 'There are too many stages before I could even directly apply for a job'

'My educational background is equivalent to Year 11 in Australia. I have done all sorts of General Labour work to hand skilled professions back in Malaysia.

Barriers I had to face in getting a secure job would be my educational background is not recognized here. In order to secure a job in Victoria you have to attain the Certificates that is recognized by the Australian Government. It would be fair if they could accept someone who is experienced in the field and conduct training in future, relevant to the post they are applying for.

Living in regional area affected my ability to obtain work mainly due to seasonal work or contract basis. It's always harder to secure more hours during the winter season. Even in farm work.

I have accessed services from Employment Agency, Brotherhood of St Laurence and from my Church Committee to help obtain employment.

My advice to the Victorian Government would be help abolish the illegal contractors and subcontractors, illegal farm workers who are willing to work for very minimal income. Preference is always given to them ...

As a transgender and willing to work in any field, one of the obstacles I had to face when working on a farm or considering to work in a factory would be there are no private shower cubicles for us to shower. So I have to stay away from work forces that don't have private shower cubicles ...

One of the factors I couldn't obtain a job was due to my age. Even though I was fit and willing to do hard manual labour, my age was one of the factors that hindered me from obtaining employment.

There are too many stages before I could even directly apply for a job. I would definitely prefer to walk in for an interview as my skills and ability to communicate are underrated on paper. I'm not good in preparing a résumé either.'

Source: Name withheld, Submission 101, p. 1.

Stakeholders highlighted the stark difference in employment rates between people with individual employment barriers and those without. For example, AMES Australia, a settlement agency which supports newly-arrived refugees and migrants, noted the average unemployment rate for refugees between 2000 and 2016 was 10% compared with 6.5% for the overall population.<sup>79</sup> Similarly, National Disability Services, Australia's peak body for non-government disability service organisations, pointed out the labour force participation rate for Victorians with disability was 54% compared with 83% for Victorians without disability.<sup>80</sup>

This chapter considers the different types of individual barriers faced by jobseekers and then examines how these barriers could be addressed.

# 2.1 Some individual barriers are personal; others are work-related

Individual barriers to finding and retaining sustainable employment can be broken down into personal barriers (covered in Section 2.1.1) and work-related barriers (Section 2.1.2). Figure 2.1 summarises the different types of individual barriers to employment.

# **2.1.1** Personal circumstances directly and indirectly affect employment outcomes

Barriers to employment caused by personal circumstances can have a significant impact on a jobseeker's ability to find and retain work. Not only do these barriers have a direct effect, for example, poor health or lack of a driver licence can limit the types of work one can do, they can also have an indirect effect, such as limiting opportunities to develop skills or gain work experience, as well as crushing one's confidence and motivation to apply for jobs.

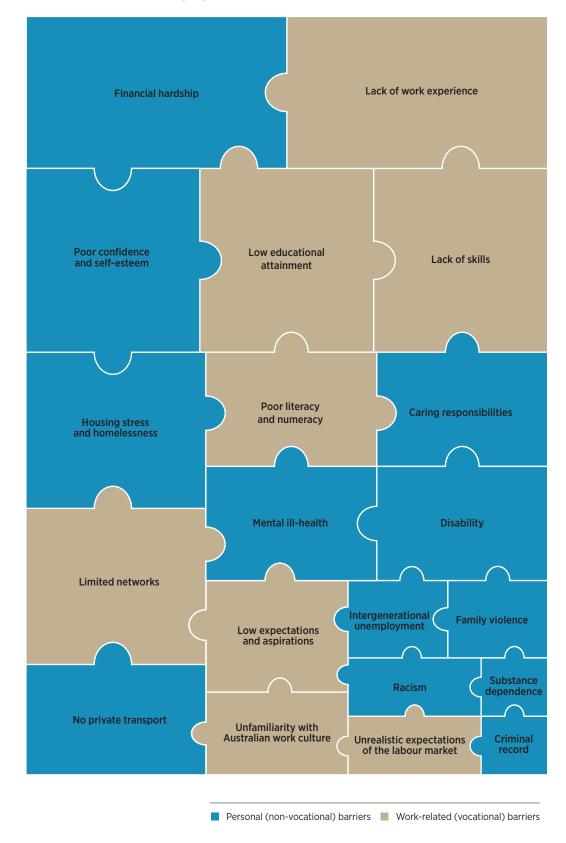
Some personal barriers such as financial hardship, no private transport, poor confidence and low self-esteem can affect all jobseekers facing disadvantage regardless of their background. Other personal barriers are more specific to groups of jobseekers; for example, ex-offenders are limited by their criminal record and single parents have to work around caring responsibilities. There are also personal barriers that are experienced by a number of jobseeker groups such as trauma experienced by refugees, veterans and young people in out-of-home care, albeit in different circumstances.

Different types of personal barriers are discussed below.

<sup>79</sup> AMES Australia. Submission 34. p. 8.

<sup>80</sup> National Disability Services, Submission 37, p. 4.

Figure 2.1 Individual barriers to employment



### Financial hardship

Several submissions noted that jobseekers receiving income support payments are likely to be experiencing financial hardship.<sup>81</sup> They identified that the payment rates of the Australian Government's Newstart Allowance (standard unemployment benefit, known as JobSeeker Payment from March 2020), Youth Allowance (financial assistance for young people) and Status Resolution Support Services (SRSS) payment (living allowance for asylum seekers until their immigration status is resolved) are below the Australian poverty line. Coupled with housing costs, jobseekers receiving these payments struggle to afford daily living expenses, let alone search for work.<sup>82</sup>

The costs associated with job searching include expenses for mobile phone and data usage, transport to attend interviews, training courses and in some cases, Working with Children Checks, police checks and White Card training (occupational health and safety training needed for construction work). For people experiencing financial hardship, these costs can be prohibitive.<sup>83</sup> As explained by Ms Amanda Kelly, Chief Executive Officer of health promotion agency Women's Health Goulburn North East:

access is very difficult. So if you are on Newstart, can you afford the petrol to get to your class? Can you afford the petrol to get to your work placement? And if you do get to your work placement, if it is a low-paying role, how do you manage that?<sup>84</sup>

Inability to afford internet access is another major barrier since most jobs are advertised online, require online applications and sometimes online testing.<sup>85</sup> This is a major barrier, including for some young people, according to Ms Tracey Fenton, Projects Manager at the Inner Eastern Local Learning and Employment Network (LLEN), which works with young people from Boroondara, Stonnington and Port Phillip:

Everyone thinks that young people have access to digital capabilities. They do not because they cannot afford the internet—a great number of them. They all have mobile phones but their access to anything digital comes from free wi-fi from being at McDonald's, at the library, wherever they are, for data download and to apply for jobs. It is really a challenge.<sup>86</sup>

In 2016–17, about 305,800 Victorian households (13.2%) did not have internet access.<sup>87</sup> The cost of a web-enabled device and data usage is a significant factor; 97% of households in the highest income quintile have internet access compared with

<sup>81</sup> Yarrawonga Neighbourhood House, *Submission 29*, p. 2; Mission Australia, *Submission 64A*, p. 2; Council to Homeless Persons, *Submission 76*, p. 5; Brotherhood of St Laurence, *Submission 96*, p. 18.

<sup>82</sup> Brotherhood of St Laurence. Submission 96. p. 18.

**<sup>83</sup>** Ethnic Communities' Council of Victoria, *Submission 58*, p. 6.

<sup>84</sup> Ms Amanda Kelly, Chief Executive Officer, Women's Health Goulburn North East, public hearing, Shepparton, 20 November 2019, *Transcript of evidence*, p. 36.

<sup>85</sup> Give Where You Live Foundation and GROW G21 Region Opportunities for Work, Submission 82, p. 3.

<sup>86</sup> Ms Tracey Fenton, Projects Manager, Inner Eastern LLEN, public hearing, Melbourne, 3 September 2019, Transcript of evidence, p. 25.

Australian Bureau of Statistics, Table 2, Household use of information technology, Australia, 2016-17, cat. no. 8146.0, 2018, <a href="https://www.abs.gov.au/AUSSTATS/abs@.nsf/DetailsPage/8146.02016-17">https://www.abs.gov.au/AUSSTATS/abs@.nsf/DetailsPage/8146.02016-17</a>> accessed 17 January 2020.

67% of households in the lowest quintile.<sup>88</sup> According to the Australian Digital Inclusion Index 2018, over 4 million Australians access the internet solely through a mobile device, which also limits access to more advanced online activities.<sup>89</sup>

However, as Latrobe City Council stated, when jobseekers are struggling financially and facing significant disadvantage, 'employment is not a number one priority; basic life needs come first such as Where is my next meal coming from? Where am I sleeping tonight? How can I access a shower and clean clothes?'90 Ms Lyn Morgan, Executive Officer of Northern Futures, a not-for-profit organisation that addresses disadvantage in Geelong's northern suburbs, agreed stating:

the culture of living in survival has different priorities to the culture where you are not living in survival. You can look to the future and you can save for the future. You can educate for the future, you can get a job that will take you to where you want, but when you are in survival it is today. We are just thinking about today, and that is why in this situation if you get money, you spend it, because tomorrow is probably going to be rubbish and you have just got to entertain yourself while you can.<sup>91</sup>

Stakeholders identified certain cohorts that are more likely to experience financial hardship than other Australians. For example:

- Young people leaving out-of-home care, who do not have family or other supports to rely on, often struggle to afford housing, attend post-secondary education and search for work.<sup>92</sup>
- Changes to SRSS eligibility in February 2018 resulted in over 7,000 asylum seekers in Australia (55%) losing their income.<sup>93</sup>
- Aboriginal Australians are more disadvantaged than other Australians across a range of socioeconomic measures.<sup>94</sup>

Ms Donna de Zwart, Chief Executive Officer of Fitted for Work, a not-for-profit organisation that supports women to gain financial independence through securing employment, raised the growing number of older women jobseekers who struggle financially. She said these women 'will go through their savings, their super, before they will put up their hand and ask for help.'95 She added that due to systemic issues such as housing affordability and lack of superannuation, even women in their late 60s are seeking her organisation's services.

<sup>88</sup> National Employment Services Association, Submission 87, p. 7.

<sup>89</sup> Julian Thomas, et al., *Measuring Australia's digital divide: the Australian digital inclusion index 2018*, RMIT University, Melbourne. 2018. p. 16.

<sup>90</sup> Latrobe City Council, Speaking notes, supplementary evidence received 11 December 2019, p. 4.

<sup>91</sup> Ms Lyn Morgan, Executive Officer, Northern Futures, public hearing, Geelong, 24 October 2019, *Transcript of evidence*, p. 22.

<sup>92</sup> Anglicare Victoria, Submission 42, p. 8.

<sup>93</sup> Life Without Barriers, Submission 63, p. 3.

<sup>94</sup> Ms Lisa Briggs, Interim Chief Executive Officer, Wathaurong Aboriginal Co-operative, public hearing, Geelong, 24 October 2019. *Transcript of evidence*, pp. 32–33.

<sup>95</sup> Ms Donna de Zwart, Chief Executive Officer, Fitted for Work, public hearing, Melbourne, 4 September 2019, *Transcript of evidence*, p. 40.

Council on the Ageing Victoria (COTA Vic), the peak body representing the interests of Victorians aged over 50, shared the story of an unemployed man aged 59 struggling financially:

In the beginning, I cut back on spending & recreational things like going to restaurants, cinema, concerts & buying things like books, magazine, newspapers cd's/dvd's etc. After being unemployed for 3 months, I stopped buying these altogether. And now I can't afford to buy cheese or meat. It's been 18 months since I last worked and I'm getting desperate. 96

Prior to the Coronavirus disease (COVID-19) pandemic, one-quarter (25%) of Newstart recipients were aged over 50. Older workers who become unemployed before they are eligible for the Age Pension must rely on the JobSeeker Payment and their risk of poverty increases the longer they are unemployed.<sup>97</sup>

The Australian Senate's Community Affairs References Committee reported on its Inquiry into the adequacy of Newstart and related payments in April 2020. It found the rate of Newstart had not increased in material terms since 1994 and 'the income support system itself is acting as a key barrier to employment because of the inadequate payment rates that force people into poverty'. 98 The Australian Parliamentary Budget Office advised the Senate Committee that an income support recipient needs at least \$1,012 per fortnight to live above the Organisation for Economic Co-operation and Development relative measure of poverty. 99

The JobSeeker Payment is capped at \$565.70 per fortnight for single people with no children and \$510.80 for partnered people. On 25 March 2020, the Australian Government announced a temporary fortnightly \$550 Coronavirus Supplement to recipients of JobSeeker Payment, Youth Allowance and other eligible payments. In this supplement effectively doubled the JobSeeker Payment and will be paid until late September. The supplement will fall to \$250 per fortnight during the last quarter of 2020 and the Australian Government will decide on the future of the supplement and the base JobSeeker Payment rate in late 2020.

The Community Affairs References Committee recommended the Australian Government increase the rates of JobSeeker Payment and Youth Allowance once the Coronavirus Supplement is phased out.<sup>102</sup> It requested a fair and reasonable increase that takes into account the impact of the COVID-19 pandemic. Income support

<sup>96</sup> Council on the Ageing Victoria, Submission 55, p. 13.

<sup>97</sup> Ibid., p. 11

<sup>98</sup> Parliament of Australia, Senate Community Affairs References Committee, *Adequacy of Newstart and related payments and alternative mechanisms to determine the level of income support payments in Australia*, April 2020, pp. xvii–xviii.

<sup>99</sup> Ibid., p. 161.

<sup>100</sup> Australian Government, Social security guide, version 1.267, 2020, <a href="https://guides.dss.gov.au/guide-social-security-law/5/1/8/20">https://guides.dss.gov.au/guide-social-security-law/5/1/8/20</a> accessed 18 May 2020.

<sup>101</sup> Services Australia, More financial support for people affected by coronavirus, 2020, <a href="https://www.servicesaustralia.gov.au/individuals/news/more-financial-support-people-affected-coronavirus">https://www.servicesaustralia.gov.au/individuals/news/more-financial-support-people-affected-coronavirus</a> accessed 18 May 2020.

<sup>102</sup> Parliament of Australia, Senate Community Affairs References Committee, Adequacy of Newstart and related payments and alternative mechanisms to determine the level of income support payments in Australia, p. 162.

payments need to lift above the rates they were prior to COVID-19 and the Victorian Government should support an increase to the rates to ensure recipients have the financial means to meet their living expenses and search for work.

**FINDING 3:** The Australian Government's base income support rates are inadequate to cover the living expenses and job search activities of jobseekers facing disadvantage.

**RECOMMENDATION 1:** That the Victorian Government through the National Cabinet advocate for an increase to the JobSeeker Payment and Youth Allowance rates following the phasing out of the Coronavirus Supplement to ensure jobseekers can meet their living expenses and search for work.

### **Housing stress and homelessness**

One of the consequences of financial hardship can be housing stress, which is when a household pays more than 30% of its income on housing costs such as mortgage payments or rent. Housing affordability in Australia has fallen since the early 1980s and has resulted in declining levels of home ownership. Homelessness can also result from inadequate income combined with unaffordable housing and personal circumstances such as disability or family violence. 104

People experiencing homelessness include those who stay in refuges or crisis accommodation, who 'couch surf' or stay with family and friends, who live in overcrowded dwellings and those sleeping rough. Stakeholders identified ex-offenders, young people leaving out-of-home care, older women, and asylum seekers who are not receiving SRSS payments as groups particularly vulnerable to homelessness.<sup>105</sup>

While homelessness can be the result of joblessness, it also makes finding and keeping a job difficult.<sup>106</sup> Just over one-quarter (26%) of Victorians in the labour force who are at risk of, or are experiencing, homelessness is employed.<sup>107</sup> Ms Jenny Smith, Chief Executive Officer of Council to Homeless Persons, the peak Victorian body for organisations and individuals committed to ending homelessness, noted the priority for people experiencing homelessness is survival rather than work. She stated:

We have recently been talking with the people we know with relatively recent experiences of homelessness, and what they really said as a chorus is, 'When we

<sup>103</sup> Matthew Thomas and Alicia Hall, Housing affordability in Australia, 2016, <a href="https://www.aph.gov.au/About\_Parliament/Parliamentary\_Library/pubs/BriefingBook45p/HousingAffordability">https://www.aph.gov.au/About\_Parliament/Parliamentary\_Library/pubs/BriefingBook45p/HousingAffordability</a> accessed 20 January 2020.

<sup>104</sup> Council to Homeless Persons, Submission 76, p. 1.

<sup>105</sup> Council on the Ageing Victoria, Submission 55, p. 10; Ms Erika Jones, Employment Case Coordinator, National Immigration Support Scheme, Life Without Barriers, public hearing, Melbourne, 4 September 2019, Transcript of evidence, p. 29; Mr Troy Crellin, Program Manager, Social Enterprise Programs Victoria, Mission Australia, public hearing, Melbourne, 4 September 2019, Transcript of evidence, p. 14; Ms Sue Sealey, Deputy Chief Executive Officer, Anglicare Victoria, public hearing, Melbourne, 4 September 2019, Transcript of evidence, p. 14.

<sup>106</sup> Council to Homeless Persons, Submission 76, p. 1.

<sup>107</sup> Ibid., p. 3.

become newly homeless the last thing on our mind is work, if we haven't got work'. Because the effort that goes into just surviving each day, the effort that goes into trying to get out of this cycle of nowhere to live, or a temporary arrangement—'Damien's going to kick me off his couch if I'm still there next week'—that is all encompassing. If you are a mum with kids, trying to get them to stay connected with school or kinder and not lose that social interaction can take all day if the temporary accommodation is a long way from where you are.<sup>108</sup>

The waiting list for Victorian public housing is long with over 39,000 applicants and due to high demand, access is targeted to people with complex needs. Demand has increased due to Victorian public housing stock not keeping up with population growth over the past decades so that public housing has transitioned from being for working families to now being for the most disadvantaged in society.<sup>109</sup>

The Legislative Council's Legal and Social Issues Committee is currently undertaking an Inquiry into homelessness in Victoria and is due to report its findings and recommendations in November 2020. In May 2020, the Victorian Government announced it would spend \$500 million to upgrade 23,000 social housing dwellings and build 168 new dwellings as part of the Building Works economic stimulus package. The new social housing developments will be built in Reservoir, Balaclava, Hampton Park and Dandenong, and the housing package is expected to create 600 jobs.<sup>110</sup>

### Intergenerational unemployment

Jobseekers who have grown up in households in which no one is employed are at a disadvantage because they have not experienced a family member going to work, seen what is required to hold a job or had access to networks that could lead to a job for them.<sup>111</sup> The Mayor of the City of Greater Bendigo, Cr Margaret O'Rourke, explained that this situation is common:

I was principal for a day in one of our schools recently—it is a program that our local LLEN runs. I went to our lowest socio-economic school, which is Lightning Reef. It would not be unique to any other municipality in Victoria: 201 families, 22 families in employment. Last year there were only six. This is real, and this is happening right across Victoria and Australia.<sup>112</sup>

Intergenerational unemployment can have long-term consequences for children such as a greater number of employment barriers and decreased confidence when they are older. These children also have fewer role models, a greater risk of disengaging from

<sup>108</sup> Ms Jenny Smith, Chief Executive Officer, Council to Homeless Persons, public hearing, Melbourne, 4 September 2019, Transcript of evidence, p. 57.

<sup>109</sup> Brotherhood of St Laurence, Submission 96, p. 29; Ms Jenny Smith, Transcript of evidence, p. 56.

Hon. Daniel Andrews, Premier, Building Works: more jobs for Victorians, media release, Victorian Government, Melbourne,
 May 2020; Department of Health and Human Services, COVID-19 Social housing economic stimulus package: questions and answers, fact sheet, Victorian Government, Melbourne, 2020, pp. 1–2.

<sup>111</sup> Melton City Council, Submission 30, p. 17.

<sup>112</sup> Cr Margaret O'Rourke, Mayor, City of Greater Bendigo, public hearing, Bendigo, 22 October 2019, Transcript of evidence, p. 2.

<sup>113</sup> Mission Australia, Submission 64, p. 5.

school and fewer career opportunities, trapping them into a cycle of disadvantage that affects not only their lives but those of their children.<sup>114</sup>

### No private transport

Jobseekers who do not have a driver licence and/or a car are limited in the types of jobs they can apply for. A person without a licence would be precluded from a job that requires driving and those without a car may find it difficult to work a job that is based on shift work, requires the worker to cover a shift at short notice (such as retail or hospitality) and is not situated near public transport. These jobseekers have to rely on public transport to attend an interview and also get to and from work if successful. As discussed in Chapter 4, public transport in outer suburban Melbourne and regional Victoria can be limited and sporadic, which makes it harder for jobseekers to access work opportunities. In the suburban Melbourne and regional victoria can be limited and sporadic, which makes it harder for jobseekers to access

Some jobseekers may not have a driver licence because they are physically unable to drive and others, especially young people, may not have one because they cannot complete the required 120 hours of supervised driving experience to take their drive test. For example, Riley, a trainee at Mission Australia's social enterprise Charcoal Lane, explained:

Lots of my friends that live with either mum or dad or both, they managed to get their Ps while we were in school, while we were doing Year 11 and 12, and that was the big difference between me and all my friends ... I got my Ls, but doing the hours was just impractical. My foster mum had a car, but it was not a car you could just drive around. It was a thrashed-out old Ford Falcon, so getting around in that doing the 120 hours was pretty hard. And she had also three other kids to look after. 117

Young people and asylum seekers who cannot afford driving lessons and do not have friends or family to teach them to drive are likely to struggle to find work and retain it.<sup>118</sup>

### **Caring responsibilities**

Jobseekers who need to care for children, the elderly or other family members with health conditions can struggle to find and retain employment. Almost three-quarters (72%) of primary carers in Australia are women.<sup>119</sup> As Ms Melinda Moore, Head of Work,

<sup>114</sup> Anglicare Victoria, Submission 42, p. 2; Ms Carley Brennan, Skilling the Bay Manager, The Gordon, public hearing, Geelong, 24 October 2019, Transcript of evidence, p. 54; Ms Cheryl Drayton, Elder, Kurnai community, public hearing, Warragul, 11 December 2019, Transcript of evidence, p. 1.

<sup>115</sup> Melton City Council, Submission 30, p. 17.

<sup>116</sup> Ms Nicole Steers, Acting Chief Operating Officer, Jobs Australia, public hearing, Melbourne, 3 September 2019, Transcript of evidence p. 39

<sup>117</sup> Riley, Trainee, Charcoal Lane, public hearing, Melbourne, 19 November 2019, Transcript of evidence, p. 53.

<sup>118</sup> Ms Felicia Dean, Chief Executive Officer, Rumbalara Aboriginal Co-operative, public hearing, Shepparton, 20 November 2019, Transcript of evidence, p. 26; Ms Khayshie Tilak Ramesh, Youth Mayor, City of Greater Bendigo Youth Council, public hearing, Bendigo, 22 October 2019, Transcript of evidence, p. 53; Life Without Barriers, Submission 63, p. 2.

<sup>119</sup> Australian Bureau of Statistics, Table 29.1, *Disability, ageing and carers, Australia: summary of findings, 2018*, cat. no. 4430.0, 2019, <a href="https://www.abs.gov.au/AUSSTATS/abs@.nsf/DetailsPage/4430.02018">https://www.abs.gov.au/AUSSTATS/abs@.nsf/DetailsPage/4430.02018</a> accessed 20 January 2020.

Economic Security and Social Inclusion at the Brotherhood of St Laurence (BSL), explained, women who cannot access affordable child care or child care that suits their work hours have limited employment opportunities:

Often women are coming to us saying, 'We really only want work between 10 and 2 because that is when the kids are at school', but that then just so totally limits what we can actually provide and find for them.<sup>120</sup>

Relying on family members or friends to care for their children is not always feasible if that carer is sick or no longer available or able to care for the child. Without formal child care, working mothers require jobs with flexibility that allow them to care for their children if they are sick or their usual carer is unavailable.<sup>121</sup>

Caring responsibilities are not only an employment barrier for working mothers but also young people caring for younger siblings or family members who have health problems, and older people caring for grandchildren or elderly parents. According to the Australian Bureau of Statistics (ABS), there were over 703,000 carers in Victoria in 2018. Of these, more than half (57%) were women, about 31% were primary carers and about three-quarters (76%) were under retirement age. Research has shown that carers often have a high level of financial stress due to their inability to work while also providing informal care. Amany carers leave employment to take on their role and when they want to return to work they can find it difficult due to breaks in their work history and outdated skills.

According to the Workplace Gender Equality Agency, women are likely to shoulder the increase of caring responsibilities resulting from the COVID-19 pandemic, including care of sick family members and care of children undertaking remote learning from home. <sup>126</sup> Data from the Australian Bureau of Statistics showed a greater drop in labour force participation among Victorian women than Victorian men from March to April 2020 after COVID-19 restrictions were introduced (a fall of 2.6 compared with 1.3 percentage points). <sup>127</sup> While this difference is a result of more women being employed in the occupations and industries that were most affected, it could also partly reflect the number of women who left the labour force (that is, stopped working and did not look for work) due to caring responsibilities.

<sup>120</sup> Ms Melinda Moore, Head of Work, Economic Security and Social Inclusion, Brotherhood of St Laurence, public hearing, Melbourne, 4 September 2019, *Transcript of evidence*, p. 13.

<sup>121</sup> Associate Professor Leah Ruppanner, Submission 4, p. 1.

<sup>122</sup> Ibid.; Inner Eastern LLEN, Submission 21, p. 17; Ms Lamourette Folly, representative, Centre for Multicultural Youth, public hearing, Ballarat, 23 October 2019, Transcript of evidence, p. 56.

<sup>123</sup> Committee analysis of Australian Bureau of Statistics, Table 31.1, Disability, ageing and carers, Australia: summary of findings, 2018, cat. no. 4430.0, 2019, <a href="https://www.abs.gov.au/AUSSTATS/abs@.nsf/DetailsPage/4430.02018">https://www.abs.gov.au/AUSSTATS/abs@.nsf/DetailsPage/4430.02018</a> accessed 20 January 2020.

<sup>124</sup> Council on the Ageing Victoria, Submission 55, p. 10.

<sup>125</sup> Mission Australia, Submission 64, p. 15.

<sup>126</sup> Workplace Gender Equality Agency, *Gendered impacts of COVID-19*, 2020, <a href="https://www.wgea.gov.au/topics/gendered-impact-of-covid-19">https://www.wgea.gov.au/topics/gendered-impact-of-covid-19</a> accessed 18 May 2020.

<sup>127</sup> Committee analysis of Australian Bureau of Statistics, Table 23, Labour force, Australia, April 2020, cat. no. 6202.0, 2020, <a href="https://www.abs.gov.au/AUSSTATS/abs@.nsf/DetailsPage/6202.0Apr%202020">https://www.abs.gov.au/AUSSTATS/abs@.nsf/DetailsPage/6202.0Apr%202020</a> accessed 14 May 2020.

### Family violence

Another significant employment barrier is the experience of family violence. McAuley Community Services for Women, a charity that provides services for women and their children who are escaping family violence, noted that experiencing family violence adversely affects women's ability to get work due to a disrupted work history. These women are more likely to have worked casual or part-time roles and have had to change jobs more often than women with no experience of family violence. The experience of family violence can also lead to physical and mental ill-health as well as poor confidence and self-esteem, which adds further barriers to employment, as illustrated in Case study 2.2.

Women experiencing family violence also find it harder to retain work if the perpetrator places restrictions on where they can go, erodes their confidence and self-esteem, and/or stalks or harasses them at work. These tactics are deliberate because women who are unable to stay working lose their financial independence making them more reliant on the perpetrator.<sup>129</sup> Ms Stella Avramopoulos, Chief Executive Officer of Good Shepherd Australia New Zealand, an organisation that addresses issues that adversely affect women, girls and families, added that women are often forced to leave work due to competing priorities:

If you have got three children, you are a survivor of family violence, you are trying to re-establish yourself, there is no food in the fridge and the kids are not going to school—there are trauma issues going on all over the place—it is really hard to juggle all of that and be there for your children. The greatest fear for these women is that their children end up in child protection, having a whole range of other interventions that they have had to navigate.<sup>130</sup>

According to the Australian Institute of Health and Welfare, family violence contributes to intergenerational disadvantage due to family breakdown, homelessness, reduced income and a loss of social networks.<sup>131</sup>

<sup>128</sup> McAuley Community Services for Women, Submission 52, p. 11.

<sup>129</sup> Ibid.

<sup>130</sup> Ms Stella Avramopoulos, Chief Executive Officer, Good Shepherd Australia New Zealand, public hearing, Melbourne, 4 September 2019, *Transcript of evidence*, p. 41.

<sup>131</sup> Australian Institute of Health and Welfare, Australia's welfare 2017, AIHW, Canberra, 2017, p. 48.

# CASE STUDY 2.2: '[E]ven though I wanted to work and gain further education and training I had no-one to assist me'

'From a very young age I was subjected to severe family violence. By the time I got to secondary school, after being kept back on a number of occasions through primary school, I was being left behind academically and socially. When I was 16 years old and in Year 8, I can remember going to see a principal, telling him that I was leaving because of extreme bullying that I was having to cope with at school and finding the work too hard, having received no supports from the teachers, principal or family to address these concerns. I clearly remember the principal's simple comment of, 'That's okay' before I left. From that date forward, I was only able to secure casual work, some being seasonal and nothing more permanent.

When I married, I was again subjected to five years of extreme and severe family violence that shattered my confidence, self-esteem and identity. I believe I received an acquired brain injury due to the abuse. During this period I was attached to two different mainstream job providers—but not for very long. One was in Geelong, where I did obtain a few industry certificates—RSA [Responsible Service of Alcohol], barista and safe food handlers—but I was not assisted by them to find work in these areas ...

At the age of 39, with the assistance of the police and WRISC, Women's Resource Information and Support Centre, I left the marriage and started to try and build a solid and safe environment for myself and my four children. I remember when I was linked to the Ballarat job provider and I was married they enrolled me into a child care course which required me to participate in a work placement at the local primary school. While I was on work placement my depression and anxiety became so severe due to the family violence that I had endured and was still enduring that I had to leave the course, and therefore I did not complete the qualifications ...

With the help of WRISC I was assessed for a DSP—disability support pension—due to my acquired brain injury. Once I received this pension and seeing that I was over the age of 35 years I was not required to be linked to any job provider, so even though I wanted to work and gain further education and training I had no-one to assist me and no way of looking into how to do this on my own. Only when I started working with McAuley Works did I find out that I could have accessed a DES—disability employment support—provider as a voluntary client so that I could have accessed some assistance in looking for work or further training. I know that if I was offered the right supports I would have had a better chance of finding suitable employment through appropriate upskilling and further training opportunities, like a computer course, confidence building, employment skills training and interview workshops, just to name a few ...

(continued)

### **CASE STUDY 2.2** (continued)

After nine years of being on the DSP and not having any support I was referred to McAuley Community Services for Women due to my struggles with homelessness and was given the opportunity to live in their new transitional house in Ballarat. With this opportunity came others. I was also linked with McAuley Works, a support program that assists women like myself to secure employment opportunities. For the first time I felt listened to and supported to achieve my goals of employment. With assistance in updating my résumé and working with me one on one to build the confidence I needed, I was then able to attend an interview that McAuley Works had set up for me. I am now proudly employed as a disability school bus chaperone ... Even though the employment is casual, it has given me the confidence to know that I am good enough and I do deserve to have the same opportunities that everyone else does.'

#### Michelle

Source: Michelle, public hearing, Ballarat, 23 October 2019, Transcript of evidence, pp. 47-48.

### Disability

Disability is a broad term that covers a range of conditions. A person with disability is someone who has one or more limitations, restrictions or impairments that restrict everyday activities and which have lasted, or are expected to last, at least six months. Disability includes sensory, intellectual, physical and psychosocial impairments; it can vary in severity and can be caused by genetic disorders, illnesses, accidents, ageing, or a combination of these factors. Participation in society is influenced by the severity of the disability, accessibility of the environment, the availability of services and community attitudes. 133

Disability can make it harder for jobseekers to find and retain work because of associated health issues, inaccessible workplaces, difficulties negotiating reasonable adjustments in the workplace, unavailability of accessible transport to and from work and the lack of assistive technologies in the workplace. Working-age people with disability have lower rates of labour force participation (53%) and employment (48%) than those without disability (83% and 79% respectively). They are also twice as likely to have been unemployed for at least one year as working-age people without disability. The most common reason reported by working-age people with disability for not working is their ill health or disability.

<sup>132</sup> Ibid., p. 301.

<sup>133</sup> Australian Institute of Health and Welfare, People with disability in Australia 2019: in brief, AIHW, Canberra, 2019, p. 1.

<sup>134</sup> City of Stonnington, Submission 48, p. 3.

<sup>135</sup> Australian Institute of Health and Welfare, *People with disability in Australia 2019*, p. 17.

<sup>136</sup> Ibid., p. 18.

### Mental ill-health

Mental ill-health is another umbrella term covering mental illness (which includes mood, psychotic, eating and personality disorders) and mental health problems (which do not meet the diagnostic criteria for a mental illness but still affect an individual's cognitive, emotional or social abilities). Mental ill-health can affect a jobseeker's ability to find and retain work because of an erratic work history, cognitive or attention difficulties, interrupted education leading to poor numeracy and literacy, discrimination and a lack of confidence to apply for jobs or enrol in further study.<sup>137</sup> Mental health barriers to employment can be exacerbated for jobseekers who have poor access to treatment and support services.<sup>138</sup>

People experiencing mental ill-health are more likely to be unemployed or not in the labour force compared with people without mental health conditions (37.6% compared with 22.3%). The unemployment rate for young people with mental ill-health can be up to three times higher than the overall youth unemployment rate.<sup>139</sup>

While mental health can be a barrier to employment, joblessness can also damage a jobseeker's mental health. Youth unemployment has been associated with an increased risk of mental ill-health in the future, as has retrenchment. COTA Vic provided quotes from unemployed men aged in their 60s as examples:

I want to step in front of a bus. Can't deal with it anymore. (male, 62)

I'm worth more dead than alive. Thought about ending it. Life insurance pays out for suicide. Then my wife could pay all the bills and still have money left over. (male, 60)<sup>141</sup>

Refugees and asylum seekers are also at high risk of mental ill-health if they have experienced torture or trauma in their home country or in refugee camps.<sup>142</sup> Even when they are in Australia their concern for their unresolved immigration status and/or family members living in dangerous circumstances overseas can cause further mental distress.<sup>143</sup>

Another group who have high rates of mental ill-health are ex-service personnel. While some veterans are able to transition successfully from the Australian Defence Force, others can have mental health conditions such as post-traumatic stress disorder (PTSD) that interfere with their ability to re-enter the workforce and maintain employment.<sup>144</sup>

<sup>137</sup> Orygen, The National Centre of Excellence in Youth Mental Health, Submission 86, pp. 2-3.

<sup>138</sup> Victorian TAFE Association, Submission 79, p. 5.

<sup>139</sup> Orygen, Submission 86, p. 2.

<sup>140</sup> Emelie Thern, et al., 'Long-term effects of youth unemployment on mental health: does an economic crisis make a difference?', Journal of Epidemiology and Community Health, vol. 71, 2017, p. 344; Hume City Council, Submission 61, p. 6.

<sup>141</sup> Council on the Ageing Victoria, Submission 55, p. 14.

<sup>142</sup> AMES Australia, Submission 34, p. 2; Foundation House–The Victorian Foundation for Survivors of Torture, Submission 45, p. 3; Hume City Council, Submission 61, p. 5; Centre for Multicultural Youth, Submission 89, p. 10.

<sup>143</sup> Life Without Barriers, Submission 63, p. 2.

<sup>144</sup> Ms Wendy Bateman, Manager, Aged and Health Support, Returned and Services League of Australia-Victorian Branch, public hearing, Melbourne, 19 November 2019, *Transcript of evidence*, p. 12; Mr Bill Westhead, President, Warragul Returned and Services League, public hearing, Warragul, 11 December 2019, *Transcript of evidence*, p. 38.

Even ex-service personnel who discharge voluntarily without mental health problems can struggle to fit back in with civilian society, especially those:

in their late 20s that have joined as 18-year-olds who come back into their communities. Their friends are different. Their friends do not know how to treat them, they do not know how to act in front of their friends and then they decline to the crisis state. 145

Mental ill-health is also a concern for Aboriginal and Torres Strait Islander people and is associated with the impact of intergenerational disadvantage, racism, discrimination and trauma.<sup>146</sup>

#### **Criminal record**

Ex-offenders have high rates of unemployment and a significant barrier for them is their criminal record, as illustrated in Case study 2.3.

Employers may be reluctant to hire someone with a criminal record and many conduct a police check prior to offering a candidate an employment contract.<sup>147</sup> Ms Lisa Briggs, Interim Chief Executive Officer of Wathaurong Aboriginal Co-operative, explained how her own organisation is restricted from offering a job to ex-offenders:

we are surrounded by four prisons and we are an hour away from the youth residential facility, and a lot of our mob are in those facilities. So it was good to hear from the gentleman earlier who talked about barriers around Working with Children Checks and police checks, because as a legal entity, even as a not for profit, you cannot employ people without those. So that is a direct barrier. The only industry that they can really go to that we can see is either construction, because it does not really matter; or I am not sure if Westfield [Geelong shopping centre] has any restrictions around it. But the largest employers down here are us, government and health—so hospitals. We are all restricted in terms of recruitment and employment so when you are looking outside of that, unless you have got social enterprise that you were talking about, it really limits disadvantaged jobseekers, especially down here given the special needs and requirements that they will need as wraparound supports.<sup>148</sup>

Former prisoners may struggle to re-enter the community and they commonly face other barriers such as unstable housing, lack of transport, financial hardship, mental ill-health and substance dependence. Their parole conditions might also limit the location and type of job they can apply for.<sup>149</sup> A study of post-release outcomes of

<sup>145</sup> Mr Adam Kent, veteran, Ballarat Veterans Assistance Centre, public hearing, Ballarat, 23 October 2019, Transcript of evidence, p. 14.

<sup>146</sup> Mission Australia, Submission 64, p. 9.

<sup>147</sup> Ibid., p. 18; Mr Sam Biondo, Executive Officer, Victorian Alcohol and Drug Association, public hearing, Melbourne, 19 November 2019, *Transcript of evidence*, p. 7.

<sup>148</sup> Ms Lisa Briggs, *Transcript of evidence*, p. 37.

<sup>149</sup> Hume City Council, Submission 61, p. 7.

ex-prisoners in Queensland found 61% were unemployed six months after their release; this figure increased to 70% if the ex-prisoner had a mental disorder diagnosis. Stakeholders noted that without employment and a stable income, the risk of recidivism increases. Isl

### **CASE STUDY 2.3:** 'It is stuck with you for the rest of your life'

'I was an accountant for about 20-plus years and a terrible gambler. I got into some financial difficulties at home. I had a business to run, and unfortunately that was not going too well—that was outside of work—and subsequently I got myself into a whole lot of trouble and ended up in prison. I was there for three years of a six-year sentence, so I have got a fairly good understanding of what actually happens in there ... It is a terrible place—no-one wants to go there ... It is all based on security. It is not so much about trying to get people rehabilitated but making sure they do not riot. It is that sort of attitude.

So it is very difficult for people to get what is required so they can be released and move forward. Believe me there are a number who just want to do that ... there are a number, a lot, that just want to put it behind them, which is very, very difficult to do—not only for your own self-esteem and shame but because the community makes it hard ...

I have struggled to get employment since I have been released. It has been very, very difficult. I have never had a full-time job. I have been out for over four and a half years, and I am just getting bits and pieces here and there. I just recently applied for a hire car licence so I can drive hire cars. I have been given an opportunity from a person who owns several of them, who knows about my history and who knows about everything that I have been through, but the organisation that actually processes your application makes it very, very difficult to do so. It took me five months as opposed to two weeks to actually get that application processed and that was with support from VACRO [Victorian Association for the Care and Resettlement of Offenders] and also references ... It is stuck with you for the rest of your life ... It is just one of those things that you cannot shake ...'

### **Brendan Ivermee**

Source: Mr Brendan Ivermee, public hearing, Melbourne, 19 November 2019, *Transcript of evidence*, pp. 19–20.

### **Substance dependence**

Dependence on alcohol or other drugs is another barrier to finding and retaining employment and employment rates among people experiencing substance dependence are low. Substance dependence can be chronic and relapsing and may also be

<sup>150</sup> Zoe Cutcher, et al., 'Poor health and social outcomes for ex-prisoners with a history of mental disorder: a longitudinal study', Australian and New Zealand Journal of Public Health, vol. 38, no. 5, 2014, p. 427.

<sup>151</sup> Jobs Australia, Submission 90, p. 10; Mr Sam Biondo, Transcript of evidence, p. 7.

associated with mental ill-health, disability such as acquired brain injury, chronic pain and/or trauma. Stakeholders highlighted that rates of substance dependence are high among ex-offenders and Aboriginal and Torres Strait Islander people. Mr Sam Biondo, Executive Officer of the Victorian Alcohol and Drug Association (VAADA), the peak body for alcohol and other drug services in Victoria, added that access to treatment is limited due to long waiting lists. 154

Some employers drug test their employees, especially in industries such as construction, mining and manufacturing where impairment might threaten workplace safety. This can be a barrier to employment as explained by Ms Jane Oakley, Chief Executive Officer of the Committee for Gippsland, which represents local industry, business and community organisations:

I was just talking to one of the businesses ... They were talking about employment challenges. Of the cohort that come in for an interview, 50% fail the interview process because of a drug-related connection. What he was saying is that they will do group interviews, they have about 10 people applying for roles in the organisation, two of them from the introduction walk out straightaway and about half end up walking out when they find that there is screening involved and all that sort of stuff as part of the ongoing prerequisite to working at that organisation.<sup>155</sup>

VAADA warned that employers' response to a positive test should support workers into treatment rather than more punitive measures such as terminating employment, which does not address the underlying issue.<sup>156</sup>

#### **Experience of racism**

Evidence from Aboriginal organisations identified racism as a significant personal barrier to employment. For example, Ms Cheryl Drayton, an elder of the Kurnai community, considered it to be the biggest barrier for Aboriginal jobseekers:

Racism—and it may not be direct racism. It might be inadvertent racism around jokes and that sort of stuff. And they want out. Wanting out is for people who cannot articulate, who are withdrawn, reserved people when it comes to being out in society. You do not see blackfellas walking down the streets. You do not see them in supermarkets because of that.<sup>157</sup>

Groups that work with culturally and linguistically diverse people also highlighted that racism, especially based on skin colour, was affecting jobseekers' chances of finding employment.<sup>158</sup> Case study 2.4 provides an example.

<sup>152</sup> Victorian Alcohol and Drug Association, Submission 22, pp. 4, 7.

<sup>153</sup> Ms Felicia Dean, Transcript of evidence, p. 26; Victorian Alcohol and Drug Association, Submission 22, p. 5.

<sup>154</sup> Mr Sam Biondo, *Transcript of evidence*, p. 10.

<sup>155</sup> Ms Jane Oakley, Chief Executive Officer, Committee for Gippsland, public hearing, Warragul, 11 December 2019, *Transcript of evidence*, p. 12.

<sup>156</sup> Victorian Alcohol and Drug Association, Submission 22, p. 5.

<sup>157</sup> Ms Cheryl Drayton, *Transcript of evidence*, p. 3.

<sup>158</sup> AMES Australia, Submission 34, p. 8; Foundation House-The Victorian Foundation for Survivors of Torture, Submission 45, p. 3; Moonee Valley City Council, Submission 69, p. 7.

### CASE STUDY 2.4: 'I'm not going to get a job because of my skin'

'I came to Ballarat when I was around five or six. Looking for a job at 15 or 16 was kind of hard because of being black skinned. It has been really hard for me because media coverage around black young teens says we are in gangs, and we are just being judged based on that—and just having a different name ... I could have better qualifications than someone else but due to my skin it is going to be hard for me to get a job ...

I joined CMY [Centre for Multicultural Youth] and they helped me with my résumé process and the qualifications and stuff. They helped me gain confidence again since I have lost it and it had that negative effect on me of just saying, 'I'm not going to get a job because of my skin'. They just helped me throughout that and gave me back my confidence for it. They have given me opportunities, such as what I am doing right now at the university's police program. I have been doing it through Jesuit Social Services. It is a program for police diversity people. It is just for diverse people to help you go through the stages of the police, so then seeing opportunities like that gives me the confidence to apply for jobs.'

### Magbul Abraham

Source: Mr Magbul Abraham, representative, Centre for Multicultural Youth, public hearing, Ballarat, 23 October 2019, *Transcript of evidence*, pp. 52–53.

Ms Lamourette Folly, a representative from the Centre for Multicultural Youth in Ballarat who arrived in Australia as a refugee aged 11, shared the difficulties she experienced to get her first job interview:

How did I even end up getting that first interview? I did not do it all on my own. I had to have someone that is from the mainstream, someone white skinned, to take me into the restaurant. They looked at my résumé and then, 'Oh, you are this girl. Okay, do you want a job? Do you want to come in for an interview?' ... So for a young person from a refugee background, whether you are coloured, whether your name is different or not—whether your name is Sarah—as soon as you present yourself your skin colour becomes your major outlook to start off with when you are looking for a job as a young person. So that is how hard it has been for me to start looking for a job until now. It is still very hard.<sup>159</sup>

Capital City Local Learning and Employment Network (City LLEN), which works with young people in the City of Melbourne who are at risk of disengaging, or who have already disengaged, from school, stated:

Racism, dog whistling politics, confected tabloid media outrage and 'othering' of new migrant groups places additional burdens on those young people new to our country and further disadvantages them when competing in the labour market.<sup>160</sup>

<sup>159</sup> Ms Lamourette Folly. *Transcript of evidence*. p. 52.

<sup>160</sup> Capital City LLEN, Submission 51, p. 2.

City LLEN added that refugees can think the racism expressed in the media and by some politicians is how most Australians feel about them and their self-esteem, capacity to secure work and sense of hope can suffer as a result.<sup>161</sup>

#### Poor confidence and self-esteem

Loss of confidence and self-esteem is common among jobseekers who have been unemployed for long periods.<sup>162</sup> People who have been out of work for a long time might feel inadequate to re-enter the workforce or feel 'that they do not have anything to offer.'<sup>163</sup> Stakeholders stated that poor confidence and low self-esteem was very common among women jobseekers, regardless of their background.<sup>164</sup> An example is provided in Case study 2.5.

Ms Jan Simmons, who is the Team Leader of Work and Learning Advisors at Ballarat Neighbourhood Centre, highlighted some relevant research:

apparently within two months of not having a job people's confidence diminishes by half. It is an amazing amount of confidence loss. Even people who are highly skilled can lose their confidence in that time.<sup>165</sup>

Ms Morgan from Northern Futures shared a story that highlights some jobseekers' self-sabotage because they do not have confidence they can succeed in the workplace:

one man was successful in getting the job so he came to Northern Futures on the Friday to sign all the paperwork. A lot of people at that point—well, some—kind of self-sabotage because they do not think they are going to make it. But anyway, this guy came in and he was absolutely stoned. He was absolutely, completely not in a good place. We thought, 'Oh, my goodness. This place is no drugs and alcohol. We have been drumming this into them forever'. But we understood the man was overwhelmed and this was him medicating himself. That was a long weekend thinking, 'What's going to happen on Monday?' Anyway, he was given six weeks, and he is still there after a year and a few months.<sup>166</sup>

Despite training and pre-employment support, some jobseekers facing significant disadvantage lack the learned behaviour, resilience and coping mechanisms to stay in work. These jobseekers often have the ability and capacity to work, but their life circumstances and lack of experience can make it hard for them to manage new or difficult situations.<sup>167</sup>

**<sup>161</sup>** Ibid.

<sup>162</sup> Give Where You Live Foundation and GROW G21 Region Opportunities for Work, Submission 82, p. 3.

<sup>163</sup> Ms Amanda Kelly, *Transcript of evidence*, p. 39; The Gordon, *Submission 100*, p. 2.

<sup>164</sup> Ms Donna de Zwart, *Transcript of evidence*, p. 39; Moonee Valley City Council, *Submission 69*, p. 7; Ms Marie Sutherland, public hearing, Ballarat, 23 October 2019, *Transcript of evidence*, p. 46.

<sup>165</sup> Ms Jan Simmons, Team Leader, Work and Learning Advisors, Ballarat Neighbourhood Centre, public hearing, Ballarat, 23 October 2019, *Transcript of evidence*, p. 46.

<sup>166</sup> Ms Lvn Morgan, Transcript of evidence, p. 20.

<sup>167</sup> Ibid.

**FINDING 4:** Personal circumstances, such as financial hardship, disability, caring responsibilities and poor confidence, can create employment barriers by limiting access to opportunities and resources that improve jobseekers' employment prospects and enable them to find and/or retain work.

# CASE STUDY 2.5: 'My big one is keeping the position and sustaining it'

'I am a 47-year-old single mum. I have been unemployed, but I have done a lot of volunteering ...

I finished high school when I was roughly 21 because I wanted to complete Year 12 ...

I was unemployed for about three years and I got through the Wright program ... It was an interview for Myer. There were about 400 people applying for the position and I was one of 200 that got through and stayed in Chadstone, which is where they based me ...

You had to do all these different tasks, and it was interesting. Like, I really enjoyed it and I was there for roughly two, three years. Once the program finished ... I was unfortunately one of the ones that they let go ... Then after that I had a few, what do you call it?—factory work, so process working. It did not last very long ... that was about the time that I met the ex.

The three children I have, they are his. I was with him, trying to fight the fight, staying together because that is what my family has done ...

[T]he most empowering thing is to sit there, he tells you what to do or she tells you what to do, and you sit there and you wait for the police or whoever it is to see ... I sat there and just thought, 'Nup, I'm leaving' and I left him ...

I founded a women's group with a couple of other ladies, and that was really successful because I like empowering women, making them feel like they are worthy of being in the workforce no matter what they do. Do not undermine yourself. If you are milking cows, be proud of it. If you are in a high position, be proud of it ...

I am a cleaner. So I completed in 2017 an aged-care course as well as first aid, and that has helped me. So it is an NDIS company that does cleaning for houses. My role is just a cleaner, but I will go above and beyond, probably, sometimes without being rewarded for it. I do not need the reward ...

My big one is keeping the position and sustaining it, and that has always been an issue for me, whether it be self-doubt, self-sabotage is a big, big, big, big one, but I have actually maintained it ...'

## Alison

Source: Alison, public hearing, Shepparton, 20 November 2019, Transcript of evidence, pp. 9-11.

# **2.1.2** Poor skills, experience and grasp of the labour market also harm prospects

Jobseekers facing disadvantage often have work-related barriers that harm their chances of finding and retaining employment. They are less likely to have access to opportunities and resources to gain the skills, education and experience employers want and employers may be wary of someone with an erratic work history.<sup>168</sup>

Below is a discussion of common work-related barriers individual jobseekers may face.

#### Low educational attainment

People with higher levels of educational attainment are more likely to be employed. In 2018, the employment rate of people aged 20–64 who had a Bachelor degree was 84.3% compared with 71.6% for those whose highest qualification was Year 12 and 52.1% for those whose highest qualification was Year 10 or below. 169

Stakeholders identified several groups of jobseekers that are likely to have low levels of educational attainment. For example, Children and Young People with Disability Australia, the national peak body representing children and young people with disability aged up to 25 years, cited statistics showing 36% of people with disability aged 15–64 have completed Year 12 compared with 60% of people without disability. National Disability Services added that young people with disability are more likely to drop out of school early than those without disability, which affects their employment prospects. 171

Similarly, Anglicare Victoria, which provides services to vulnerable Victorians, informed the Committee that a high proportion of young people in out-of-home care do not finish secondary school. A longitudinal study of these young people found only 25% of participants who had left school had completed Year 12 and 29% had not completed Year 10.172 There is also a stark contrast in employment outcomes for young people who have left out-of-home care based on their educational attainment—88% who had completed Year 12 were employed 4–5 years after leaving care compared with 29% who had not.<sup>173</sup>

Prisoners also have low educational attainment. In 2018–19, 94% of Victorian prisoners who were engaged in study had not completed secondary school or its equivalent prior to their current period of custody. This proportion increased to 98% for young adult prisoners and Aboriginal and Torres Strait Islander prisoners.<sup>174</sup>

<sup>168</sup> Mr Peter Parker, Submission 6, p. 3.

<sup>169</sup> Australian Institute of Health and Welfare, *The experience of employment*, 2019, <a href="https://www.aihw.gov.au/reports/australias-welfare/the-experience-of-employment">https://www.aihw.gov.au/reports/australias-welfare/the-experience-of-employment</a> accessed 12 September 2019.

<sup>170</sup> Children and Young People with Disability Australia, Submission 91, p. 2.

<sup>171</sup> National Disability Services, Submission 37, p. 3.

<sup>172</sup> Anglicare Victoria, Submission 42, p. 4.

<sup>173</sup> Ibid., p. 5.

<sup>174</sup> Hon. Jill Hennessy, Acting Minister for Corrections, correspondence, 29 January 2020, p. 5.

More broadly, Indigenous Australians have lower Year 12 attainment rates than non-Indigenous Australians, although the gap narrowed by about 15 percentage points between 2008 and 2018–19.<sup>175</sup> In 2016, there was no difference in employment rates between Indigenous and non-Indigenous Australians with a Bachelor degree or higher (83% for both); however, there was a gap of 20 percentage points among those whose highest educational attainment was Year 10 to Year 12 (42.9% employment for Indigenous Australians compared with 63.0% for non-Indigenous Australians).<sup>176</sup>

Research on young people who have disengaged from school shows the main reasons for disengagement are poverty and generational unemployment since there may be low expectations that these young people will complete Year 12. Young people living in low income households and in rental accommodation might have to move house frequently, which disrupts their education. School attendance might also be irregular if young people live in areas with poor transport services.<sup>177</sup>

# **Poor literacy and numeracy**

Employers expect jobseekers to have adequate literacy and numeracy. BSL cited data from the Australian Bureau of Statistics indicating about 650,000 adult Victorians have low levels of literacy and 970,000 have very low numeracy. The Greater Dandenong Regional Employment Taskforce, a collaboration of government, community organisations, employment services providers and education and training providers, raised the issue of illiterate school-leavers who have finished their schooling without gaining sufficient literacy skills. Despite this significant employment barrier, this group of jobseekers remain largely hidden from support services. It said these jobseekers:

cannot fill out a job application sheet and may depart a potential employment interview at the point where they are asked to fill in basic information in a paper-based form. Lacking readership skills, anecdotally, many have said they have walked out of an interview before being 'found out'. That many have proven themselves inside the school system despite reading difficulties shows a significant degree of problem-solving capability. Unfortunately, the 'normal' requirement to provide contact information proves a step too far with regard to employment opportunities.<sup>179</sup>

Whitelion, an organisation that provides support and services to young people leaving the justice system, has found poor levels of literacy and numeracy among the young people it works with.<sup>180</sup> Ms Briggs from Wathaurong Aboriginal Cooperative

<sup>175</sup> Australian Government, Closing the gap report 2020: Year 12 attainment, 2020, <a href="https://ctgreport.niaa.gov.au/year-12-attainment">https://ctgreport.niaa.gov.au/year-12-attainment</a> accessed 17 February 2020.

<sup>176</sup> Australian Institute of Health and Welfare, *Indigenous employment*, 2019, <a href="https://www.aihw.gov.au/reports/australias-welfare/indigenous-employment">https://www.aihw.gov.au/reports/australias-welfare/indigenous-employment</a> accessed 12 September 2019.

<sup>177</sup> Inner Eastern LLEN, Submission 21, p. 17.

<sup>178</sup> Brotherhood of St Laurence, Submission 96, p. 16.

<sup>179</sup> Greater Dandenong Regional Employment Taskforce, Submission 54, p. 16.

<sup>180</sup> Whitelion, Submission 94, p. 6.

also finds 'a lot of the kids that we have even got on our current construction course cannot read and write' despite having attended school and studying the Victorian Certificate of Applied Learning (VCAL).<sup>181</sup>

Ex-offenders also have poor literacy and numeracy skills. In 2018–19, 62% of Victorian prisoners scored between levels 1 and 3 on the Australian Core Skills Framework, which means their language, literacy and numeracy skills are below the level required to confidently meet the demands of daily life without assistance.<sup>182</sup>

Another group of jobseekers who might have poor literacy and numeracy are refugees. Ms Erika Jones, who is an Employment Case Coordinator at Life Without Barriers, a social purpose organisation that has a program assisting asylum seekers to find work, conducts skills audits of her clients to match them with suitable work. She explained:

we need to establish what exactly is their language, literacy and numeracy level, because numeracy is actually more important in many unskilled or low-skilled positions. So we are starting to roll that out to try to get a better understanding of their needs and to try to help them match with the jobs that are available to someone with very, very low English, with not much education or zero education and to people who cannot use a ruler, as simple as that.<sup>183</sup>

The education of refugees who have spent a significant amount of time in refugee camps is likely to have been disrupted, which has an impact on their literacy and numeracy levels.<sup>184</sup>

Refugees are also likely to have very limited English proficiency, which affects their employability. As Ms Jones explains, it is their biggest barrier:

I have got clients coming in to see me who have got virtually no English; they have got maybe 20 words of English. So there is a huge challenge in trying to help them find work. 186

Future Connect, a LLEN working with young people in the Brimbank and Melton areas, added that while young multicultural people might have conversational English language skills, their English proficiency may not be adequate to complete a job application or perform well in an interview.<sup>187</sup>

<sup>181</sup> Ms Lisa Briggs, Transcript of evidence, p. 34.

<sup>182</sup> Hon. Jill Hennessy, correspondence, p. 7.

<sup>183</sup> Ms Erika Jones, Transcript of evidence, p. 30.

<sup>184</sup> AMES Australia, Submission 34, p. 2; Hume City Council, Submission 61, p. 5; Centre for Multicultural Youth, Submission 89, p. 10

<sup>185</sup> Wyndham Community & Education Centre, Submission 20, p. 4; AMES Australia, Submission 34, p. 2; Foundation House-The Victorian Foundation for Survivors of Torture, Submission 45, p. 2; Carlton Neighbourhood Learning Centre, Submission 47, p. 6; Hume City Council, Submission 61, p. 7; WEstjustice Community Legal Centre and Springvale Monash Legal Service, Submission 62, p. 6; Moonee Valley City Council, Submission 69, p. 5.

<sup>186</sup> Ms Erika Jones. *Transcript of evidence*, p. 29.

<sup>187</sup> Future Connect, Submission 26, p. 4.

English language proficiency tests might also be misleading, according to Mr Luke Whinney, Senior Manager of Education and Employment at AMES Australia:

Quite often the English language proficiency tests across a suite of education programs, either state or federally, do not necessarily match up to the levels of language proficiency required in the workplace. 188

This disparity is not only inadequate for the employer but also unfair to the jobseeker who can feel displaced as a result.<sup>189</sup>

#### Lack of skills

Feedback from employer groups suggested that employers are struggling to find jobseekers who have the skills to work for them. For example, Mr Jim Dannock, Regional Manager of the Ballarat and Wimmera Region for the Australian Industry (Ai) Group, stated, 'Probably one of the biggest issues facing our members is really around skilled workforce, and 75% of respondents to a recent survey for the Ai Group indicated they had experienced a skill shortage.' The skills that Ai Group's members are experiencing shortages in are science, technology, engineering and maths skills, digital literacy, and basic literacy and numeracy. In

The nature of work is also changing due to rapid technological advancements and jobseekers need different skills to succeed in an automated and globalised labour market. Digital literacy is growing in importance, and has been found to be lacking even in unexpected cohorts such as young people. As Mr Peter Murray, Business Development Manager, Enterprise, at Box Hill Institute, stated:

We all think teenagers are fully digitally literate. They are not. They are often very digitally literate in relation to social media and talking on the phone but not necessarily in relation to work-related digital skills. 193

For example, not all jobseekers know how to upload attachments to a job application or write a job application that includes keywords so that it will be picked up by a recruiter's scanning software. 

194 The lack of digital skills is also evident among retrenched workers, who might not have had to apply for jobs online before, jobseekers from refugee

<sup>188</sup> Mr Luke Whinney, Senior Manager, Education and Employment, AMES Australia, public hearing, Melbourne, 4 September 2019, Transcript of evidence, p. 30.

**<sup>189</sup>** Ibid.

<sup>190</sup> Mr Jim Dannock, Regional Manager, Ballarat and Wimmera Region, Ai Group, public hearing, Ballarat, 23 October 2019, Transcript of evidence, p. 60.

**<sup>191</sup>** Ibid

<sup>192</sup> City of Stonnington, Submission 48, p. 3; Committee for Melbourne, Submission 49, p. 2; Gippsland Learn Local, Strengthening Pathways for Adult Learners in Gippsland (SPALG) toolkit: a place-based approach to support innovation in the Learn Local sector, Warragul Community House, 2019, p. 6.

<sup>193</sup> Mr Peter Murray, Business Development Manager, Enterprise, Box Hill Institute, public hearing, Melbourne, 3 September 2019, Transcript of evidence, p. 52.

<sup>194</sup> Ms Tracey Fenton, Transcript of evidence, p. 25; Ms Jan Simmons, Transcript of evidence, p. 43.

backgrounds, and other vulnerable groups who do not have experience with a computer.<sup>195</sup> Some stakeholders gave examples of jobseekers who do not have an email address or do not even know how to turn on a computer.<sup>196</sup>

The lack of employability skills among some jobseekers was also raised. Employability skills are skills required to succeed in the workplace, such as communication, reliability, teamwork and the ability to follow instructions. When Ms Leanne Hulm, Program Manager at GROW (Growing Regional Opportunities for Work) Greater Shepparton, a collaboration of business, government and community organisations, asked local industry how to get more disadvantaged jobseekers employed:

the feedback was that they could take multiple people at any time of the day but they could not find people who were, as we say, job-ready, whether that was from the migrant backgrounds or just that their English was not quite up to where they needed. One business defined it as 'Xbox-fit, but not work-fit' ...

they [jobseekers] need a lot of support and help to be pretrained and to get a really good grasp before they go into business. Industry is absolutely desperate. There are jobs there constantly.<sup>197</sup>

The City of Greater Geelong agreed, stating:

While educational attainment and employment history/work experience are often highlighted as barriers to employment, the experience at [local social inclusion program] Whittington Works has clearly identified life skills and employability skills or job readiness programs as the most needed support to build job seeker confidence, developing coping strategies, increase their ability to communicate and manage conflict in the workplace and understand the labour market sufficiently to navigate into and sustain employment.<sup>198</sup>

For some jobseekers facing disadvantage, their skills deficit is not employability skills but skills to move into another field. For example, older workers who have been working in manufacturing, mining or nursing may not have the skills to move into roles that are less physically demanding or into fields where there is more jobs growth. <sup>199</sup> As Ms Emma Cvitak, a Board Member of the National Social Security Rights Network, a peak body representing community legal services, explained:

We saw this in Geelong when the Ford factory shut down. There were a lot of people who had worked there for 40 years, were not at retirement age, who want to work, have

<sup>195</sup> Mr Deng Chuor, public hearing, Warragul, 11 December 2019, *Transcript of evidence*, p. 43; Ms Carley Brennan, *Transcript of evidence*, p. 51; Hume City Council, *Submission 61*, p. 6.

<sup>196</sup> Ms Keelie Hamilton, Director, Student and Industry Engagement, The Gordon, public hearing, Geelong, 24 October 2019, Transcript of evidence, p. 51; Ms Tracey Jeffery, Manager, Careers and Training Services, The Gordon, public hearing, Geelong, 24 October 2019, Transcript of evidence, p. 51; Ms Pauline Wilson, Executive Officer, Yarrawonga Neighbourhood House, public hearing, Shepparton, 20 November 2019, Transcript of evidence, p. 23.

<sup>197</sup> Ms Leanne Hulm, Program Manager, GROW Greater Shepparton, public hearing, Shepparton, 20 November 2019, *Transcript of evidence*, p. 31.

<sup>198</sup> City of Greater Geelong, Submission 85, p. 3.

<sup>199</sup> Australian Human Rights Commission, Willing to work: national inquiry into employment discrimination against older Australians and Australians with disability, Australian Human Rights Commission, Sydney, 2016, p. 17.

worked in one particular job for a certain amount of time and all of a sudden now they are having to change their trade or change their skill set just because there are not jobs available within that particular area of work  $...^{200}$ 

Older people take longer to re-enter the workforce than younger people. In 2019, the median duration of unemployment for people aged 55–64 was 22 weeks compared with 18 weeks for people aged 15–24 and 17 weeks for people aged 25–34.<sup>201</sup>

Kurnai community elder, Ms Drayton, noted that while the Victorian Aboriginal Affairs Framework supports self-determination, there are few Aboriginal people working in Aboriginal organisations due to a lack of skills. She said:

So we get the menial jobs, like being at the front desk so that the mob coming in will feel comfortable about that. But the real jobs are not there; they are taken up by non-Aboriginal people who have got the skills.<sup>202</sup>

She added training and goodwill are needed for Aboriginal jobseekers to gain the relevant skills and knowledge to be competitive for these roles.

A significant barrier for newly-arrived migrants and refugees with overseas qualifications is that their skills, qualifications or experience are not recognised or are undervalued in Australia.<sup>203</sup> Industries, especially those that are regulated, often do not recognise qualifications gained overseas, and if they do, the recognition process is often difficult and prohibitively expensive.<sup>204</sup> These jobseekers might find themselves without work, working jobs below their competence, or having to re-train in their field from scratch.<sup>205</sup> This is discussed further in Chapter 3.

### Lack of work experience

Jobseekers who have little or no work experience are at a disadvantage in the labour market because employers prefer candidates who have experience, even for low-skilled positions. This preference places young people with insufficient work experience in a predicament where they are not hired due to lack of experience but cannot gain the experience employers want.<sup>206</sup> This is illustrated in Case studies 2.6 and 2.7.

<sup>200</sup> Ms Emma Cvitak, Board Member, National Social Security Rights Network, public hearing, Melbourne, 19 November 2019, Transcript of evidence, p. 25.

<sup>201</sup> Mission Australia, Submission 64, p. 15.

<sup>202</sup> Ms Cheryl Drayton, Transcript of evidence, p. 2.

<sup>203</sup> AMES Australia, Submission 34, p. 2; Carlton Neighbourhood Learning Centre, Submission 47, p. 6; Life Without Barriers, Submission 63, p. 2.

<sup>204</sup> Greater Dandenong Regional Employment Taskforce, Submission 54, p. 11; Hume City Council, Submission 61, p. 5.

<sup>205</sup> National Centre for Vocational Education Research. Submission 53. p. 3.

<sup>206</sup> Hume City Council, Submission 61, p. 4; Whitelion, Submission 94, p. 6; Jordan Glatt and Phanindra Wunnava, 'Help not wanted: the dismal science of youth unemployment's scarring effect', iBusiness, vol. 10, no. 2, 2018, p. 54.

# CASE STUDY 2.6: 'I applied for well over 150 jobs'

'I am the Cultural Heritage Project Officer for Ceremony and Administration at Dja Dja Wurrung Clans Aboriginal Corporation. I started my full-time role five months ago. Prior to that I was employed through Parks Victoria with the Dja Dja Wurrung Ranger Program. I was there for 12 months, but prior to my first full-time job I struggled like I never had before. I bounced from casual job to casual job for the better part of two and a half years before I found full-time work ... When I was only 18, which was not that long ago, I was on Centrelink as a jobseeker. I had no support from my job agency. I was told, 'You need to apply for 20 jobs every month'. There are only so many jobs you can apply for, yet we are still told, 'Just apply for what's out there. It doesn't matter what it is as long as you're getting into work' ... No-one had any interest in what I wanted to do with my life or what I was interested in, and no-one wanted to help me get to where I wanted to be ...

I applied for well over 150 jobs and did not get a single one of them, because I did not have the experience that was being asked for to fulfil the role. Every entry-level job I found I applied for, no matter what industry it was in, no matter what it was doing, I still never got calls back, never got interviews—nothing—because I did not have the experience. So it is not just being an Aboriginal person and ... that can be a disadvantage at the best of times; it is young people as well ...

The Dja Dja Wurrung Ranger Program was established five years ago. It was an agreement between the State and Dja Dja Wurrung Clans Aboriginal Corporation ... to ensure there is always a position for an Indigenous person within a government organisation. The Dja Dja Wurrung Ranger Program consists currently of the team leader, two Dja Dja Wurrung Rangers, a cultural heritage ranger and two more people that sit under them. There is also the project officer for the implementation of the joint management plan, which actually launched in September last year. It is basically getting Indigenous people into these roles, upskilling them, making them realise exactly what it is they would like to do and then moving them on so someone else can move into it. That is exactly what I did. I was in my role for 12 months and said, 'No, I do not want to do this anymore; I want to go and do this instead', and now I am managing and coordinating events and ceremony bookings as well as delivering them with the Corporation. I could not be happier in my role. It is an incredible opportunity to be able to briefly educate people and make a difference.'

### Rhianna Kerr

Source: Ms Rhianna Kerr, public hearing, Bendigo, 22 October 2019, *Transcript of evidence*, pp. 21, 25.

# **CASE STUDY 2.7:** 'It is pretty hard for a young person to look for a job in Ballarat'

'In my country you do not have the opportunity to look for a job. When you grow up and finish school, for a woman, basically you are more likely to just work on the farm your entire life and get married and have a baby. That is your life, so getting a job is not accessible. Then when you come to Australia you are confronted with having to look after your own financial issues. It is just like—wow!—a big slap in the face for a young woman from a refugee background.

We do not have many jobs for young people in our town and every job in our town basically requires some kind of degree. When they say degree, they do not just mean a degree; they ask you for experience: 'Hey, have you got three years experience in technology and engineering?', and you do not. You are a young person. You actually want to get in. I would start in that company by cleaning floors or whatever to get experience in that company, but the recruiters do not look for that. They do not look at you and see that you need the experience to start off with, and they do not think about young people being very fresh. They think of us as non-reliable people, so it is pretty hard for a young person to look for a job in Ballarat.'

#### **Lamourette Folly**

Source: Ms Lamourette Folly, representative, Centre for Multicultural Youth, public hearing, Ballarat, 23 October 2019, *Transcript of evidence*, p. 52.

Young workers who do not have much experience are penalised in other ways. If there are redundancies at a workplace, young workers are more likely to be terminated because their shorter job tenure reduces the associated termination costs. For higher skilled positions, young jobseekers cannot compete with older jobseekers who have more experience even if they are qualified to do the work. Coupled with a fall in the number of unskilled or low-skilled positions available in the current economy, young jobseekers find their lack of experience a significant barrier to finding employment.<sup>207</sup>

Lack of local work experience is also a barrier for newly arrived migrants and refugees. Employers may not take into consideration overseas work experience or may have a preference for experience in an Australian context.<sup>208</sup>

<sup>207</sup> Glatt and Wunnava, 'Help not wanted', p. 54.

<sup>208</sup> AMES Australia, Submission 34, p. 8; Foundation House–The Victorian Foundation for Survivors of Torture, Submission 45, p. 2; Carlton Neighbourhood Learning Centre, Submission 47, p. 6; Hume City Council, Submission 61, p. 7; Life Without Barriers, Submission 63, p. 2.

## **Unfamiliarity with Australian work culture**

Another challenge faced by newly arrived migrants and refugees is their lack of familiarity with Australian work culture and recruitment practices.<sup>209</sup> Cr Kris Pavlidis, Chair of the Ethnic Communities' Council of Victoria, explains that these jobseekers are unable to navigate the system that people born and raised in Australia take for granted.<sup>210</sup> For example, when searching for work, a newly arrived migrant or refugee might not know how to write a:

résumé and job applications, how do you write a letter, things that we take for granted ... How do you read a job ad. So we look at job ads and we can read them quite confidently. We know what 'PT' stands for, part-time, et cetera—so those kinds of soft skills that sometimes are not given the attention that they require, particularly for this cohort of people.<sup>211</sup>

Case study 2.8 provides an example of how new arrivals are unfamiliar with job application processes.

Even after finding work, newly arrived migrants and refugees might struggle to retain it because they are unfamiliar with Australian workplace norms and may:

not understand the importance of matters such as punctuality, or professional conduct with colleagues, or when or how to take personal leave. Understandings of protocols such as these can make all the difference in whether someone holds a job or does not.<sup>212</sup>

This issue also affects Aboriginal jobseekers. The National Centre for Vocational Education Research cited data from a survey of Aboriginal jobseekers that found 47% of respondents said they did not 'have a good understanding of the rules of the workplace'.<sup>213</sup>

Ex-service personnel might also be unfamiliar with the civilian workplace. Ms Sue Yorston, consultant to the Ballarat Veterans Assistance Centre, explained that service:

is quite a different mindset, coming from that structure of defence, where you know what you are doing and you are well supported in what you are doing. You have got superiors. The training is there. It is a very structured and supportive environment ... That is the environment they are coming from. Then they are coming out into this sort of little bit of an abyss, I think, to start with, to be able to find their feet.<sup>214</sup>

<sup>209</sup> AMES Australia, Submission 34, p. 2; Capital City LLEN, Submission 51, p. 3; Hume City Council, Submission 61, p. 4; WEstjustice Community Legal Centre and Springvale Monash Legal Service, Submission 62, p. 4; Centre for Multicultural Youth, Submission 89, p. 10.

<sup>210</sup> Cr Kris Pavlidis, Chair, Ethnic Communities' Council of Victoria, public hearing, Melbourne, 4 September 2019, *Transcript of evidence*, p. 30.

<sup>211</sup> Ibid., p. 28.

<sup>212</sup> Ethnic Communities' Council of Victoria, Submission 58, p. 8.

<sup>213</sup> National Centre for Vocational Education Research. Submission 53, p. 3.

<sup>214</sup> Ms Sue Yorston, Consultant, Ballarat Veterans Assistance Centre, public hearing, Ballarat, 23 October 2019, Transcript of evidence, p. 16.

Mr Bill Westhead, President of the Warragul Returned and Services League added that when entering the civilian workforce, ex-service personnel 'probably need assistance with detuning because we are too up-front, too brusque, and we need that support.' <sup>215</sup>

# **CASE STUDY 2.8:** Subhashini's story: 'After attending Fitted for Work I had confidence in me'

'I had not long come from India and it was during my job hunt when one of my friends advised me to go to Fitted for Work in Melbourne. I started with the Resume Hub.

This was to assist me so that I will know where I was going wrong with my résumé; it is the first step of shortlisting in interviews. Personally, I did not know about the references system in Australia, as I was from other country, so the Resume Hub was a big help.

I did attend these services at Fitted for Work as well as the Resume Hub, Outfitting, make up workshops and SHE-Works.

It was a positive experience for me, as I had a very good welcoming at Fitted for Work, the volunteers and members are very friendly & well dedicated to their clients.

It was amazing experience working with Fitted for Work; they support & encourage women from different countries to have employment in Australia.

The best thing is Fitted for Work provide all the services free of cost.

The way I felt after my time with Fitted for Work was so much more confident within myself ...

After attending Fitted for Work I had confidence in me, learnt the way I need to communicate with the people in Australia, had a very good chance to know and explore Australia Culture, learnt about how references play an important role in securing a job in Australia.'

Source: Fitted for Work, Submission 56, p. 12.

# **Limited networks**

For new workforce entrants, finding a job is often through contacts, or as described by regional TAFE The Gordon, it is about 'who you know, as much as what you know.'<sup>216</sup> Hume City Council cited ABS statistics indicating that 74% of migrants find their first job through a friend or family member.<sup>217</sup> However, newly arrived migrants and refugees often lack friend and family networks to help them find work.<sup>218</sup> Mr Christopher Hams, a representative from the Centre for Multicultural Youth in Ballarat, explained:

<sup>215</sup> Mr Bill Westhead, Transcript of evidence, p. 40.

<sup>216</sup> The Gordon, Submission 100, p. 2.

<sup>217</sup> Hume City Council. Submission 61, p. 5.

<sup>218</sup> Carlton Neighbourhood Learning Centre, Submission 47, p. 6; Ethnic Communities' Council of Victoria, Submission 58, p. 3; Future Connect, Submission 26, p. 4.

often for people, especially those who are newly arrived to Australia who do not have those sorts of contacts, it is really hard to find inroads for jobs in regional areas, where just applying with résumés and things like that sometimes is not enough. I think making those contacts can be a really difficult thing for a lot of people and if you do not have that prior experience, you can get stuck in a loop of lethargy and lack of confidence and of not feeling like you deserve to apply for jobs. I was quite lucky where I got experience early and that sort of steamrolled into finding more jobs based off that. But if I did not get that experience early, I would have found it really difficult to get going and get a foot in the door.<sup>219</sup>

Young jobseekers and other jobseekers facing disadvantage are also likely to have limited networks of family or friends who can act as role models and link them with employers or work opportunities.<sup>220</sup>

Informal knowledge about post-secondary education options and career pathways gained through parents, extended family, peers and other informal mentors help young people to understand the job market and find work. Parents from refugee and migrant backgrounds often do not know enough about Australian education and employment pathways to guide their children and they frequently do not have contacts to help their children get a foot in the door, particularly in professional careers. This can further reinforce inequality of access to opportunities, or disadvantage.<sup>221</sup>

# Low expectations and aspirations

For some jobseekers facing disadvantage there can be a culture of low expectations around their ability to find and retain employment. Stakeholders noted this was a common experience for young people in out-of-home care, young people with disability and young people in rural areas.<sup>222</sup> Parents, employers, service providers and educators might not expect these jobseekers to aspire to long-term employment or careers, which can result in these jobseekers being given fewer opportunities to gain work or access to career counselling or planning.<sup>223</sup>

Anglicare Victoria cited research on young people living in out-of-home care where participants were told by teachers that they 'would not go anywhere' and felt that teachers anticipated or enabled their failure. The same participants felt that their carers and caseworkers were disinterested in their progress. Aboriginal young people have also reported receiving advice from secondary school teachers to accept lower aspirational pathways and to undertake VCAL rather than VCE, or TAFE rather than university. Table 10 to 10 t

<sup>219</sup> Mr Christopher Hams, representative, Centre for Multicultural Youth, public hearing, Ballarat, 23 October 2019, *Transcript of evidence*, p. 53.

<sup>220</sup> The Gordon, Submission 100, p. 2; Victorian TAFE Association, Submission 79, p. 5.

<sup>221</sup> Centre for Multicultural Youth, Submission 89, p. 10.

<sup>222</sup> National Disability Services, Submission 37, p. 4; Outer Eastern LLEN, Submission 40, p. 2; Anglicare Victoria, Submission 42, p. 8; Gippsland East LLEN, Submission 84, p. 8.

<sup>223</sup> National Disability Services, Submission 37, p. 4; Outer Eastern LLEN, Submission 40, p. 2.

<sup>224</sup> Anglicare Victoria, Submission 42, p. 8.

<sup>225</sup> Parliament of Victoria, Economic, Education, Jobs and Skills Committee, *Inquiry into career advice activities in Victorian schools*, August 2018, p. 128.

The culture of low expectations can result in young jobseekers developing their own low expectations and aspirations for their career. Gippsland East LLEN, which works with young people across the East Gippsland and Wellington shires, added that young jobseekers may have low aspirations because they are unable to imagine a better future. For young jobseekers in regional areas, this can be due to financial constraints, geographic access to education and jobs, the experience of family and friends, and their experience at school. 227

## Unrealistic expectations of the labour market

Several LLENs, which are regional networks that work with young people who are at risk of disengaging, or have already disengaged from, education or training, reported that there is a mismatch between the careers young people want, the labour demand in those fields and the jobs young people actually get.<sup>228</sup> Young people can have unrealistic expectations of the labour market. As explained by Future Connect:

we typically hear that young people are interested in fields such as video game design in which there are very few jobs. And the most popular VET courses; Sport and Recreation and Hair and Beauty offer relatively few full time job opportunities.<sup>229</sup>

It added that young people and their parents often do not understand, or do not have access to information on, the connection between career aspirations, subject choices, labour market demand and job security.<sup>230</sup> Inner Eastern LLEN noted this often leads to young people not finding employment in the field that they studied.<sup>231</sup> The 2019 National Student Outcomes Survey, an annual survey of Australian vocational education and training students, found that only 27.5% of students who graduated in 2018 were employed in the same occupation as their training course.<sup>232</sup>

Older jobseekers, particularly those who have been retrenched, might also have unrealistic expectations of salary and job opportunities.<sup>233</sup> Ms Oakley from the Committee for Gippsland explained:

we have got a lot of jobseekers coming out of high employment, potentially low skill-type job, into jobs that do not necessarily match the salary that they are used to. Some will take them, but they will always have that dissatisfaction that, 'I am in a lower paid role. I am not satisfied. I will continue to look for a job that is going to pay me

<sup>226</sup> National Disability Services, Submission 37, p. 4.

<sup>227</sup> Gippsland East LLEN, Submission 84, p. 8.

<sup>228</sup> Inner Eastern LLEN, Submission 21, p. 9; Future Connect, Submission 26, p. 6; Victorian LLENs, Submission 98, p. 4.

<sup>229</sup> Future Connect, Submission 26, p. 6.

<sup>230</sup> Ibid., p. 9.

<sup>231</sup> Inner Eastern LLEN, Submission 21, p. 11.

<sup>232</sup> National Centre for Vocational Education Research, Australian vocational education and training statistics: VET student outcomes 2019, NCVER, Adelaide, 2019, p. 8.

<sup>233</sup> Hume City Council, Submission 61, p. 6; Ms Jane Oakley, Transcript of evidence, p. 12.

more'. Typically these workers have learned on the job, so not all of them have a formal qualification, which presents some challenges as you sort of age and you are looking for job opportunities.<sup>234</sup>

Hume City Council gave a similar example of retrenched workers following the closure of the Ford automotive manufacturing site at Broadmeadows, which also led to job losses along the supply chain. These jobseekers faced increased competition for the few jobs available in their field and some struggled to adapt to a different work environment.<sup>235</sup>

Labour market conditions are changing again due to the COVID-19 pandemic and jobseekers will need to adapt their expectations. While the pace of economic recovery is uncertain, the Reserve Bank of Australia warned of potential long-lasting effects on the economy as businesses take time to re-establish and restore workforces and consumers and businesses adopt different mindsets and behaviours.<sup>236</sup>

**FINDING 5:** Jobseekers with poor access to the opportunities and resources they need to gain the skills, education and experience required by the labour market may face barriers to finding and retaining sustainable employment.

# 2.2 Complex barriers need intensive services tailored to the jobseeker

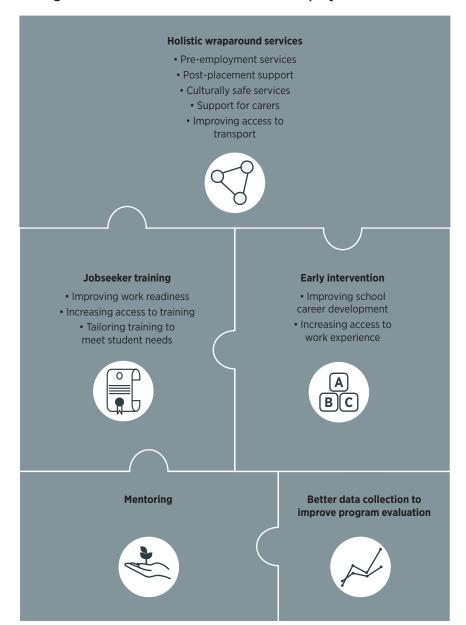
Some individual employment barriers can be addressed logistically. For example, child care access can be provided to a single parent or a refugee's English proficiency can be improved through better training. Other barriers, such as poor confidence, experience of trauma or a criminal record are harder to overcome. Jobseekers facing multiple and complex barriers to employment need more intensive support. The balance of this chapter discusses strategies to address individual barriers to employment, which are summarised in Figure 2.2.

<sup>234</sup> Ms Jane Oakley, Transcript of evidence, p. 12.

<sup>235</sup> Hume City Council, Submission 61, p. 6.

<sup>236</sup> Reserve Bank of Australia, Statement on monetary policy: May 2020, Reserve Bank of Australia, Sydney, 2020, p. 87.

Figure 2.2 Strategies to address individual barriers to employment



# **2.2.1** Holistic, wraparound services are the first step in addressing disadvantage

Stakeholders were adamant that employment services for jobseekers facing disadvantage are only successful if they take a holistic approach and provide wraparound services tailored to each jobseeker's individual barriers. A holistic approach, which addresses all aspects of a jobseeker's life, is more likely to get jobseekers into a position where they are work ready and more likely to stay in

employment.<sup>237</sup> Also, it recognises the diversity of jobseekers' experiences and acknowledges that a one-size-fits-all approach to employment services is ineffective, especially in cases of severe disadvantage.

A holistic approach is achieved through wraparound services, which are support services tailored to an individual's needs and delivered by different providers in a coordinated manner.<sup>238</sup> Wraparound services include services to address personal issues such as housing stress, mental health and substance dependence, delivered alongside services to address work-related barriers such as poor English proficiency and internet access. The individual jobseeker often has one main contact who coordinates these services. In contrast, mainstream employment services are more focused on job placement and do not provide this level of coordinated support.<sup>239</sup>

McAuley Community Services for Women is a good example of a service provider that provides holistic, wraparound services. As explained by its Chief Executive Officer, Ms Jocelyn Bignold, McAuley:

work on a case management basis, so one to one, and the self-esteem, the motivation and even driving them to an interview, those sorts of things. It is a really practical response. We have caseloads of one case manager to 40, and we do a lot of intensive support. We also work in partnership with Fitted for Work, because there is nothing better than when you are fitted properly and looking good. We also have a really good partnership with WEstjustice financial and legal clinics, and they have, in less than two years, resolved \$400,000 worth of debt. So if you can think about that in terms of looking for work and just your overall outlook in life, those are the factors that really make a difference.<sup>240</sup>

Examples of the wraparound services McAuley Community Services for Women provides its clients are provided in Case studies 2.9 and 2.10.

<sup>237</sup> Inner Eastern LLEN, Submission 21, p. 5; St Vincent de Paul Society Victoria, Submission 31, p. 3; AMES Australia, Submission 34, p. 10; Foundation House-The Victorian Foundation for Survivors of Torture, Submission 45, p. 4; McAuley Community Services for Women, Submission 52, p. 16; Westjustice Community Legal Centre and Springvale Monash Legal Service, Submission 62, p. 5; Life Without Barriers, Submission 63, p. 4; Council to Homeless Persons, Submission 76, p. 1; Give Where You Live Foundation and GROW G21 Region Opportunities for Work, Submission 82, p. 5; National Employment Services Association, Submission 87, p. 7; Centre for Multicultural Youth, Submission 89, p. 16; National Social Security Rights Network, Submission 92, p. 5; Victorian Multicultural Commission, Submission 97, p. 4; Ms Tracy Adams, Chief Executive Officer, yourtown, public hearing, Melbourne, 4 September 2019, Transcript of evidence, p. 24; Ms Tina Hosseini, Commissioner, Victorian Multicultural Commission, public hearing, Melbourne, 4 September 2019, Transcript of evidence, p. 31.

<sup>238</sup> Apprenticeship Employment Network, Submission 19, p. 7; Wyndham Community & Education Centre, Submission 20, p. 3; Inner Eastern LLEN, Submission 21, p. 6; Victorian Alcohol and Drug Association, Submission 22, p. 7; Brimbank City Council, Submission 32, p. 5; Anglicare Victoria, Submission 42, p. 10; Carlton Neighbourhood Learning Centre, Submission 47, p. 2; Mission Australia, Submission 64, p. 2; Good Shepherd Australia New Zealand, Submission 78, p. 11; G21–Geelong Region Alliance, Submission 80, p. 2; Ms Sue Sealey, Transcript of evidence, p. 12; Ms Gina Chinnery, National Vocational Services Manager, Orygen, The National Centre for Excellence in Youth Mental Health, public hearing, Melbourne, 4 September 2019, Transcript of evidence, p. 22; Ms Jocelyn Bignold, Chief Executive Officer, McAuley Community Services for Women, public hearing, Melbourne, 4 September 2019, Transcript of evidence, p. 39; Ms Robyn Stevens, Director, Community Life, City of Greater Geelong, public hearing, Geelong, 24 October 2019, Transcript of evidence, p. 1; Ms Melanie Field-Pimm, Manager, Development, Victorian Association for the Care and Resettlement of Offenders, public hearing, Melbourne, 19 November 2019, Transcript of evidence, p. 19; Parliament of Australia, House of Representatives Select Committee on Intergenerational Welfare Dependence, Living on the edge: Inquiry into intergenerational welfare dependence, February 2019, p. 45.

<sup>239</sup> McAuley Community Services for Women, Submission 52, p. 17.

<sup>240</sup> Ms Jocelyn Bignold, Transcript of evidence, p. 39.

#### CASE STUDY 2.9: 'Her work ethic and attitude are so valued'

"'Jenny' left school in year eight. At 24 she had already experienced a life she described as 'chaotic'—marked by a violent relationship, struggles with addiction, and a battle to manage as a single mum to two children, including one with special needs.

To get Jenny job-ready, a McAuley Works case manager helped build her self belief and confidence, assisted her in preparing a résumé and practising for job interviews, and supported her to meet and register with a labour hire company that now has an established relationship with McAuley Works.

Through a collaboration with Yarraville Community Centre's Reconnect program, McAuley Works was able to offer Jenny training programs and access funds for petrol and upfront costs for safety equipment and uniform that were required for the job she was offered.

Now that she has secured a job, she has financial independence, and pride in knowing that her work ethic and attitude are so valued that she is the first one to be called for extra shifts.

She has been able to remove herself from a situation of family violence and has new social connections and friendships.

She has an enhanced sense of self and identity, and a new story to counter one of her as a 'victim' of family violence.

She is building strengths which will help her to withstand further challenges that her life may very well throw up.

There had been concerns that Jenny could not care for her children, but they are now seeing a mother who is flourishing.

'It means I am not as stressed and frustrated. I have more energy and patience with my kids and it's helped me enjoy my time with them more,' says Jenny.

The chances are much better that her children will be able to avoid a cycle of poverty and disadvantage.'

Source: McAuley Community Services for Women, Submission 52, p. 14.

# CASE STUDY 2.10: 'I feel like I have my life back'

'Being university-educated hadn't saved Tamara, a woman born overseas, from enduring 17 years as virtual slave labor by her violent husband after she came to live in Australia.

When she left the abusive relationship, she owed more than \$25,000 in debts for unpaid utility bills, credit cards, a Centrelink debt, and a personal loan she used to pay for her daughter's tombstone.

Tamara was firstly supported in our [McAuley's] crisis accommodation. This, she says, gave her time and space to reflect and recover on the trauma she had experienced, and plan for a new and safe future.

She was then linked to both McAuley Works for employment, and to our community legal service partner WEstjustice. She needed legal help with the debt which was weighing heavily on her mind and making it impossible for her to start afresh.

The debts were all able to be waived after negotiations by WEstjustice, and Tamara was also supported into a new job.

She is also now able to afford to rent, and has been re-united with her teenage son, who had to stay behind when Tamara first left the violence. He is now studying at university.

Tamara made contact with us recently to say: 'I feel like I have my life back'.'

Source: McAuley Community Services for Women, Submission 52, pp. 14-15.

Mission Australia, a charity that helps vulnerable people gain independence, gave other examples of holistic, wraparound programs offered through its social enterprises Charcoal Lane and Synergy Auto Repairs. Charcoal Lane is a restaurant in Fitzroy specialising in native Australian food that provides a comprehensive training program for Aboriginal young people facing employment barriers, and Synergy Auto Repairs is a smash repair workshop in North Melbourne that provides a flexible accredited training program for young people aged 16–20 with a history of motor vehicle related offences. Both enterprises offer six-month programs that address participants' personal challenges and provide 'an opportunity to address those barriers through a dedicated social worker in our environments to support those young people.'<sup>241</sup> Case studies 2.11 and 2.12 illustrate the support that Charcoal Lane provides its trainees.

<sup>241</sup> Mr Troy Crellin, *Transcript of evidence*, p. 7.

# **CASE STUDY 2.11:** 'The program at Charcoal Lane made a bigger difference than I could possibly have imagined'

'Mark\* is a 32-year-old Aboriginal man who was a former trainee at Charcoal Lane. As a young man, Mark struggled with his Aboriginal identity due to experiences of bullying and discrimination. Due to his father's alcohol dependence, Mark also witnessed and experienced domestic and family violence. As a child, he was moving between several out of home care placements, which contributed to feeling unstable and being disconnected from his culture and community. Mark stated that he turned to drugs to block the traumatic experiences as a child. He was dependent on ice for over 2 years. He participated in Charcoal Lane, however, dropped out of the program as he was unable to break his drug dependence.

A life threatening heart attack caused by excessive drug use caused Mark to reflect on his life. He decided to recommence his training at Charcoal Lane. Mark stated "I finally got sick and I was in a bad place mentally, physically and spiritually, and resolved to turn my life around. And the program at Charcoal Lane made a bigger difference than I could possibly have imagined. I knew I wanted the change and the environment there [at Charcoal Lane] was exactly what I needed. As much as it was learning to work in a busy commercial kitchen, it was equally about the structure, responsibility, and sense of community and pride that came with it."

Participating in training at Charcoal Lane provided him with an opportunity to develop a passion for promoting native food. Following his training, he was working four shifts at Charcoal Lane, Mark also worked as a Junior Facilitator at Dardi Munwurro Aboriginal Men's Group. During his period of recovery, the Men's Group provided him with a sense of belonging and a place of healing.

Since completing his training at Charcoal Lane, Mark has progressed in his career as a chef including a role at Noma Australia.'

\*Name has been changed.

Source: Mission Australia, Submission 64, pp. 10-11.

# CASE STUDY 2.12: 'Charcoal Lane has been a really big support for me'

'I am 21 years old. I am a proud Wurundjeri woman, and I guess my journey to Charcoal Lane started before my coming to Charcoal Lane. I left home when I was 14 ... Having been in rehab for the last 18 months, I kind of needed to find something that, I guess, brought me back to culture and gave me a chance. Having an addiction and being an Aboriginal woman, it is hard when you try and tell someone that ...

I found Charcoal Lane—a friend said, 'We should go to an Aboriginal restaurant'. I looked it up and I noticed that they had traineeships, so I gave them a call and they were like, 'Oh, yeah, come in next week'. I came in, and that is how I got into the program. Since being in the program, having that consistency and I guess someone that understands your background and where you come from and what you have been through and the mistakes you have made and still respects you as a person has been very helpful. Because there a lot of workplaces that I have gone into, as soon as they hear that you are still in rehab and stuff like that they judge you straightaway on that. So Charcoal Lane has been a really big support for me. Even waking up some mornings, being a very tough morning and going to work, they hear me out, and I am still able to work. There are some times when I do miss shifts, and they are very understanding of that, knowing what is going on in my life and stuff like that.'

#### **Brandi**

Source: Brandi, trainee, Charcoal Lane, public hearing, Melbourne, 19 November 2019, *Transcript of evidence*, p. 48.

According to Ms Robyn Stevens, Director, Community Life at the City of Greater Geelong, it is crucial for jobseekers to have one central contact person who can coordinate all services, which also avoids competition for funding between service providers. The Council uses this approach for its Regional Industry Sector Employment (RISE) program, which connects jobseekers with the local construction industry. RISE provides:

a key contact that helps someone to navigate the system so that they can access those services. And creating a less competitive environment so people are more open with information and resources is a way to better achieve that, I think, and then making sure that the central point coordinates all the information so that we can track the level of success. For example, if a person is needing a mental health care plan and they have a number of goals as part of that, there is regular checking in on how you are going so that that caseworker-type model can refer them back to say, 'Oh, look, it's not really working'. Because what often happens is that the people will not want to necessarily say that they have not been following their core plan. So it is about creating that safe environment with a person at the centre and a system working around them rather than the more fragmented approach which can evolve at times with a lot of providers.<sup>242</sup>

<sup>242</sup> Ms Robyn Stevens, Transcript of evidence, p. 6.

Due to the high levels of disadvantage some jobseekers experience, it can take them many months or years of support services until they are work ready. When asked how long it typically takes a disadvantaged jobseeker to achieve work readiness, Ms Melinda Moore from BSL responded:

It depends, but for us, because we are working with a lot of refugees and asylum seekers, there are multiple barriers, including the language barrier. So it might take up to three years before someone is ready for sustainable employment. It may take longer. Sometimes it could take up to five years because by the time people actually move through a number of maybe community-based language classes and into accredited training, potentially they move into another sort of course that actually gives them some skills for work. Then they may be needing work experience and then they might move into a job. It is a stepping stone process once you are ready for work as well, so it might be that you have a number of shorter term jobs or jobs that do not have very many hours a week until you get into the job that actually sustains you and is long term. So it is a long process for some people.<sup>243</sup>

Providing holistic, wraparound services can be resource-intensive and expensive. However as the Greater Dandenong Regional Employment Taskforce stated in its submission, the cost of providing individual customised support services is significantly outweighed by the costs associated with unemployment such as expenditure on policing, justice and health services.<sup>244</sup>

The Victorian Government's Jobs Victoria programs were designed to provide targeted support to jobseekers facing multiple barriers. One of the key features of the Jobs Victoria model is 'flexible, outcome-focused support', which is 'tailored to suit the individual needs of jobseekers' and offers 'all jobseekers bespoke and targeted assistance based on their specific needs and circumstances, including pre-employment and post-employment support.'<sup>245</sup>

The Jobs Victoria Employment Network (JVEN), which is the main Jobs Victoria program, was well regarded by most stakeholders who provided evidence to the Committee. While raising areas for improvement, which are discussed in Chapter 4, most stakeholders praised JVEN for its more holistic approach compared with other government employment programs and argued that it should be funded beyond its current funding period, which was originally due to end in 2020.<sup>246</sup>

<sup>243</sup> Ms Melinda Moore, *Transcript of evidence*, p. 7.

<sup>244</sup> Greater Dandenong Regional Employment Taskforce, Submission 54, p. 11.

<sup>245</sup> Department of Jobs, Precincts and Regions, Submission 99, p. 12.

<sup>246</sup> For example, Wyndham Community & Education Centre, Submission 20, p. 3; AMES Australia, Submission 34, p. 23; National Disability Services, Submission 37, p. 7; Foundation House-The Victorian Foundation for Survivors of Torture, Submission 45, p. 6; Ethnic Communities' Council of Victoria, Submission 58, p. 9; WEstjustice Community Legal Centre and Springvale Monash Legal Service, Submission 62, p. 1; Jesuit Social Services, Submission 83, p. 8; Centre for Multicultural Youth, Submission 89, p. 21; Centre for Policy Development, Submission 93, p. 1; Victorian Council of Social Service, Submission 95, p. 12; Victorian Multicultural Commission, Submission 97, p. 6; Ms Annabel Brown, Program Director, Centre for Policy Development, public hearing, Melbourne, 3 September 2019, Transcript of evidence, p. 12; Ms Mary Sayers, Chief Executive Officer, Children and Young People with Disability Australia, public hearing, Melbourne, 4 September 2019, Transcript of evidence, p. 43; Ms Deborah Fewster, Manager, Advocacy and Engagement, Victorian Council of Social Service, public hearing, Melbourne, 3 September 2019, Transcript of evidence, p. 56; Ms Jenny Smith, Transcript of evidence, p. 58.

**FINDING 6:** The Jobs Victoria Employment Network is a valued service providing a holistic approach and customised supports that address the individual barriers to employment experienced by jobseekers facing disadvantage.

**RECOMMENDATION 2:** That the Victorian Government continue funding the Jobs Victoria Employment Network for a further five years.

While JVEN is an improvement on mainstream employment services, stakeholders identified several areas where wraparound services could be enhanced to improve employment outcomes for jobseekers facing disadvantage. Their suggestions are discussed below.

## Adequately remunerating pre-employment services

As mentioned above, jobseekers experiencing high levels of disadvantage need significant support and time to become work ready. In addition to developing employability skills so they can succeed in finding and keeping a job, they also need support to remove or adequately manage personal barriers to employment. Often they need to address their personal barriers first before having the capacity to develop the skills and attitudes required to successfully perform a job.<sup>247</sup> This is illustrated in Case study 2.13.

Mr David Clements, Deputy Secretary, Inclusion at the Department of Jobs, Precincts and Regions (DJPR), which oversees JVEN, acknowledged the complexity of support needed prior to a jobseeker becoming work ready:

to have an effective employment service you have got to help people get ready to work—you cannot just throw them into a job, particularly if they have not had that life experience of employment; and a holistic approach—a person might come who has had a historical battle with mental illness, perhaps, or alcohol and drug use, and you need that holistic support to help a person sustain employment. You need providers that both are alive to the challenges of, say, a person with a mental illness and also understand the employment landscape. What do employers want? What does a person need to secure a job that can last and help them? Flexibility is really important; it is not a one-size-fits-all model. Some people are going to be far easier to place because of their background and skills than others, and you need to tailor your response accordingly.<sup>248</sup>

<sup>247</sup> Jeff Borland, et al., What are best-practice programs for jobseekers facing high barriers to employment?, policy brief, no. 4/16, Melbourne Institute. Melbourne. June 2016. p. 9.

<sup>248</sup> Mr David Clements, Deputy Secretary, Inclusion, Department of Jobs, Precincts and Regions, public hearing, Melbourne, 3 September 2019, *Transcript of evidence*, p. 2.

# **CASE STUDY 2.13:** 'She needed to settle at least some parts of her life before the efforts to get work could begin'

'Akanke, a young African-born woman, first came into contact with McAuley when due to family issues, she left her home in regional Victoria and came to Melbourne, where, lost and alone, she knocked on the door of our McAuley House. She was 'jumping from couch to couch' with nowhere to stay when she came across our service.

She was put in touch with McAuley Works and linked with 'Fitted for Work', where she was kitted out from head to toe in business clothing, including appropriate shoes and accessories.

Akanke recalls: 'My case manager Lorraine drove to my location, bought me a hot chocolate, and made me feel comfortable. She gave me hope that I wasn't doing this by myself, and she would support me with getting my CV up and running to attract more jobs.

'Within a week I received six interviews and a full time job.

'My new job was with an interpreting company. While there I sometimes received calls from McAuley House booking interpreters to help other women get on their feet. It was always emotional speaking with them because that's where I started as well.'

Lorraine says: 'There were so many things going on in Akanke's life, and the first step was about building trust. She needed to settle at least some parts of her life before the efforts to get work could begin.

'Finding a job made an extraordinary difference in every possible way. You could hear the change just in her voice. Not only did her confidence return; Akanke began making friends and mixing with people her own age'.'

Source: McAuley Community Services for Women, Submission 52, p. 15.

However, as several stakeholders mentioned, JVEN and other government employment programs do not remunerate service providers for the amount of work they put in to get jobseekers with multiple barriers work ready.<sup>249</sup> Instead, JVEN service providers are paid when they have placed a jobseeker in employment and when that jobseeker has stayed in that placement for 26 weeks.

<sup>249</sup> Give Where You Live Foundation and GROW G21 Region Opportunities for Work, *Submission 82*, p. 5; Whitelion, *Submission 94*, p. 8.

Mr Bill Mithen, Chief Executive Officer of the Give Where You Live Foundation, an organisation that delivers programs to address the effects of disadvantage in Geelong, considers this a gap in the employment services market:

[Project Coordinator] Leah does a whole heap of work sometimes with people just so they walk out their front door, and she works with them for weeks, sometimes months, and no-one is getting paid for that, because it is not even close to a placement—not even remotely close to a placement. It might take two years before you even get that person into a placement and then an outcome. No-one is getting paid for that. So effectively what government services are saying is, 'We're going to rely on the goodwill of charitable work or the goodwill of somebody' to just do that work for them.<sup>250</sup>

This funding model, used by both the Victorian and Australian governments, can act as a disincentive for service providers to work with jobseekers facing multiple employment barriers and who will take longer to place. They will instead prefer to work with a jobseeker who is work ready and more likely to stay employed because it increases their chances of achieving an outcome and getting paid.<sup>251</sup> Outcomes-based funding also ignores the complex barriers faced by jobseekers whose circumstances may change over time resulting in them engaging, disengaging and re-engaging with services.<sup>252</sup>

A funding model based on improving job readiness would encourage service providers to invest in jobseekers facing multiple employment barriers who are most in need. It would also be more effective at keeping highly disadvantaged jobseekers in sustainable employment over the long term.<sup>253</sup>

Both the Hume City Council and the Greater Dandenong Regional Employment Taskforce suggested that service effectiveness in such a model could be measured and funded using the Employment Readiness Scale (ERS).<sup>254</sup> The ERS tool was developed and tested under the sponsorship of the Canadian Government and it assesses jobseekers' strengths and challenges to becoming successfully employed. The initial assessment identifies the jobseeker's work readiness and the types of assistance needed. Improvement in work readiness can be measured by retaking the assessment following any intervention. Ms Jennifer Ebdon, Community Revitalisation Project Co-ordinator at the Greater Dandenong Regional Employment Taskforce, explained the benefits of using the ERS:

<sup>250</sup> Mr Bill Mithen, Chief Executive Officer, Give Where You Live Foundation, public hearing, Geelong, 24 October 2019, *Transcript of evidence*, p. 14.

<sup>251</sup> Whitelion, Submission 94, p. 8; Brotherhood of St Laurence, Submission 96, p. 20; Ms Anne O'Brien, Director, G21 Region Opportunities for Work (GROW), public hearing, Geelong, 24 October 2019, Transcript of evidence, p. 15; Mark Considine, et al., Improving outcomes for disadvantaged jobseekers: the next generation of employment services—response to discussion paper, The Policy Lab, University of Melbourne, Melbourne, 2018, p. 10.

<sup>252</sup> The Gordon, Submission 100, p. 3.

<sup>253</sup> Ms Jennifer Ebdon, Community Revitalisation Project Coordinator, Greater Dandenong Regional Employment Taskforce, public hearing, Warragul, 11 December 2019, Transcript of evidence, p. 18; Ms Annabel Brown, Transcript of evidence, p. 16; Ms Lauren Kerr, Senior Project Officer, Flemington Revitalisation Project, Moonee Valley City Council, public hearing, Melbourne, 3 September 2019, Transcript of evidence, p. 34; Borland, et al., What are best-practice programs for jobseekers facing high barriers to employment?, p. 17.

<sup>254</sup> Hume City Council, Submission 61, p. 18; Ms Jennifer Ebdon, Transcript of evidence, p. 18.

That way, you have got an objective way of assessing work readiness and when a jobseeker might be totally not work ready, minimally work ready—at which point they are highly likely not to maintain employment if they get it—or fully job ready, in which case they have a much higher likelihood of maintaining that employment. So it is really work readiness, we believe, that should be the focus of employment programs, because employment comes as an outcome of being work ready. People who are not work ready are sent into employment but not necessarily sustainable.<sup>255</sup>

Without adequate support services, jobseekers with multiple employment barriers will not achieve the work readiness needed to find and retain sustainable employment. Instead, these jobseekers will bounce in and out of work and not overcome their disadvantage. The effectiveness of JVEN, which specifically works with jobseekers facing disadvantage, could be improved by providing service providers financial incentives to enhance the work readiness of their clients.

**FINDING 7:** Jobseekers facing disadvantage are more likely to achieve sustainable employment if they receive adequate support services to get them work ready.

**FINDING 8:** Outcomes-based funding models for employment services discourage service providers from investing time and effort in jobseekers facing disadvantage who are difficult to place.

**RECOMMENDATION 3:** That the Department of Jobs, Precincts and Regions review the Jobs Victoria Employment Network funding model to consider remunerating service providers for improvement in work readiness using the Employment Readiness Scale or a similar measurement tool to assess service effectiveness.

# **Extending post-placement support**

The Committee heard that often the real challenge in employment services is not placing a jobseeker into employment, but keeping them there. Particularly for jobseekers facing disadvantage, post-placement support is essential to identify and manage any issues that may arise and threaten the jobseeker's ability to stay employed. This support is needed at the start of the work placement and beyond.<sup>256</sup>

<sup>255</sup> Ms Jennifer Ebdon, Transcript of evidence, p. 19.

<sup>256</sup> Wyndham Community & Education Centre, Submission 20, p. 5; Inner Eastern LLEN, Submission 21, p. 6; Ethnic Communities' Council of Victoria, Submission 58, p. 12; WEstjustice Community Legal Centre and Springvale Monash Legal Service, Submission 62, p. 5; Life Without Barriers, Submission 63, p. 5; Aspergers Victoria, Submission 71, pp. 5–6; National Employment Services Association, Submission 87, p. 13; Mr David Peart, Chief Executive Officer, Geelong Manufacturing Council, public hearing, Geelong, 24 October 2019, Transcript of evidence, p. 28; Mr Stephen Ward, Executive Director, Education Training and Employment, Jesuit Social Services, public hearing, Melbourne, 4 September 2019, Transcript of evidence, p. 12.

#### As Mr Clements from DJPR said:

you cannot just leave a person in a job and then just hope for the best. You need to continue to engage with both the employer and the jobseeker to make sure that is a success and that the job sticks and the job lasts for them.<sup>257</sup>

The peak body of the Australian employment services sector, the National Employment Services Association, added:

Given disadvantaged job seekers are often challenged meeting employers expectations for even entry level positions, their risk of displacement without further skill development, is high. The range of issues, which impact on disadvantage[d] job seekers capacity to maintain employment, are often episodic and/or personal crisis related. As such post placement support opportunities need to be flexible and of adequate duration.<sup>258</sup>

Ms Angie Rowe, who started work at a catering business in Ballarat after years of unemployment, explained how important post-placement support is for her:

I still contact my job provider, Kirsten, and talk on a week-to-week basis kind of thing for my confidence and stuff as well. It just helps me keep that level head, I guess, about work. If I have got any questions or I am too scared to ask the boss, I will present it to her: 'How do I say it?', or stuff like that ...

If I fail at something, they are still going to be there. They are not going to just wipe me off because I failed  $...^{259}$ 

While the need for adequate post-placement support is well established, the Committee heard that government programs currently fund it for 26 weeks and that this should be extended to at least 12 months.<sup>260</sup>

Ms Moore from BSL explained how her organisation provides post-placement support for more than six months:

post-placement support can go on for quite a long time. Usually in the sort of first six months it can be quite intense, and the fieldworkers actually visit regularly to make sure that the person is settled and everything is okay. But then after that it can be sort of ongoing field visits or phone calls from the employer or the person.<sup>261</sup>

<sup>257</sup> Mr David Clements, *Transcript of evidence*, p. 2.

<sup>258</sup> National Employment Services Association, Submission 87, p. 13.

<sup>259</sup> Ms Angie Rowe, public hearing, Ballarat, 23 October 2019, Transcript of evidence, p. 44.

<sup>260</sup> Greater Dandenong Regional Employment Taskforce, Submission 54, p. 4; Djerriwarrh Community & Education Services, Submission 66, p. 3; Mr Stephen Ward, Transcript of evidence, p. 13; Mr David Peart, Transcript of evidence, p. 28; Ms Sandra George, Manager, Greater Dandenong Regional Employment Taskforce, public hearing, Warragul, 11 December 2019, Transcript of evidence, p. 20.

<sup>261</sup> Ms Melinda Moore, Transcript of evidence, p. 12.

Some young people from Charcoal Lane continue to need support for many years, even a decade, after engaging with the program. According to Mr Troy Crellin from Mission Australia who manages the program:

As an example, there are young people from our 2009 program that are tapping back into those supports ... we see ourselves and our post-placement support as that person to go to, to then bounce back into the other supports.<sup>262</sup>

Ms Smith from the Council to Homeless Persons added that post-placement support should have the flexibility to be adjusted up or down in response to people's needs, stating:

I might be in a job and I might not need support for nine months, but when I do I really do, and people have got to know me and come back in and help me resolve whatever situations emerge and help me keep that job.<sup>263</sup>

Stakeholders suggested JVEN adopt a similar model used by the Australian Government's Disability Employment Services (DES), where access to post-placement support is available for a longer period in recognition of the multiple employment barriers people with disability face.<sup>264</sup>

Under DES, post-placement support is provided to participants for the first year of employment and participants can request ongoing support after that year for as long as they need it. When a participant requests ongoing support, an independent assessment is made every 12 to 18 months to determine the level of support they require. The participant can then access that support as long as they are working for at least eight hours per week on average.<sup>265</sup>

Since JVEN is targeted to jobseekers facing multiple employment barriers, the Victorian Government could improve employment outcomes by extending JVEN's post-placement support so that it resembles the level of support provided in the DES model.

**FINDING 9:** New recruits facing disadvantage often require continued post-placement support beyond the first 26 weeks of employment offered by most government employment programs.

**RECOMMENDATION 4:** That the Department of Jobs, Precincts and Regions adopt a similar post-placement support model to Disability Employment Services whereby Jobs Victoria Employment Network participants can request post-placement support beyond 26 weeks if and when required.

<sup>262</sup> Mr Troy Crellin, *Transcript of evidence*, p. 12.

<sup>263</sup> Ms Jenny Smith, Transcript of evidence, p. 59.

<sup>264</sup> Mr Bill Mithen, *Transcript of evidence*, p. 15; Victorian Alcohol and Drug Association, *Submission 22*, p. 6; G21–Geelong Region Alliance, *Submission 80*, p. 2

<sup>265</sup> Department of Social Services, *DES services*, 2018, <a href="https://www.jobaccess.gov.au/people-with-disability/des-services">https://www.jobaccess.gov.au/people-with-disability/des-services</a> accessed 31 January 2020.

## Supporting jobseekers with caring responsibilities

Jobseekers with caring responsibilities struggle to find and retain employment if they have no support or resources to manage this care. For example, employment may be unfeasible for women with young children who do not have access to affordable child care that is available when they need it.<sup>266</sup> Child care expenses might account for a large part of a mother's wage and most child care centres operate during the standard work hours of 6 am to 6 pm on weekdays, which is incompatible with weekend or evening work.<sup>267</sup>

As Dr Sarah Squire, Head of the Women's Research, Advocacy and Policy Centre at Good Shepherd Australia New Zealand, explained, standard child care is also incompatible with casual work:

if you are buying child care you have to book it in advance and you cannot unbook it at the last minute; you have to pay for it. So a woman who is doing casual work who loses her shift at the last minute still has to cover child care. So that is a key barrier, particularly for that cohort.<sup>268</sup>

In 2013 and 2014, the Australian Government conducted its Child Care Flexibility Trials to determine how to meet the needs of parents who work non-standard hours or variable hours. It found that long day care with extended hours was not viable in the trial centres because of low enrolments (due to the extra cost and need to book in advance) and because the centres needed sufficient permanent enrolments to offer the service.<sup>269</sup>

The same study found that parents, particularly those who work shifts, have inflexible work hours, are single parents or who have a partner who works shifts, want more flexibility in the workplace.<sup>270</sup> So in addition to affordable and accessible child care, women with young or school-age children need flexible work arrangements and leave entitlements to enable them to fulfil their caring responsibilities.

Work flexibility should be extended to all employees to enable them to manage caring responsibilities in relation to children, older family members and family members with disability.<sup>271</sup> Good Shepherd Australia New Zealand argued that women would have better employment outcomes if men increased their share of unpaid care. This could be achieved by encouraging men to take parental leave, carer's leave and flexible working arrangements.<sup>272</sup>

<sup>266</sup> Ms Stella Avramopoulos, *Transcript of evidence*, p. 38; Associate Professor Leah Ruppanner, Co-Director, The Policy Lab, University of Melbourne, public hearing, Melbourne, 3 September 2019, *Transcript of evidence*, p. 13.

<sup>267</sup> Associate Professor Leah Ruppanner, Submission 4, p. 1.

<sup>268</sup> Dr Sarah Squire, Head of Women's Research, Advocacy and Policy Centre, Good Shepherd Australia New Zealand, public hearing, Melbourne, 4 September 2019, *Transcript of evidence*, p. 38.

<sup>269</sup> Jennifer Baxter and Kelly Hand, Flexible child care: key findings from the AIFS evaluation of the Child Care Flexibility Trials, Australian Institute of Family Studies, Melbourne, 2016, p. 2.

<sup>270</sup> Ibid., p. 15.

<sup>271</sup> Good Shepherd Australia New Zealand, Submission 78, p. 5; Associate Professor Leah Ruppanner, Submission 4, p. 2.

<sup>272</sup> Good Shepherd Australia New Zealand, Submission 78, pp. 5-6.

Encouraging fathers to take parental leave would also help weaken the notion of women being the primary caregivers. The Australian Government's Paid Parental Leave scheme is mostly used by women (99.4% in 2012–13), as are employer-funded paid parental leave schemes. Of the Australian managers who took employer-funded primary carer's parental leave in 2015–16, 8.4% were male, but this fell to 4.6% for non-managers.<sup>273</sup> Employers that encourage and normalise fathers utilising parental leave and flexible work would encourage greater uptake of these arrangements among men.

**FINDING 10:** Caring responsibilities for children, older family members and family members with disability limit jobseekers' ability to find and retain suitable work.

**FINDING 11:** Poor access to affordable child care and child care that is available beyond standard work hours can prohibit mothers from finding and retaining employment.

**RECOMMENDATION 5:** That the Victorian Government encourage men in the public sector to take parental leave and flexible working arrangements.

**RECOMMENDATION 6:** That the Victorian Government encourage medium and large-sized enterprises to offer flexible working arrangements to all employees so they can fulfil caring responsibilities for any family member.

**RECOMMENDATION 7:** That the Victorian Government through the National Cabinet advocate for measures that encourage greater flexibility and improved access to affordable child care for jobseekers facing disadvantage.

# Helping jobseekers without a driver licence or vehicle

Moonee Valley City Council referred to research showing that jobseekers facing disadvantage are less likely to own a vehicle or have a valid driver licence. This was particularly the case for women, public housing tenants and refugees. The location of jobs and services can require extensive travel even in metropolitan areas, so the inability to drive restricts social and economic participation. Poor access to public transport in outer suburban Melbourne and regional Victoria exacerbates this isolation, as discussed further in Chapter 4.

<sup>273</sup> Workplace Gender Equality Agency, *Towards gender balanced parental leave: Australian and international trends*, insight paper, Australian Government, Sydney, October 2017, pp. 5, 7.

<sup>274</sup> Moonee Valley City Council, Submission 69, pp. 5-6.

<sup>275</sup> Ibid.; Inner Eastern LLEN, Submission 21, p. 17.

Moonee Valley City Council runs the DriveLink program, where volunteers supervise driving sessions for adults from a migrant or refugee background who are unable to gain enough driving practice to sit their drive test. The Council partners participants with a volunteer supervisor driver and provides access to a vehicle for the supervision if needed. It has found that DriveLink participants gain self-confidence, independence and better access to services, and the 'employability skills necessary to gain a job, are often learnt by participating in an extended mentoring program such as driver education.'<sup>276</sup>

The Transport Accident Commission funds the L2P Learner Driver Mentor Program, which assists learners aged 16–21 who do not have access to a supervising driver or vehicle to undertake the 120 hours of supervised practice required to apply for a probationary licence. The program is managed by VicRoads and is delivered by local councils or not-for-profit community agencies. However, several stakeholders stated that the L2P program has long waiting lists and cannot meet demand.<sup>277</sup> Also, jobseekers facing disadvantage who are aged over 21 do not have access to the program.

Ms Felicia Dean, Chief Executive Officer of the Rumbalara Aboriginal Co-operative, which provides health and community services to Goulburn Valley's Aboriginal and Torres Strait Islanders, believes there is 'a definite need for an Aboriginal driving school' to support young people particularly those in out-of-home care.<sup>278</sup> Ms Melinda Eason, RTO Manager at the Victorian Aboriginal Community Services Association Limited (VACSAL), a community-controlled organisation comprising of representatives from Koorie organisations across Victoria, also suggested:

a really good program would be an L2P program under an Aboriginal-controlled organisation. You could kind of blend a support worker/driving instructor, particularly for young people who have to get 120 hours and a lot of their family members maybe do not have their own licence to be able to support that process—it is a real barrier—and also for adults that have either lost their licence and need to get a new licence or have never driven. I think that is a very doable thing, and it would really make a massive difference in people's lives.<sup>279</sup>

Running an Aboriginal learner driver program through an Aboriginal-controlled organisation would provide a culturally safe space for learners and a mentor for the learner through the driving supervisor.

**FINDING 12:** There are not enough opportunities for jobseekers without a driver licence and access to a supervising driver or car, to gain the necessary practice to apply for a probationary licence.

<sup>276</sup> Moonee Valley City Council, Submission 69, p. 6.

<sup>277</sup> Inner Eastern LLEN, Submission 21, p. 19; Ms Robyn Stevens, Transcript of evidence, p. 4; Ms Khayshie Tilak Ramesh, Transcript of evidence, p. 53.

<sup>278</sup> Ms Felicia Dean, Transcript of evidence, p. 26.

<sup>279</sup> Ms Melinda Eason, RTO Manager, Victorian Aboriginal Community Services Association Limited, public hearing, Melbourne, 19 November 2019, *Transcript of evidence*, p. 6.

**RECOMMENDATION 8:** That the Victorian Government support the Transport Accident Commission to expand the L2P Learner Driver Mentor Program to offer more places in regional areas and to jobseekers facing disadvantage, and increase the upper age limit from 21 to 30 years.

**RECOMMENDATION 9:** That the Victorian Government support Aboriginal-controlled organisations across Victoria to run a volunteer driving school for Aboriginal learner drivers.

# **Ensuring Aboriginal jobseekers find support services culturally safe**

Jobseekers facing disadvantage will only persist with support services and employment services if they feel safe doing so. Cultural safety is particularly important for Aboriginal people, and they are more likely to succeed in training and employment programs that acknowledge and incorporate their culture.<sup>280</sup> Ms Eason from VACSAL, which offers Certificates III and IV in Community Services, agreed, stating:

From the moment our students come to VACSAL, they know they are culturally safe. Their identity will never be questioned, processes and protocols will be familiar and they are not a minority. This automatically reduces anxiety and stress and changes their perspective of what education and employment experience can be.<sup>281</sup>

Case study 2.14 illustrates the importance of training in a culturally safe environment.

In Canada, only majority Indigenous-owned, managed and controlled organisations can obtain government funding to provide employment services to Indigenous people. Since 2015, the Government of Canada's approach to Indigenous policy has shifted towards co-developing solutions with Indigenous peoples and handing control of Indigenous services and programs to Indigenous organisations. <sup>282</sup> In Australia, Aboriginal-controlled organisations help Aboriginal people exercise self-determination while providing culturally safe and appropriate services. The Victorian Government could help improve employment outcomes for Aboriginal people by supporting Aboriginal-controlled organisations to offer more education and employment services.

**<sup>280</sup>** Mr Jaiden Lillyst, Burron Guli Program Facilitator, Ballarat and District Aboriginal Co-operative, public hearing, Ballarat, 23 October 2019, *Transcript of evidence*, p. 36.

<sup>281</sup> Ms Melinda Eason. Transcript of evidence, p. 1.

<sup>282</sup> Candice St Aubin, 'Indigenous Skills and Employment Training (ISET) program: co-development of implementation', paper presented at Working Communities Congress Indigenous Employment Forum, Sydney, 2–3 October 2019, p. 2.

## CASE STUDY 2.14: 'It was the first time I had completed something'

'I am a Barngarla and Gubrun woman from Port Lincoln, South Australia, but I have been living in Victoria for about 10 years. My experience is I did not finish Year 12. I really struggled with high school so going forward, as soon as I turned 18, I just started working, so everything that I knew was learned on the job. That kind of served me for years, but I got to the point when I moved back to Melbourne—in 2017 I moved back here—I found myself unemployed. I did not have a home. My husband and I did not have anywhere to stay, so we ended up staying with his sister. He picked up work fairly quickly but I struggled, so I decided that I wanted to go and get a qualification. I wanted to get something that said I was qualified to do something. Through the grapevine I found Melinda and VACSAL [Victorian Aboriginal Community Services Association Limited], so I inquired about doing their course. I had actually inquired, I think, a year before, but I was too scared to kind of make that step. When I started training, like going into the classes, I was really, really nervous because I was a mature age student. I did not know anything about study. I was really new to it.

The biggest thing that I noticed walking in was I felt very safe. It was in a really culturally safe space. I had done mainstream courses in the past and I could not finish because the space was not comfortable for myself. It was also very stringent and not flexible. For myself as an Aboriginal woman, there would be times that I would have to take leave because I would have to go home for a funeral or there would be things that would come up with my family and I would have to go home. With mainstream courses I just could not catch up, whereas with this specific course they were very flexible. Any time that there was anything happening they would sit with me and make up the time. So that was really important for me ...

I finished that course. I was so proud of myself because it was the first time I had completed something. At the end of that, at graduation, I won one of the leadership awards. That meant the world to me as well. I then did a work placement at VACSAL in the Best Start program, and then I was successful in getting a job there, where I worked at VACSAL for about two or three years. That was the first time I had sustained employment for such a long time, because I learned so many work-ready skills at VACSAL that enabled me to sustain employment for that period. I then did the Diploma in Community Services, which again furthered my skills and my knowledge. I then decided that I wanted to move on to working in mental health, so I gained employment at the Victorian Aboriginal Health Service as an Aboriginal social and emotional wellbeing officer. I work primarily with acute inpatient wards in St Vincent's. For me, going through the whole process of starting education at a later age was really scary, but I managed to complete the Certificate IV in Community Services, the Diploma, and then I have sustained employment throughout this process, all with the support of Melinda and Josh and VACSAL. I have been successful to start studying a Bachelor of Social Work. I will be starting that next year in order to fulfil my goal.'

# **Elva Richards**

Source: Ms Elva Richards, student, Victorian Aboriginal Community Services Association Limited, public hearing, Melbourne, 19 November 2019, *Transcript of evidence*, p. 3.

**FINDING 13:** Aboriginal jobseekers are more likely to have successful employment outcomes if employment services are culturally safe.

**RECOMMENDATION 10:** That the Victorian Government support more Aboriginal-controlled organisations to become training and/or employment services providers.

# 2.2.2 Mentoring provides jobseekers vital support to find and stay in employment

Several stakeholders raised the importance of mentoring to help jobseekers facing disadvantage find work as well as support them once they begin a work placement.<sup>283</sup> Studies examining the impact of mentoring found that long-term programs pairing a mentee with a mentor who had similar life experiences improved mentees' confidence, social skills and employability skills as well as increased their chances of staying employed.<sup>284</sup> Mentors are able to help vulnerable new starters cope with individual barriers that might exacerbate once they enter or re-enter the workforce.<sup>285</sup>

Mentoring is particularly important for jobseekers who are socially isolated and do not have family members who can support them to manage workplace issues. For example, Ms Jane Gehrig who is the Economic Empowerment Worker at Women's Health Goulburn North East, stated:

Sometimes we do not realise how isolated these women are. They do not have supportive family sometimes to assist them through. They might not be engaged with caseworkers at the moment, and they might not have a friend—well, they do not have a work colleague if they are not working—so I think something like a mentor program could really help to gel and probably get some really good outcomes.<sup>286</sup>

Another example of the benefits of mentoring is provided in Case study 2.15.

<sup>283</sup> For example, AMES Australia, Submission 34, p. 3; Victorian Trades Hall Council and National Union of Workers, Submission 75, p. 11; Centre for Multicultural Youth, Submission 89, p. 19; Ms Tracy Adams, Transcript of evidence, p. 23; Ms Willow Kellock, Policy Officer, Centre for Multicultural Youth, public hearing, Melbourne, 4 September 2019, Transcript of evidence, p. 25; Mr Josef Szwarc, General Manager, Community and Sector Development, Foundation House-The Victorian Foundation for Survivors of Torture, public hearing, Melbourne, 4 September 2019, Transcript of evidence, p. 31; Mr Bruce King, Business Development, Apprenticeships, Gforce Employment Solutions, public hearing, Geelong, 24 October 2019, Transcript of evidence, p. 27; Mr Jeff Jackson, Manager, Veterans Advocacy and Welfare Support, Returned and Services League of Australia-Victorian Branch, public hearing, Melbourne, 19 November 2019, Transcript of evidence, p. 14.

<sup>284</sup> Victorian Trades Hall Council and National Union of Workers, Submission 75, p. 11.

<sup>285</sup> Ms Donna de Zwart. Transcript of evidence. p. 39.

<sup>286</sup> Ms Jane Gehrig, NILS/Economic Empowerment Worker, Women's Health Goulburn North East, public hearing, Shepparton, 20 November 2019, *Transcript of evidence*, p. 38.

# **CASE STUDY 2.15:** Marlene's story: 'Fitted for Work helped me see my strengths and strengthen my weaknesses'

'I was a victim of domestic violence and had participated in a program call "Women making choices." During that time, I had a car accident, due to my injuries I could no longer be a Dental Nurse. I needed help. I also needed clothes for job interviews. My sister in-law told me about Fitted for Work ...

Fitted for Work helped me see my strengths and strengthen my weaknesses, my mentor assisted me with the foundations Fitted for Work uncovered and supported me in building the structures on those foundations.

My mentor helped me see my assets and showed me how my skills and experiences related to my previous employment made me highly employable in other fields. She helped me realise my transferable skills ...

I received great assistance with my résumé and learnt about the importance of having more than one résumé for different industries.

I learnt more about what kind of jobs to look for, how to discern job applications and refining my applications when I wasn't successful.'

Source: Fitted for Work, Submission 56, pp. 10-12.

Young people with mental ill-health might also be socially isolated and benefit from a mentor. As Ms Gina Chinnery, National Vocational Services Manager at Orygen, The National Centre for Excellence in Youth Mental Health, explained, some young people 'might have been out of work for a couple of years, not have any friends or have been completely socially isolated'.<sup>287</sup> Orygen has a peer workforce, where a young person with lived experience of mental ill-health provides support to other young people, builds up their social skills and helps them manage their mental health in the workplace.<sup>288</sup>

Mr Jeff Jackson, Manager of Veterans Advocacy and Welfare Support at the Returned and Services League Victoria, also supported providing workplace mentors for ex-service personnel struggling with mental health issues in the workplace. These mentors could:

be ex-service, who can take them on board and just work with them and work with their disability to be able to get them into the workforce. Quite often what I hear is that they have had a clash on the worksite with somebody because their mental health has escalated, and they have just walked off the site and that is the end of that job. And it is very difficult to get jobs, so when you have got one you want to be able to keep it.<sup>289</sup>

<sup>287</sup> Ms Gina Chinnery, *Transcript of evidence*, p. 21.

<sup>288</sup> Ibid.

<sup>289</sup> Mr Jeff Jackson, Transcript of evidence, p. 14.

Similar concerns were raised for newly arrived migrants, refugees and Aboriginal and Torres Strait Islander jobseekers. Ms Willow Kellock, Policy Officer at the Centre for Multicultural Youth, a not-for-profit organisation providing support to young Victorians from migrant and refugee backgrounds, has found mentoring 'absolutely critical in terms of opening up those broader social networks that connect you to that information, advice, resources and contacts'.<sup>290</sup> Mentors can act as a bridge to workplace knowledge and contacts that jobseekers facing disadvantage might otherwise not have access to, especially if they are no longer in the education system.<sup>291</sup>

Aboriginal jobseekers also gain confidence from mentors, in both professional and personal contexts.<sup>292</sup> Wan-Yaari Aboriginal Consultancy Services, an Aboriginal-owned and operated business providing employment services in the Geelong region, runs the 3 Fires Aboriginal Mentoring Program. This program underpins its pre-employment services for Aboriginal jobseekers. The three fires refer to an individual's personal fire (goals and aspirations), professional fire (work readiness) and cultural fire (sense of cultural identity). Director of Wan-Yaari, Mr Ricky Kildea, highlighted the good engagement and outcomes for jobseekers the program has achieved by strengthening their cultural identity and 'finding what their passions and motivations are to find the right job for them, not just get them into any work.'<sup>293</sup> For participants who gain work through other Geelong programs, the program continues into post-placement support.

The Victorian Government's Aboriginal pathway to the Victorian Government graduate program incorporates mentoring by offering Aboriginal pathway graduates the opportunity to have an Aboriginal mentor, which is organised through the Institute of Public Administration Australia. This is in addition to the mentoring program provided to all Victorian Government graduates.<sup>294</sup>

Ms Rhianna Kerr, who is a young Aboriginal woman working as the Cultural Heritage Project Officer for Ceremony and Administration at Dja Dja Wurrung Clans Aboriginal Corporation, believes that Aboriginal jobseekers benefit from both Aboriginal and non-Aboriginal mentors. She stated:

The way Aboriginal people think can be seen as very different to how non-Aboriginal people think. We have a different thought process. We view things in a different manner. But having a non-Indigenous mentor as well can also help to keep you grounded. Mob works very differently to how the real world works, and having that other figure there to keep you grounded and 'It's all good and fine that you would like to do this, but you have to do this first to get to that point' would be really beneficial for people as well.<sup>295</sup>

<sup>290</sup> Ms Willow Kellock, *Transcript of evidence*, p. 25.

<sup>291</sup> Centre for Multicultural Youth, Submission 89, p. 19.

<sup>292</sup> Ms Tracy Adams, Transcript of evidence, p. 23.

<sup>293</sup> Mr Ricky Kildea, Director, Wan-Yaari Aboriginal Consultancy Services, public hearing, Geelong, 24 October 2019, Transcript of evidence, p. 42.

<sup>294</sup> Victorian Public Sector Commission, Aboriginal pathway to the Victorian Government graduate program, 2018, <a href="https://vpsc.vic.gov.au/aboriginal-employment/barring-djinang/initiatives/grads-pathways/">https://vpsc.vic.gov.au/aboriginal-employment/barring-djinang/initiatives/grads-pathways/</a> accessed 17 February 2020.

<sup>295</sup> Ms Rhianna Kerr, public hearing, Bendigo, 22 October 2019, Transcript of evidence, p. 22.

Another example of a successful mentoring program with Aboriginal and Torres Strait Islander youth is one developed by Whitelion, an organisation which provides support and services to young people leaving the justice system:

They partnered with Toll, the trucking company. Toll had a workforce issue, which was older male drivers were not wanting to do long-haul drives anymore. So they said, 'What if we could keep you on for another six months? We'll give you a cabbie, a young bloke. He needs to have a word with someone, and for those 9 hours on the road you can have a bit of a yarn'. For the young people that were involved in that program, almost all of them avoided re-entering the justice system, which some of them had been engaged in; most of them stayed engaged in education; and some of them pathwayed into full-time employment. For those workers, it was the icing on the cake. They had a job, it was a good job, but it was a hard job and suddenly they had something that was meaningful. So for Toll, it actually did not cost them anything, because there were existing programs they could access.<sup>296</sup>

Mr Josef Szwarc, General Manager Community and Sector Development at Foundation House—The Victorian Foundation for Survivors of Torture, also believes mentoring is a critical element of support programs. He added that older or retired workers would be particularly suited to being mentors:

I have got a friend who is a mentor. He was a former senior public servant. A mentoring relationship will provide whoever it is—I am not only talking about young people but other people as well—with someone to say, 'Hey, I'm feeling unhappy about what's happening to me at work'. A skilled mentor will be able to say, 'I'll find out about that; I'll link you up with a service'. I think that is a good opportunity for the Victorian Government, and particularly as we have a lot of retired highly skilled Victorians who would be looking for opportunities to contribute.<sup>297</sup>

The joint submission from the Victorian Trades Hall Council and the National Union of Workers also supported programs where workers with similar lived experience mentor vulnerable jobseekers or new starters:

For example, a teacher with a disability could mentor an education student with a disability on placement. And a construction worker who is a migrant could mentor another migrant new to the industry.<sup>298</sup>

Mentoring can support jobseekers facing multiple and complex employment barriers to gain the skills and confidence to enter the workforce and most importantly, help them navigate those barriers and other issues once they are in the workplace. The Victorian Government should continue to support and encourage mentoring programs as part of its commitment to providing holistic, wraparound employment services.

<sup>296</sup> Mr Trent McCarthy, Chair, Victorian LLENs, public hearing, Bendigo, 22 October 2019, Transcript of evidence, p. 19.

<sup>297</sup> Mr Josef Szwarc. Transcript of evidence. p. 31.

<sup>298</sup> Victorian Trades Hall Council and National Union of Workers, Submission 75, p. 11.

**FINDING 14:** Mentoring of jobseekers facing disadvantage is a valuable way to encourage and support them to find employment and stay employed over the long term.

**RECOMMENDATION 11:** That the Victorian Government prioritise and increase funding for employment programs that incorporate mentoring for jobseekers facing disadvantage.

**RECOMMENDATION 12:** That the Victorian Government create an avenue for current or retired senior public servants to become mentors to new starters in the Victorian public sector who may be facing disadvantage.

**RECOMMENDATION 13:** That the Victorian Government incentivise large private sector employers to implement mentoring programs to support new starters in their enterprise who may be facing disadvantage.

#### 2.2.3 Jobseeker training needs to be targeted and accessible

Most of the evidence presented to the Committee supported training for jobseekers facing disadvantage to give them the skills and confidence to find and retain employment. However, stakeholders were clear that jobseekers should not undertake training for training's sake. They argued that jobseeker training must be accessible, purposeful and holistic and focused on improving work readiness. These requirements are discussed below.

#### **Building work readiness**

According to the Hume City Council, training for jobseekers facing disadvantage should address the following:

- · work readiness skills
- industry-specific skills
- exposure to an industry or work environment through work tasters or industry tours
- work placement or experience for both the jobseeker and employer to determine if the job is a good fit.<sup>299</sup>

<sup>299</sup> Hume City Council, Submission 61, p. 15.

Training to build work readiness and employability skills was highlighted by other stakeholders who work with vulnerable jobseekers. For example, Ms Sue De Silva, who is a Coordinator at Warragul & District Specialist School, stated that her school's purpose is 'to get our students ready to be functioning adults and to develop their employability skills'. The school, which caters for students aged 5–18 with mild to profound intellectual disabilities, is a member of the West Gippsland Trade Training Alliance that provides vocational training for Baw Baw Shire secondary school students at the Baw Baw Skills Centre. She explained how her students gain employability skills by attending Baw Baw Skills Centre and communicating with the trainers and students from other schools, and interacting with:

people around Warragul district. They have got to use their initiative. They have got to plan. They have got to self-manage. So it is all those employability skills that are getting them ready for post-school life. And for these students it is difficult. It is not just like it is for any other students; it is very difficult with intellectual disabilities, autism. Their parents are very concerned about them for when they do leave school. Baw Baw Skills becomes a pathway for our students, so it fits really nicely into our program.<sup>302</sup>

The Committee was also told that employability skills, such as interpersonal skills, emotional intelligence, creativity and enterprise skills, should be embedded in the Victorian school curriculum and students should be assessed against them.<sup>303</sup> Education providers working with newly arrived migrants and refugees also need to enhance their training to improve the work readiness of students as illustrated in Case study 2.16.

Digital literacy is another important training need for jobseekers facing disadvantage; however, they may not have access to a computer or the internet to develop their digital skills. Some stakeholders suggested the Victorian Government use resources at public libraries to enable jobseekers to access computers and the internet. As Ms Jennifer Gordon, Executive Director Community and Industry Engagement at Wodonga TAFE, said:

We have to not assume everyone has a PC at home. They do not have direct access to a computer, the hardware, let alone access to the internet ...

So any support in the rural areas to give those outlying places public access to computers is a terrific thing. I have to say, public libraries do an enormous amount to support the disadvantaged and to help give them access.<sup>304</sup>

**<sup>300</sup>** For example, St Vincent de Paul Society Victoria, *Submission 31*, p. 3; Committee for Melbourne, *Submission 49*, p. 2; Greater Dandenong Regional Employment Taskforce, *Submission 54*, p. 5.

<sup>301</sup> Ms Sue De Silva, Coordinator, Warragul & District Specialist School, West Gippsland Trade Training Alliance, public hearing, Warragul, 11 December 2019, *Transcript of evidence*, p. 52.

**<sup>302</sup>** Ibid.

<sup>303</sup> Committee for Melbourne, Submission 49, p. 2; Greater Dandenong Regional Employment Taskforce, Submission 54, p. 5.

**<sup>304</sup>** Ms Jennifer Gordon, Executive Director, Community and Industry Engagement, Wodonga TAFE, public hearing, Melbourne, 3 September 2019, *Transcript of evidence*, p. 52.

#### CASE STUDY 2.16: 'Many of the jobs that I applied for never called me'

'[W]hen I came to Australia, 13 weeks [of income support] were designated to my family and it was hoped that in that first three months someone in the family would miraculously unlearn the dependency and pull out that experience from the magic box and perhaps start working to earn a living. We came with no experience and there was a need to give us proper [in]formation of how we could make the most of this great south land ...

When I was jobless, I went to Centrelink and I was placed on a jobseeker's allowance. With that I was to look for 20 jobs every month. For five months I did this. Many of the jobs that I applied for never called me. The one job that called me for an interview needed special experience in food handling. I begged the guy on the phone to give me a chance and to teach me on the job, and he said he would call me back. I am still waiting. I got the job in the end at St Peter's [College in Cranbourne], probably through the law of who you know. Now, if it was that difficult for me, no wonder those single mothers line up at Centrelink while their children fill up our jails. My mother is a good example, without the jail part because I am here. She has been looking for work for two years. She has no computer skills and she uses the very basic Nokia mobile. She cannot search for work on the internet. She has now been told to go back to school so that she can continue to receive the Commonwealth benefits. But the study she does is not equipping her for work. I know this because I see her homework. What I am trying to say is that the educational centres must equip these refugees for work. They must learn their background stories and figure out how to impart the knowledge and skills they need for work.'

#### **Deng Chour**

Source: Mr Deng Chour, public hearing, Warragul, 11 December 2019, Transcript of evidence, p. 43.

Ms Cvitak from the National Social Security Rights Network also suggested that public libraries could be used to help jobseekers improve their digital skills, stating:

it could take the form of a regular day or time which is advertised at a local library when there would be people there to help assist some of these people navigate the online system.<sup>305</sup>

As the job application process increasingly moves online, jobseekers need to have adequate digital skills such as how to use a computer or mobile device, search the internet, use email and basic word processing to create or refresh their résumé.

**<sup>305</sup>** Ms Emma Cvitak, *Transcript of evidence*, p. 23.

Since libraries are easy and free to access, they could be better utilised to provide digital literacy training for jobseekers facing disadvantage who might feel intimidated or not able to afford more formal training.

Some Victorian libraries such as Yarra Libraries and Eastern Regional Libraries offer digital coaching or technology training and the State Library of Victoria has an online course that covers searching the web and using email. However, face-to-face workshops and a greater focus on word processing to create cover letters and résumés would improve the work readiness of jobseekers with poor digital skills.

**FINDING 15:** Without easy and affordable access to digital devices or the internet, jobseekers facing disadvantage may struggle to develop the digital skills they need to apply for jobs and to function effectively in the workplace.

**RECOMMENDATION 14:** That the Victorian Government support the State Library of Victoria and local government libraries to run free digital literacy workshops that teach the basics of using a computer, navigating the internet and creating a résumé.

#### Making training more accessible

Throughout the Inquiry, the Committee heard that jobseekers facing disadvantage are likely to feel intimidated to enrol at and attend formal education and training providers such as TAFEs. On the other hand, the inclusive nature of neighbourhood houses and Learn Local organisations make them a less threatening setting to undertake work readiness training. As Ms Oakley from the Committee for Gippsland explained about Learn Locals:

there is a perfect entry for a displaced person or someone who has not worked for a long time or someone who does not have the higher education qualification or whatever it is—the whole disadvantaged thing. A great starting point is to start building their level of confidence, play with some of the training programs and then if they then help them to the next step, whether it is TAFE or whatever, I think they could be potentially a very good avenue to help make it clearer for people.<sup>306</sup>

Neighbourhood houses are local organisations that provide social, educational, recreational and support activities to their communities. They welcome all community members and offer opportunities for disadvantaged Victorians to connect with others and participate in activities such as art and craft, computer training, play groups and language courses. Most are governed by a volunteer committee and run by paid staff but some are funded by local government or other organisations.<sup>307</sup>

**<sup>306</sup>** Ms Jane Oakley, *Transcript of evidence*, p. 15.

<sup>307</sup> Neighbourhood Houses Victoria, What is a neighbourhood house?, 2020, <a href="https://www.nhvic.org.au/neighbourhoodhouses/what-is-a-neighbourhood-house">https://www.nhvic.org.au/neighbourhoodhouses/what-is-a-neighbourhood-house</a> accessed 4 February 2020.

Ms Emma King, who is the Chief Executive Officer of the Victorian Council of Social Service (VCOSS) and the president of a neighbourhood house, stated:

We see people from quite disadvantaged backgrounds, who do not have email addresses, et cetera, who will come in, and they will connect with a neighbourhood house. They might connect because there is a kitchen garden, or they might connect because there is a cooking class in the first instance. It is about a welcoming place.<sup>308</sup>

Ms Simmons from the Ballarat Neighbourhood Centre added that once community members attend an event or short course at a neighbourhood house, they might find out about vocational courses offered there and enrol because they feel comfortable in that environment.<sup>309</sup>

Many neighbourhood houses are also Learn Local organisations. Learn Locals deliver pre-accredited training to meet the needs of adult Victorians experiencing disadvantage. Pre-accredited training courses are short vocational courses which can create pathways into employment or further education and training. Most Learn Local enrolments in 2016 were in employment skills courses (46%) followed by literacy and numeracy skills courses (34%). As Ms Maria Dimitriou, Coordinator, Local Employment Partnership at the Hume City Council, said:

Learn Locals are actually immersed in community already. So they are best placed to work with disadvantaged jobseekers as the first entry point or soft entry point as well as the opportunity to build up the employability skills of jobseekers, because most of the training that Learn Locals do provide is pre-accredited. But at the same time a neighbourhood house is a point where individuals can also participate in other activities and feel socially included. Learn Locals and neighbourhood houses have got a key role to play in terms of connecting with the community.<sup>311</sup>

Executive Officer of the Yarrawonga Neighbourhood House, Ms Pauline Wilson, agreed, stating:

The role of the Learn Local is very much that pre-entry into training. It has got to be where the student feels comfortable. We do have welcoming environments in our Learn Locals. It is not like going into a great big TAFE where you do not even know where you are going sometimes. That is very confronting for people who are disadvantaged.<sup>312</sup>

The other benefit of Learn Locals is that they cater to adults who are not eligible to get support elsewhere, such as at LLENs that specifically work with young people.

**<sup>308</sup>** Ms Emma King, Chief Executive Officer, Victorian Council of Social Service, public hearing, Melbourne, 3 September 2019, *Transcript of evidence*, p. 57.

**<sup>309</sup>** Ms Jan Simmons, *Transcript of evidence*, p. 39.

<sup>310</sup> Department of Education and Training, Future opportunities for adult learners in Victoria: pathways to participation and jobs, discussion paper, Department of Education and Training, Melbourne, August 2018, p. 18.

<sup>311</sup> Ms Maria Dimitriou, Coordinator, Local Employment Partnership, Hume City Council, public hearing, Melbourne, 3 September 2019, *Transcript of evidence*, p. 32.

<sup>312</sup> Ms Pauline Wilson, *Transcript of evidence*, p. 22.

As Ms Diane Carson, Project Manager at Warragul Community House explained:

it is the hand holding that Learn Locals are able to do that TAFEs cannot, and we deal with the people who have fallen between the cracks. So LLENs and those guys are terrific in what they do, but they deal mainly with people who are still in school, still in the system. We are dealing with people who have fallen out of school and have been for some time just lost.<sup>313</sup>

Case study 2.17 highlights the accessibility and helpfulness of neighbourhood houses for jobseekers who struggle to find assistance elsewhere.

Several stakeholders supported a greater focus on, or expansion of, pre-accredited training for jobseekers facing disadvantage so they can improve their literacy and numeracy skills, digital literacy and work readiness. <sup>314</sup> Since May 2019, income support recipients can count pre-accredited training toward their mutual obligation requirements. <sup>315</sup>

There are 300 Learn Local organisations in Victoria. Of these, about 65% are neighbourhood houses and about 30% are registered training organisations. The victoria currently has about 400 neighbourhood houses, so there is an opportunity to expand the provision of pre-accredited training offered at neighbourhood houses to capture more jobseekers facing disadvantage. The evidence also suggested that these jobseekers and the broader community are not always aware of the support and opportunities available at neighbourhood houses. The awareness of neighbourhood houses and Learn Locals would help connect more jobseekers with training.

<sup>313</sup> Ms Diane Carson, Project Manager, Strengthening Pathways for Adult Learners in Gippsland, public hearing, Warragul, 11 December 2019, *Transcript of evidence*, p. 35.

<sup>314</sup> Wyndham Community & Education Centre, Submission 20, p. 5; Jesuit Social Services, Submission 83, p. 6; City of Greater Geelong, Submission 85, p. 6; Mr Stephen Ward, Transcript of evidence, p. 9; Mr Peter Murray, Transcript of evidence, p. 52,

<sup>315</sup> Dahle Suggett and John McCarthy, 'Report: How can the Learn Local sector and jobactive providers codesign pre-employment courses that lead to job outcomes?', workshop delivered at Department of Education and Training, Moe, Victoria, 24 July 2019, p. 2.

<sup>316</sup> Department of Education and Training, Future opportunities for adult learners in Victoria, p. 18.

<sup>317</sup> Ms Jane Oakley, *Transcript of evidence*, p. 15; Mr Milad Nacher, public hearing, Ballarat, 23 October 2019, *Transcript of evidence*, p. 41.

## **CASE STUDY 2.17:** 'The Neighbourhood House has been helping me to do all those things, and I got a job.'

'My background is from Lebanon and I have been here in Ballarat now nearly two years ... I do not know how to write English. I started to apply for work. It is very hard for me to do it. The Neighbourhood House has been helping me to do all those things, and I got a job. I did a course for cooking. They backed me up in every way. Whenever I have needed paperwork to fill out, I have gone there and they have helped me to do it step by step. I have had a job for nearly eight months now ...

It was friends of mine sent me there. They told me to go to Neighbourhood House ... They told me, 'Go there. It's all of them there. You can try and get help from there', because I have got paperwork I have to fill out and I cannot do it completely. When I went there, the lady there—her name is Lisa—is an amazing lady ... I did not have appointment; I did not have anything. I said to her, 'Please, I want to fill that. Can I do it?'. And she looked at me like, 'Okay. Come in' ...

I applied for Coles and I applied for Bunnings. I talked to them directly—'I'm available anytime'. They look at me like that, and they go to my résumé and see my date of birth there, 'Okay, no, sorry, you don't have the job'. Every time I get the same messages coming back to my email that they need someone else to work there, and I say, 'What's going on? I applied for that job'. It is because of my age at the end the day, I found out ...

At the moment I am doing work with McCallum in the laundry ... they accepted me there. Honestly, I do not know how. I presented myself and Lisa was again was a reference for me—from the Neighbourhood House. They accepted me. Then I went in, and I did not know how to read all the signs properly. They started going slow with me, and then I got in ...

For three years I have been dealing with a couple of different agencies. Honestly, when I went to the Ballarat Neighbourhood House I got through straightaway. Why? Because, I got all I needed.'

#### Milad Nacher

Source: Mr Milad Nacher, public hearing, Ballarat, 23 October 2019, Transcript of evidence, pp. 41-46.

**FINDING 16:** Neighbourhood houses are less intimidating than other training providers and are a valuable soft entry point into training for jobseekers facing disadvantage.

**RECOMMENDATION 15:** That the Victorian Government support more neighbourhood houses to register as Learn Local providers to offer pre-accredited training in employment skills, including digital literacy, to enhance the work readiness of jobseekers.

**RECOMMENDATION 16:** That the Victorian Government raise awareness among the community, particularly individuals experiencing disadvantage, of the learning opportunities neighbourhood houses and Learn Locals provide.

Learn Locals can also customise their courses to meet local industry needs, which increases the chances of jobseekers gaining skills that are in demand in the local labour market. For example, the Wyndham Community & Education Centre, which is located in Werribee and one of Victoria's largest Learn Local organisations, worked with Toyota Boshoku Australia to train retrenched automotive workers who needed to transition into other industries.<sup>318</sup>

The Committee came across another targeted approach in Warragul where it heard about the Strengthening Pathways for Adult Learners in Gippsland (SPALG) project. This three-year project involving Gippsland's 23 Learn Locals was funded by the Department of Education and Training and project managed through the Warragul Community House. Its aim was to provide place-based training opportunities for jobseekers facing disadvantage in Gippsland that aligned with local industry skill shortages. The SPALG project team worked directly with local health service providers, disability providers, call centres, construction companies and small local businesses to develop training programs that gave participants the skills needed to work with those employers as well as access to real job opportunities.<sup>319</sup>

Ms Josie Rose, Project Lead, Quality Teaching and Learning at SPALG, provided the example of Aussie Broadband, an Australian internet service provider based in the Latrobe Valley:

They are very community minded, and they wanted to employ people in the Valley, but they had a great attrition rate, only because it was difficult for them to get employees that were job ready. So they called us in, and we worked with them on a program which was very specific. It is customer service, but it is customer service targeted to a job at Aussie Broadband ...

we worked with them, and they gave us a really clear idea of what they wanted from an employee, so we put them through a six-week program, four days a week ...

We focus on employability skills. We work with them in terms of, 'You have to get up every morning and be here at 9 o'clock. We finish at half past two, and this is what we're doing in those times. If you can't come, you have to let us know'. So we are starting very often from a very low base. But after the six weeks, the employer has interviewed everybody in the course, and if there are jobs available, they do apply for them. In some cases we have had 100% initial employment. I know that one of the gentlemen who did the very first course with us, he was at his wits' end in terms of getting a job. He is still there a year later, and he has now been promoted.<sup>320</sup>

<sup>318</sup> Wyndham Community & Education Centre, Submission 20, p. 6.

<sup>319</sup> Ms Diane Carson, Transcript of evidence, p. 32.

<sup>320</sup> Ms Josie Rose, Project Lead, Quality Teaching and Learning, Strengthening Pathways for Adult Learners in Gippsland, public hearing, Warragul, 11 December 2019, *Transcript of evidence*, p. 33.

An independent evaluation of SPALG found that it delivered training programs that resulted in employment outcomes for participants. Preliminary data indicated that 30% of SPALG course participants had gained employment.<sup>321</sup>

The SPALG project received less than \$600,000 of funding over three years and was designed to be sustainable. The Department of Education and Training provided a staff member, Ms Rose, who contacted the employers and worked with them to co-design the training programs. Ms Rose's role also involved training the Learn Local coordinators and teachers so they could develop future programs with employers. This project could be run in other regions of Victoria to build the capacity of Learn Locals to develop place-based training programs that meet the needs of local industry.

**FINDING 17:** Learn Locals that customise courses to meet local industry needs can boost course participants' employability and link participants to real job opportunities.

**RECOMMENDATION 17:** That the Department of Education and Training support more projects similar to Strengthening Pathways for Adult Learners in Gippsland to give Learn Locals across Victoria the skills to develop training courses in collaboration with local industry.

Several stakeholders argued for a greater collaboration between TAFEs and Learn Locals to strengthen the pathways for learners to transition into further education and employment.<sup>322</sup> Jesuit Social Services provided data showing 64% of pre-accredited learners who transition into accredited training directly attain a qualification and an additional 14% indirectly attain one. This compares favourably with the average Victorian vocational education and training completion rate of 47%, especially since 90% of pre-accredited learners experience multiple employment barriers.<sup>323</sup>

The Victorian TAFE Association and the Adult Community and Further Education Board, which oversees Learn Local providers, commissioned research into the collaboration between TAFE and Learn Locals resulting in the creation of a roadmap to encourage greater collaboration at both the system level and provider level.<sup>324</sup> The Department of Education and Training should encourage the two sectors to strengthen their collaboration.

**RECOMMENDATION 18:** That the Department of Education and Training work with the TAFE and Learn Local sectors to encourage greater collaboration and further strengthen the pathways into TAFE for jobseekers facing disadvantage.

<sup>321</sup> Ibid., p. 34.

<sup>322</sup> AMES Australia, Submission 34, p. 20; Victorian TAFE Association, Submission 79, p. 8.

<sup>323</sup> Jesuit Social Services. Submission 83. p. 6.

<sup>324</sup> Victorian TAFE Association, Submission 79, p. 8.

In 2016, the Victorian Government began establishing Skills and Jobs Centres in TAFEs across Victoria as one-stop-shops for current and prospective students, unemployed or retrenched workers, people seeking a career change and others who need advice on training and employment opportunities. The Centres provide career advice, job searching assistance and referrals to welfare support and financial advice.

Ms Tracey Jeffery, Manager of Careers and Training Services at The Gordon, said the Skills and Job Centre gives jobseekers access to support when they feel they have nowhere to go, including for example, retrenched workers from Ford Geelong:

It has been really nice because there was a lot of the guys out there that were probably the lower skilled and they were really struggling, so a lot of them came in every single day. They had a coffee, they had a chat, they did their emails and they searched for some jobs, and you could really see that it was somewhere for them to go. They would meet up with each other in there and then they could go off and have coffees and, 'How you going?', and there were quite a few of them that were coming in straightaway. It was really lovely to see that as they got work there are less of them coming in. We have still got one lovely gentleman. He is working, which is great, but he still comes in on his days off. He does his emails, he cleans the coffee machine and he has a free coffee. It is just a bit of a social network for him. But, yes, it is funny. We do not see him every day like we used to, but he still comes in on his days off, which is really lovely.<sup>325</sup>

According to Ms Linda Kearley, Manager of Swinburne Hub at Swinburne University of Technology:

Skills and Job Centres create great support and referral into other areas, into Learn Locals, for example, where it might be a more supported way of reintroducing themselves to education, but they have got to find their way there, and that is not always easy for them given that they are apprehensive about walking into a TAFE building in the first place.<sup>326</sup>

Ms Jeffery also stated that some vulnerable people 'would never think that they could' set foot in a TAFE or even visit the campus. So situating Skills and Jobs Centres at TAFEs may prevent some jobseekers facing disadvantage from accessing the services available there. The Victorian Government should consider raising awareness of Skills and Jobs Centres and their services among the wider community to make jobseekers facing disadvantage more comfortable to access the Centres.

**RECOMMENDATION 19:** That the Victorian Government raise awareness among the community of the existence and locations of Skills and Job Centres and who is eligible to use their services.

<sup>325</sup> Ms Tracey Jeffery, *Transcript of evidence*, p. 51.

**<sup>326</sup>** Ms Linda Kearley, Manager, Swinburne Hub, Swinburne University of Technology, public hearing, Melbourne, 3 September 2019, *Transcript of evidence*, p. 49.

**<sup>327</sup>** Ms Tracey Jeffery, *Transcript of evidence*, p. 54.

#### **Ensuring training aligns with work opportunities**

The Committee heard that training does not always lead to positive outcomes for jobseekers. For example, the Wyndham Community & Education Centre explained:

There are often problems with the 'purpose' of training; some training has become "the business of training" rather than aligned to jobseeker needs. Jobseekers can be enticed into training that later is found to be inappropriate resulting in jobseekers having to pay higher costs to receive the appropriate training and/or missing jobs because of a lack of recognition of the qualification.<sup>328</sup>

The City of Greater Geelong added that some employment services providers persuade jobseekers to enrol in Certificate III courses or above because the providers' contractual guidelines do not support non-accredited, pre-accredited or lower certificate level education. This can result in vulnerable jobseekers enrolling in courses 'they are not ready for and are not in their best interests'. Jobseekers who complete inappropriate courses or courses that do not lead to an employment outcome can become frustrated, fatigued and reluctant to enrol in further studies.

The Apprenticeship Employment Network (AEN), the peak body representing not-for-profit Group Training Organisations across Victoria, added that their members often 'see disadvantaged jobseekers with plenty of "qualifications" however employers do not necessarily value training without work experience.' As AEN's Executive Director, Mr Gary Workman, explained, it can also create further barriers to employment:

A lot of the incentives for an employer to take on an apprentice or trainee are related to the level of qualification that they currently already have, and they are linked to their pay scales. We are seeing a lot of people come out with diplomas and university qualifications and then fall into unemployment. When they go back to get a job with an employer seeking to take them on as an apprentice or trainee they are not eligible for the employer incentives, so you are actually creating an additional barrier to the employers to taking on someone who has not got the appropriate skills that they are necessarily looking for.<sup>332</sup>

Instead, training for jobseekers facing disadvantage should be based on their interests and career aspirations, and should be aligned with real employment opportunities.<sup>333</sup> Ms Tracy Adams, Chief Executive Officer of yourtown, a charity supporting young people to find jobs, learn skills and live safer, happier lives, identified three key areas that pre-employment training should focus on: 'what are the aspirations of the young people? What are the employment opportunities that are going to be available to that

<sup>328</sup> Wyndham Community & Education Centre, Submission 20, pp. 3-4.

<sup>329</sup> City of Greater Geelong, Submission 85, p. 6.

**<sup>330</sup>** Wyndham Community & Education Centre, *Submission 20*, p. 4; Mr Gary Workman, Executive Director, Apprenticeship Employment Network, public hearing, Melbourne, 3 September 2019, *Transcript of evidence*, p. 47.

**<sup>331</sup>** Apprenticeship Employment Network, *Submission 19*, p. 7.

<sup>332</sup> Mr Gary Workman, Transcript of evidence, p. 42.

<sup>333</sup> Brimbank City Council, Submission 32, pp. 4-5; Hume City Council, Submission 61, p. 15.

young person? ... Who are the employers?'<sup>334</sup> When jobseekers can see that there are employers who have positions available for course graduates, they are more likely to succeed. Hume City Council agreed, stating that jobseekers facing disadvantage 'are more likely to remain engaged to training if there is a clear line of sight to employment.'<sup>335</sup>

#### Tailoring training to address personal barriers

Jobseekers facing disadvantage are more likely to complete a training course if training providers have support structures available to address jobseekers' personal barriers. <sup>336</sup> Dr Carina Garland, Assistant Secretary of the Victorian Trades Hall Council, the peak body for unions in Victoria, stated:

it is about more than just offering a traineeship in itself and offering the opportunity. People are not going to succeed and these opportunities are not going to be sustainable if the marginalised groups that we are engaging with do not have the support that they need to make the most of that opportunity.<sup>337</sup>

Support structures can include child care, links to counselling and other support services, English language programs, prepaid myki cards and access to laptops. Logistical support such as scheduling classes during school hours or to fit with public transport schedules can also be beneficial.<sup>338</sup>

These supports should also be flexible to meet each individual jobseeker's needs. Ms King from VCOSS explained the importance of these support structures by giving the example of students granted a VCOSS scholarship to train in community services who were not attending classes. When these students were asked 'How can we help you?':

What we found very quickly was that students were having significant issues with the cost of transport. They did not have enough money for their myki card. A number of them were having issues with their housing. A number of them were having issues with mental health. Keep in mind that for many of the people who were engaged they had not been involved in a tertiary setting before ...

Often quite a small amount of money was provided that did things like cover the myki card, that did things like link people up with food ... As a consequence of that first cohort as an example, every single one of those students got through the course, they passed

**<sup>334</sup>** Ms Tracy Adams, *Transcript of evidence*, p. 24.

<sup>335</sup> Hume City Council, Submission 61, p. 15.

<sup>336</sup> City of Greater Geelong, Submission 85, p. 7; Ms Tina Hogarth-Clarke, Chief Executive Officer, Council on the Ageing Victoria, public hearing, Melbourne, 4 September 2019, Transcript of evidence, p. 52; Brotherhood of St Laurence, Prosperity's children: youth unemployment in Australia, Youth Unemployment Monitor newsletter, Brotherhood of St Laurence, Melbourne, 2019, p. 8.

<sup>337</sup> Dr Carina Garland, Assistant Secretary, Victorian Trades Hall Council, public hearing, Melbourne, 4 September 2019, Transcript of evidence, p. 5.

<sup>338</sup> Victorian Alcohol and Drug Association, Submission 22, p. 7; AMES Australia, Submission 34, p. 19; City of Greater Geelong, Submission 85, p. 7; Ms Emma King, Transcript of evidence, p. 60; Brotherhood of St Laurence, Prosperity's children, p. 8.

their course, they got jobs out of their placements, all bar one. The one who did not have significant mental health and housing issues, she came to everyone else's graduation and she graduated the following year ...

The following year we had issues where students did not have IT, so they did not have computers. There was a group of them who were bunching around using the one computer. Where they needed help was to be given laptops and IT access. That was a game changer for them. It is not one size fits all.<sup>339</sup>

VACSAL similarly assists their students with purchasing Working with Children Checks and police checks for future employment and by offering culturally safe courses with 'culturally appropriate trainers, Aboriginal co-facilitators in every workshop, training materials and support'. From 2014 to 2019, 216 students enrolled in VACSAL's accredited training courses and the completion rate was 92%. 341

AMES Australia also argued for flexibility for refugees or other migrants to complete their qualifications in small steps over a longer period to meet work, settlement and other life demands.<sup>342</sup>

The Victorian Government's Skills First Reconnect program, which started in 2017, aims to help people facing barriers into training and employment. The program funds selected TAFEs and Learn Local registered training organisations to help address learners' barriers to enrolling and completing a training program while also linking learners with specialist support services. The program is available to high-needs individuals aged 17–19 who have not completed Year 12 and are not in education, training or full-time employment as well as individuals aged 20–64 who have not completed Year 12 and are long-term unemployed.

The Inner Eastern LLEN recommended that the Victorian Government better promote Skills First Reconnect so that community members have greater awareness of how to access the program, who is eligible and which service providers run the program.<sup>343</sup> Jesuit Social Services and the Victorian TAFE Association recommended longer-term funding of the program to enable service providers to plan and implement more intensive support services for learners facing disadvantage.<sup>344</sup> The program was funded up until the 2019–20 financial year.

**FINDING 18:** Course completion rates are higher for jobseekers facing disadvantage when additional support structures are in place to address individuals' needs.

<sup>339</sup> Ms Emma King, Transcript of evidence, p. 60.

**<sup>340</sup>** Ms Melinda Eason, *Transcript of evidence*, p. 2.

<sup>341</sup> Victorian Aboriginal Community Services Association Limited, Inquiry into sustainable employment for disadvantaged jobseekers hearing, response to questions on notice received 27 November 2019, p. 2.

<sup>342</sup> AMES Australia, Submission 34, p. 21.

<sup>343</sup> Inner Eastern LLEN. Submission 21, p. 14.

**<sup>344</sup>** Victorian TAFE Association, Submission 79, p. 10; Jesuit Social Services, Submission 83, p. 9.

**RECOMMENDATION 20:** That the Victorian Government raise awareness among the community, particularly individuals experiencing disadvantage, of eligibility and access to the Skills First Reconnect program.

**RECOMMENDATION 21:** That the Victorian Government consider five-year funding terms for the Skills First Reconnect program when funding is due for renewal.

English language programs for refugees and newly arrived migrants could also be better tailored to improve engagement. Wyndham Community & Education Centre argued for English language programs to be delivered in the workplace, and the Centre for Multicultural Youth wanted more Adult Migrant English Program (AMEP) classes, which are funded by the Australian Government, tailored to young adults, who have different social and educational needs to adults aged over 25. It added that AMEP classes tailored to young people could also provide links to community, youth and recreational services and vocational education and training providers.<sup>345</sup>

Ms Tina Hosseini, a Victorian Multicultural Commission Commissioner, requested more resourcing for home tutor programs, where newly arrived migrant and refugee women who cannot access English language classes learn English from a home tutor.<sup>346</sup> These programs also combat social isolation for these women.

Mr Deng Chuor, a Sudanese refugee who arrived in Australia in 2004 and works at St Peter's College in Cranbourne West, believes that refugees are not gaining adequate skills from current English language programs:

There are particular hours that are set and they will go on. But you get to a stage whereby those times are finished but you have not learnt anything. What I was saying before was: with those places that are helping them, I am very sure, with a very good education system, that we can create intensive English learning for them to fast-track their settlement and then eventually getting into the workplace. This is my view: our problems are not that the jobs are not there; it is just that we do not have our skills. It goes back to not being equipped right from the beginning from the education system.<sup>347</sup>

Mr Milad Nacher, who migrated from Lebanon and found a job with support from the Ballarat Neighbourhood House, agreed that English language programs need to be pitched differently for newly arrived migrants and refugees and go back to basics. He said:

you cannot go on the same program as the person who was born in Australia but he does not know how to read English; you know what I mean? You have to go really a step lower ... I have communicated with a lot of people, again from Afghanistan, from

<sup>345</sup> Wyndham Community & Education Centre, Submission 20, p. 3; Centre for Multicultural Youth, Submission 89, p. 11.

**<sup>346</sup>** Ms Tina Hosseini, *Transcript of evidence*, pp. 35–36.

<sup>347</sup> Mr Deng Chuor, Transcript of evidence, p. 45.

Lebanon, from Pakistan, the Afghani—same problem, all of them the same problem. From Syria we have 20,000 now this year. Not any one of them, maybe, talk English properly, only because they do not have the basics. You know what I mean? This [a standard English class] is going straightaway to above the basic, and you are going to start talking? You cannot. You need to start up on some: one, two, three or four—it is not straightaway four, five, six, seven. That is the program. We have to drop it down a little bit, the same as we did at the Neighbourhood Centre there.<sup>348</sup>

The backgrounds and experiences of jobseekers from migrant or refugee backgrounds are extremely diverse and English language programs need to be delivered in a variety of modes to meet their different needs. Tailoring English language programs and enhancing access to them will improve jobseekers' engagement and employment outcomes.

**RECOMMENDATION 22:** That the Department of Education and Training work with English language program providers to develop and support delivery modes tailored to the varied needs of newly arrived migrant and refugee jobseekers.

People who have spent time in out-of-home care have very low university participation rates, which affects their employment outcomes and overall lifetime earnings.<sup>349</sup> Victorian Government support for young people leaving out-of-home care used to end once they turned 18, as described in Case study 2.18. However, in 2019, the Government commenced the Home Stretch program, which provides case work support and an allowance to enable young people to remain with their carer, or pay for housing costs, until they are 21. The aim of this program is to ease financial hardship and facilitate further education and employment for young people leaving care.<sup>350</sup>

In Victoria, care leavers can access fee waivers for TAFE courses but there is limited support for those who gain university entry other than the Raising Expectations program, which provides resources, support and services to care leavers in vocational and higher education and is funded by the Department of Education and Training until December 2022.<sup>351</sup>

Anglicare Victoria mentioned a new policy in Scotland where 18 educational institutions are offering guaranteed entry to an undergraduate course for any person who has been in care regardless of their age and length of time in care.<sup>352</sup> This policy recognises care leavers' barriers to university participation and aims to expand access. Victorian universities could be encouraged to create similar alternative entry pathways for care leavers.

<sup>348</sup> Mr Milad Nacher, Transcript of evidence, p. 45.

<sup>349</sup> Andrew Harvey, et al., Out of care, into university: raising higher education access and achievement of care leavers, report for National Centre for Student Equity in Higher Education, Curtin University, LaTrobe University, Melbourne, 2015, p. 5.

<sup>350</sup> Department of Health and Human Services, Home Stretch, fact sheet, Victorian Government, Melbourne, April 2019, p. 1.

**<sup>351</sup>** Anglicare Victoria, *Submission 42*, p. 7.

**<sup>352</sup>** Ibid., p. 8.

**RECOMMENDATION 23:** That the Victorian Government work with Victorian universities to develop alternative entry pathways into undergraduate study specifically for people who have been in out-of-home care.

#### CASE STUDY 2.18: 'When I did turn 18 I was instantly homeless'

'I am a proud Yorta Yorta man. I am 20 years old ... I have been working at Charcoal Lane as a trainee for about 13 months now. Prior to that I was homeless and an ex-ward of the state. I was a ward of the state most of my life, until 18 ... I think that there should be a lot more emphasis on supporting children that are in state care on transitioning from state care to independent living. I feel like that was something that I never was equipped with. No-one ever taught me anything, and when I did turn 18 I was instantly homeless. My foster parents stopped getting paid for me. At that time I had only just finished Year 12, so you do not really understand the world around you or what is going on. It really hits hard, and trying to get a job and trying to rent and do all these things, it sent me loopy. Now I am staying at a refuge and I am trying to transition into full-time work and renting by myself and all that.

I feel that my case managers, they knew from the age of 13, they knew my circumstances and what was going to happen when I was 18. They knew that I was going to be homeless and they knew I was going to have no job, but they did not prepare me for that. I feel that caseworkers have the biggest power in situations like mine where the case manager, just the advice they give you, can change your life. Some had told me when I had just turned 18 that, 'Yeah, you're on your own. You're gonna have to start working, you're gonna have to start doing all these things' ... It happens to so many kids. Just funding gone and my targeted care package, I cannot access it anymore, all sorts of funding for my foster parents to look after me was gone. I was homeless for about 12 months, and then when I turned 19 I was lucky I got into a refuge, and when I got into that refuge I heard about, just like Brandi, Charcoal Lane ...

So I heard about Charcoal Lane and I ran over there and I asked one of the education support workers what they did and if there is any way I could become a trainee there, and they said they would love to, and they were so nice about it. So I got a traineeship there quick smart within the first month of going there. If it was not for that, if it was not for a place like Charcoal Lane, I think I would still be homeless and I think I would still be battling that transition from being a dependent foster kid into independent living on my own.'

#### Riley

Source: Riley, trainee, Charcoal Lane, public hearing, Melbourne, 19 November 2019, *Transcript of evidence*, p. 49.

Another group of jobseekers with poor employment outcomes is ex-offenders. While prisoners have the opportunity to undertake training, it may not always improve their prospects of employment upon release. In 2018–19, 82% of Victorian prisoners undertook at least one unit of study and the average number of units taken per prisoner was 4.6. Prisoners must complete occupational health and safety training to be employed while in prison, as well as food safety training if they work in a kitchen or reside in self-catered accommodation units. These two units were therefore the most popular, followed by traffic control, learning plan preparation, traffic management, and construction industry preparation.<sup>353</sup>

Mr Brendan Ivermee, who served three years of a six-year sentence, told the Committee the training provided in prison does not help offenders gain work once they are back in the community. He said:

the training that is provided is just not up to it at all. I think it is just a numbers thing. Quite often people would go to their chosen program or what they have been directed into, and it is as simple as ticking off your name and walking out the door. They are not really valued. They are not, as you say, directed to what is available upon release. A lot of these guys cannot read or write; they get to a point where they are under pressure from peers and they do not want to show that, so they walk away. They do not want to show people that they cannot read or write. It is not the thing that they want to be known as. So there are all these issues that go on inside prison that just really are not identified with or not highlighted. I might be a bit of a sceptic here, but I do think it is just a numbers game. They say, 'We're doing this; we're doing that', but realistically they are not.<sup>354</sup>

Ms Melanie Field-Pimm, who is Manager, Development at the Victorian Association for the Care and Resettlement of Offenders (VACRO), an organisation that supports remandees, offenders and their families, claimed there is a disconnect between education and employment services in prison:

Unfortunately, current offender employment support services are piecemeal, and they are not to scale, given 1,000 people are released monthly. So they are all small, they are usually specific target groups—Aboriginal and Torres Strait Islander, youth, women—and most are delivered either in prison or out but not going across, and they are not measured. There is also a disconnection between corrections, education and jobs, so we have TAFE delivering education in the prison, CV [Corrections Victoria] managing prison industry and jobs for prisoners through one unit—and they manage their reintegration pathway through another—and then their health is through Justice Health.<sup>355</sup>

A Victorian Government initiative launched in September 2019, Out for Good, helps young people engaged with the justice system, or at risk of justice system involvement, to find and retain sustainable employment. It works with businesses, government departments, education providers and community service organisations to create entry-level job opportunities for young people aged 18–25 with employers involved in

<sup>353</sup> Hon. Jill Hennessy, correspondence, p. 9.

<sup>354</sup> Mr Brendan Ivermee, public hearing, Melbourne, 19 November 2019, Transcript of evidence, p. 20.

<sup>355</sup> Ms Melanie Field-Pimm, Transcript of evidence, p. 18.

the Government's major construction projects. The initiative involves pre-employment support, training and mentoring as well as post-placement support.<sup>356</sup> While the initiative aims to work with 50 young people in its first year, there are no similar programs for the broader prison population.

Ms Field-Pimm endorsed 'an integrated through-care approach' to prison employment services that begins pre-release, is linked to the education and work offenders undertake in prison and the support they can access before and after release. She also supported more partnerships between government, the corporate sector and not-for-profit organisations where businesses get involved in prisoner training, which can then be linked to post-release employment.<sup>357</sup> A successful example of a training program for youth justice clients linked with real work opportunities is provided in Case study 2.19.

**RECOMMENDATION 24:** That Corrections Victoria ensure its prison education and employment services engage with employers to co-develop training programs that address industry skill shortages and link prisoners with real job opportunities post release.

## **CASE STUDY 2.19:** 'Tim went into full-time work as an apprentice spray painter'

'Tim\* a 20-year-old young person from a migrant background was referred to the Synergy Auto Repairs Program in mid-2016, as a 17-year-old, by Melbourne Children's Court Education Justice Initiative. At the time, Tim had just been remanded to Parkville Youth Justice Precinct in relation to a serious and high-profile offence, including aggravated burglary and armed robbery.

Prior to his offence, Tim had been expelled from his previous school and thereafter, two schools rejected his application. Due to lack of engagement with social networks and frustration with lack of opportunities for him to participate in education or employment, Tim began associating with other young people his age who were also in similar situations. This lead to Tim engaging in anti-social behaviour.

His family was unaware of the negative peer influence in his life. When Tim was arrested, his family members were shocked and devastated by the seriousness of the offence. This created a divide between Tim and his family as well as other members of his community.

With the commitment and support of Synergy Auto Repairs to engage with Tim, he was released from custody on bail in July 2016 after spending 21 days on Remand. Tim identified a number of goals, including re-engaging in education and training, addressing his youth justice related issues, gaining work-readiness skills, and ultimately obtaining long-term employment.

#### (continued)

**<sup>356</sup>** Department of Jobs, Precincts and Regions, *Further information: Inquiry into sustainable employment for disadvantaged jobseekers*, supplementary evidence received 24 January 2020, p. 4.

<sup>357</sup> Ms Melanie Field-Pimm, Transcript of evidence, p. 19.

#### **CASE STUDY 2.19** (continued)

Over the course of 6 months, Tim worked towards completing his Certificate II in Autobody Repair Technology, attending regular classes at Kangan's Automotive Centre of Excellence. Tim also gained hands-on experience in Synergy's commercial workshop, working alongside qualified tradesmen. Throughout this time, Tim took charge of his youth justice issues, regularly attending Melbourne Children's Court and Youth Justice appointments.

By the time Tim finished his training at Synergy and received his qualification, his legal matters were still pending. At the completion of the program, Tim went into full-time work as an apprentice spray painter, attended two Youth Justice meetings per week and maintained regular participation in other support programs.

He participated in Group Conferencing which aims to divert young people from more intensive court decisions, whilst holding them accountable for their offending behaviour. Group Conferencing also helps them to repair the harm caused to the victims and the community. Synergy's Student Support Officer accompanied Tim to these meetings and observed the impact, stress and anxiety his past actions were still causing him and how much he wanted to mend his relationships with his family and regretted his actions.

Tim received a 12-month Youth Attendance Order, which meant he didn't have to spend more time in custody but complete 4 hours of community service and 4 hours of Youth Justice appointments per week whilst being employed full-time. This decision was appealed by the prosecutors. However, the prosecutors later withdrew the appeal considering the progress made towards rehabilitation. Tim has since reconnected with his family and is maintaining a successful career in the automotive industry.'

\*Name has been changed.

Source: Mission Australia, Submission 64, pp. 7-8.

#### **Optimising Free TAFE**

Many stakeholders supported the Victorian Government's Free TAFE initiative, which waives tuition fees for priority courses in growth industries.<sup>358</sup> However, some argued that it is not reaching jobseekers facing disadvantage. For example, Mr Mithen from the Give Where You Live Foundation stated:

So the free TAFE has been a really great initiative for people with enough self-agency to take free TAFE up, but there is a fairly large cohort, and frankly probably the cohort

<sup>358</sup> For example, Foundation House-The Victorian Foundation for Survivors of Torture, Submission 45, p. 6; City of Stonnington, Submission 48, p. 4; Victorian Council of Social Service, Submission 95, p. 10; Mr Bill Mithen, Transcript of evidence, p. 12; Mr Ben Flynn, Chief Executive Officer, Geelong Chamber of Commerce, public hearing, Geelong, 24 October 2019, Transcript of evidence, p. 28; Mr Brett Edgington, Secretary, Ballarat Regional Trades and Labour Council, public hearing, Ballarat, 23 October 2019, Transcript of evidence, p. 28; Mr Cameron Spence, Program Manager, GROW Gippsland, public hearing, Warragul, 11 December 2019, Transcript of evidence, p. 29.

this Inquiry is looking at, of people who do not have that self-agency and are not able to take that offer up as best as they can.<sup>359</sup>

#### Mission Australia agreed:

Despite the increase in the availability of free courses, the majority of young people are struggling with understanding the eligibility criteria, filling in the complex application forms and poor communication. Unfortunately, this means many people experiencing disadvantage are unlikely to make the most of these opportunities.<sup>360</sup>

Student enrolment data from The Gordon suggested there was minimal difference in free TAFE and non-free TAFE uptake among students who could be considered to be disadvantaged.<sup>361</sup> For example, 19.2% of free TAFE students at The Gordon reside in a socio-economically disadvantaged postcode compared with 17.9% enrolled in non-free TAFE.<sup>362</sup> The difference was greater for students with disability (10.1% compared with 6.6% respectively) and overseas-born students (18.5% compared with 13.0%).<sup>363</sup>

Ms Kerr, who works at Dja Dja Wurrung Clans Aboriginal Corporation, considered enrolling in free TAFE but decided against it:

I would like to go back and study. But the TAFE courses that are being offered are not of any interest to me. I think they are very specific and I do not think there is an overly wide range, because obviously everyone is not interested in the same thing ... so I think there needs to be more of a broader range of opportunities.<sup>364</sup>

The Greater Dandenong Regional Employment Taskforce suggested in addition to free TAFE, a reduction of training costs or an increase in hourly rates for training that is attached to employment would reduce financial barriers to training participation.<sup>365</sup>

**FINDING 19:** There does not appear to be a greater uptake of free TAFE courses among people living in disadvantaged areas when compared with non-free TAFE courses.

**RECOMMENDATION 25:** That the Department of Education and Training consider how it can reduce barriers other than financial for jobseekers facing disadvantage to enrol and participate in free TAFE.

<sup>359</sup> Mr Bill Mithen, Transcript of evidence, p. 12.

**<sup>360</sup>** Mission Australia, Submission 64, p. 21.

<sup>361</sup> Ms Carley Brennan, Transcript of evidence, p. 46.

<sup>362</sup> The Gordon, Inquiry into sustainable employment for disadvantaged jobseekers hearing, response to questions on notice received 18 November 2019, p. 1.

**<sup>363</sup>** Ibid.

**<sup>364</sup>** Ms Rhianna Kerr. *Transcript of evidence*. p. 23.

**<sup>365</sup>** Greater Dandenong Regional Employment Taskforce, Submission 54, p. 5.

Another concern with free TAFE was industries' inability to provide enough work placements to match the number of enrolments.<sup>366</sup> For example:

VCOSS notes that the community services industry has struggled to accommodate the substantial increase in student placements in the first year of implementation. This is not due to lack of industry support for Free TAFE, but rather an issue of capacity in a sector that is currently beset by workforce shortages, particularly in regional areas.<sup>367</sup>

Without workplace exposure, students will struggle to gain employment despite their qualifications.<sup>368</sup> VCOSS suggested the community services industry adopt measures from the 'Enhanced Pathways to Family Violence Work' project, which is funded by Family Safety Victoria and has provided participating organisations:

with dedicated Capability Building Coordinators, student placement tools, orientation to practice guidelines, staff training and professional development, flexible funding and other strategies to increase student placements and develop the family violence workforce.<sup>369</sup>

Similarly, in the Victorian public health sector, public health services can charge a daily fee for clinical placements, which enhances their capacity to host students.<sup>370</sup>

**FINDING 20:** The success of the Victorian Government's Free TAFE initiative may be limited by the capacity of industry to host student placements.

**RECOMMENDATION 26:** That the Department of Education and Training work with growth industries to enhance their capacity to host placements for students undertaking free TAFE courses.

## **2.2.4** Earlier intervention at school could alleviate some employment barriers

A common theme in the evidence presented to the Committee was the need for more effective career development for students so they are better prepared to make the transition from education to work. The aims of school career development are to expose students to career options, help them understand the world of work, provide them with the skills to manage their career and improve their employment outcomes.

**<sup>366</sup>** Ms Deb Carr, Learning Coordinator, Brimbank City Council, public hearing, Melbourne, 3 September 2019, *Transcript of evidence*, p. 34; Ms Lauren Kerr, *Transcript of evidence*, p. 34.

<sup>367</sup> Victorian Council of Social Service, Submission 95, p. 10.

<sup>368</sup> Ms Lauren Kerr, Transcript of evidence, p. 34.

**<sup>369</sup>** Victorian Council of Social Service, *Submission 95*, p. 10.

**<sup>370</sup>** Ibid.

To improve school career development, stakeholders suggested starting career conversations and workplace exposure early, utilising LLENs to link students with local industry, better informing students of available career options and providing tailored support to students experiencing disadvantage. These suggestions are discussed below.

#### Starting career development at or before Year 7

Career development at schools mostly occurs in Years 10–12 as students start preparing for life beyond school.<sup>371</sup> However, this can be too late for students experiencing disadvantage. Some of these students are disengaging from school before Year 9 and some even have not transitioned successfully from primary to secondary school. These students need support earlier.<sup>372</sup> As explained by Ms Adams from yourtown:

When we talk early school leavers we are fundamentally talking about young people predominantly who may have disengaged almost at the beginning of high school. They have not transitioned from primary to high school. They have certainly disengaged maybe as early as Years 9 and 10 and sporadically, so to present to TAFE is something that is daunting, and they feel how will they accomplish that, because maybe they have struggled with numeracy or literacy.<sup>373</sup>

Mr Crellin from Mission Australia agreed stating that many of the students at Synergy Auto Repairs had left school in Year 7 or 8 and by the time he meets them, they can be '16-year-olds that have been disengaged and on the wrong side of the school fence for three or four years.'<sup>374</sup>

Ms Annette Gill, Principal Policy Advisor at the National Employment Services Association, added:

when young people leave school early, quite often they are not eligible for income support in their own right. They tend to not be engaged in the system at any point. Even though they are allowed to volunteer for employment services, most would not know they are able to volunteer. So you have a period of time where young people are disengaged, they are not participating in learning and development that might help them to actually gain the skills they need and quite often are ineffective in job searching on their own. By the time they enter into employment services they may have been out of school for two years, and that is a long time to be disengaged from anything. It does not do any good to a person's mental wellbeing. Therefore they are going backwards in terms of building the gap. I would like to think that we could start earlier in high school in terms of career guidance—actually educating and developing, promoting better awareness of the services that are out there.<sup>375</sup>

<sup>371</sup> Dandolo Partners, *Review of career education in Victorian government schools*, report for Department of Education and Training, Melbourne, November 2017, p. 5.

<sup>372</sup> Centre for Multicultural Youth, Submission 89, p. 12; Ms Willow Kellock, Transcript of evidence, p. 22.

<sup>373</sup> Ms Tracy Adams, Transcript of evidence, p. 26.

<sup>374</sup> Mr Troy Crellin, *Transcript of evidence*, p. 15.

**<sup>375</sup>** Ms Annette Gill, Principal Policy Advisor, National Employment Services Association, public hearing, Melbourne, 3 September 2019, *Transcript of evidence*, pp. 38–39.

Case study 2.20 provides an example of how earlier career support at school might have improved school engagement.

### **CASE STUDY 2.20:** 'I felt really supported and I was able to complete it, whereas I did not feel supported in school'

'I would like to share my journey from education into the workforce. I enjoyed school, but when I got to Years 9 and 10 the hormones kicked in and I start to rebel and misbehave at school. I remember clearly the coordinator rang my mum and said, 'Emma is wasting her time at our school, and our own. It is best that she leaves'.

I spent the next few years looking for work. I really wanted to grow up fast. I found an Aboriginal-identified traineeship working at Reconciliation Victoria. I was only 16. I took the opportunity and completed a Certificate III in Business Administration. I went on and completed another traineeship through the Replay Group and completed a Certificate III in Children's Services.

While working in child care I fell pregnant with my first child. I went on and had baby number two and left the workforce for four years. After staying home and raising my children on my own as a single parent, I decided that I needed to work to create a future, a career, and be a positive role model to my children. VACSAL gave me the opportunity to work casually on reception. From there I enrolled in the course, and I was working part-time in the RTO. Gaining my Certificate IV in Community Services work did not just open the opportunity for work; it opened up the opportunity for a career. I am now the AHLO [Aboriginal Hospital Liaison Officer] of Western Health, seeing patients in all three hospitals—Sunshine Hospital, Frankston Hospital and Williamstown. I have been able to buy my own house. Working in Aboriginal community organisations was a perfect stepping stone into the workforce ...

While I was at school there were no Aboriginal caseworkers back then—not that attended my school—so probably to keep me at school and build up my confidence and encourage me to stay would have been something that would have been useful, because when I left and I went and did my traineeship in an Aboriginal organisation, I felt really supported and I was able to complete it, whereas I did not feel supported in school.'

#### **Emma Wendt**

Source: Ms Emma Wendt, student, Victorian Aboriginal Community Services Association Limited, public hearing, Melbourne, 19 November 2019, *Transcript of evidence*, pp. 4, 6.

Other stakeholders also agreed that school career development and especially workplace exposure should begin from the start of secondary school so that students have adequate time to explore different career options, make informed choices about study paths and develop skills to help them find and retain employment.<sup>376</sup> Aspergers Victoria, a not-for-profit organisation that provides services, support and advocacy for

<sup>376</sup> Mr Darren McGregor, Chair, Bendigo Education Council, public hearing, Bendigo, 22 October 2019, *Transcript of evidence*, p. 35; Ms Keelie Hamilton, *Transcript of evidence*, p. 58.

people with Asperger syndrome, argued that career development should begin in late primary school to help students develop work readiness and communication, social and enterprise skills.<sup>377</sup>

However, for school career development to be effectively delivered from junior secondary years, school career practitioners need to be better resourced. Ms Kerr who went to school in Shepparton highlighted the poor ratio of career practitioners to students, which prevented her from receiving enough career support. She said:

the careers counsellor that I had was looking after 180 other kids ... So among having to deal with every other student who does not know what they want to do, I think if there were a couple of career advisers maybe it would have made it a bit easier and a bit better to sit down and talk to someone one on one, but having one career adviser to 180 kids, it was never going to work.<sup>378</sup>

Mr Michael Carrafa, Team Leader, Business and Industry Development at Greater Shepparton City Council, added, 'Career teachers are not just career teachers; they are also maths teachers, and they are teaching English as well.'<sup>379</sup> In smaller schools and regional schools, career practitioners may have a substantial teaching load, which compromises the quantity and quality of the career development they would like to provide to students.

#### Better utilising LLENs to link schools with local employers and industry

Another concern raised about school career development is that it is too focused on university as a post-school destination and that school career practitioners are directing students away from pathways such as VCAL or TAFE.<sup>380</sup> Cr O'Rourke, Mayor of the City of Greater Bendigo, stated:

careers people do a great job, but ... unless they have got strong touchpoints into industry, I think they might be a bit blinkered. The reason I say that is TAFE is a really good opportunity just as much as what universities are.<sup>381</sup>

Mr Brett Edgington, Secretary of the Ballarat Regional Trades and Labour Council, said it was frustrating that some school career practitioners are not aware of emerging jobs and industries to accurately guide their students.<sup>382</sup> However, as Mr Workman from AEN acknowledged:

you cannot expect one person to know 50 different pathways and qualifications and the leading technology in all those sectors. So I think you could leverage off the industry associations and other groups better. $^{383}$ 

**<sup>377</sup>** Aspergers Victoria, *Submission 71*, p. 10.

<sup>378</sup> Ms Rhianna Kerr, Transcript of evidence, p. 23.

<sup>379</sup> Mr Michael Carrafa, Team Leader, Business and Industry Development, Greater Shepparton City Council, public hearing, Shepparton, 20 November 2019, *Transcript of evidence*, p. 7.

<sup>380</sup> Mr Bruce King, Transcript of evidence, p. 29; Ms Rhianna Kerr, Transcript of evidence, p. 23.

**<sup>381</sup>** Cr Margaret O'Rourke, *Transcript of evidence*, p. 7.

**<sup>382</sup>** Mr Brett Edgington, *Transcript of evidence*, p. 28.

<sup>383</sup> Mr Gary Workman, Transcript of evidence, p. 47.

Stakeholders also suggested that LLENs could fulfil the role of linking school career practitioners with local employers and industry.<sup>384</sup> Ms Deirdre Hardy, who is the Executive Officer of Future Connect, stated:

most of the LLENs are connected with a careers teachers network—we certainly convene a careers teachers network in our area—and what we are hearing from them is that they are incredibly committed to what they do but they are under-resourced. What we are also hearing is that they do not necessarily have the capacity to be experts across all of the industries that are on offer in our area. That is where the LLENs play that role because we do have those connections outside of the school. We are not focused on getting the kids through their individual counselling sessions. We do have a lot of those connections to industry and to employers, and we try and feed that back into the careers network so that they become more informed, but it is a really big ask. So we cannot just be relying on the careers teachers to be able to have the capacity and the knowledge to cover off everything.<sup>385</sup>

LLENs are unique to Victoria and they can facilitate important connections between schools, industry and local employers. There are 31 LLENs across the state covering each region. Another area where LLENs can provide valuable assistance is by improving awareness among the community of local employment opportunities and realistic prospects of employment in particular fields.

Several stakeholders raised the disconnect between the courses young people study and local employment opportunities, which leads to young people possibly 'undertaking study without a likely prospect of employment upon completion, whilst local industry is struggling to fill vacancies.' Ms Hulm from GROW Greater Shepparton has noticed this happening in Shepparton where there are not enough young people undertaking training that could lead to work in the city's large logistics and allied health industries or its growing horticulture and construction industries. She said this makes it harder for her to link employers with workers:

I will go and tap businesses on the shoulder that have a potential to put in for a tender, a \$5 million or \$6 million build—quite capable. But they say, 'Leanne, if I don't get the labour force, I can't possibly even apply for that tender'. So from my role to secure procurement, to gain social procurement, I have got a chicken and an egg, yet I have got a 13.5% youth unemployment rate. So there is a big disconnect there.<sup>387</sup>

Ms Hulm suggested that jobs in these industries be promoted better so that young people can see themselves working in these fields and realise there are good prospects for them to find a job at the end of their course.<sup>388</sup>

**<sup>384</sup>** Mr Jim Dannock, *Transcript of evidence*, p. 60; Mr Brett Edgington, *Transcript of evidence*, p. 28; Mr Trent McCarthy, *Transcript of evidence*, p. 15.

<sup>385</sup> Ms Deirdre Hardy, Executive Officer, Future Connect, public hearing, Melbourne, 3 September 2019, *Transcript of evidence*, p. 23

<sup>386</sup> Greater Dandenong Regional Employment Taskforce, Submission 54, p. 5; Ms Deirdre Hardy, Transcript of evidence, p. 26.

**<sup>387</sup>** Ms Leanne Hulm. *Transcript of evidence*, p. 32.

<sup>388</sup> Ibid.

Mr Trent MCarthy, Chair of Victorian LLENs, highlighted the importance of exposing students to different industries so they can make more informed decisions:

a young person who has exposure to four different industries while they are at school makes much better choices around what they might do. We have a lot of people studying courses where there simply will not be jobs ...

We do not want to see young people investing in education that does not pathway them into employment. That is not to devalue the education, but that is why it is so important early on for us to influence the students, their parents and schools through that strong relationship with industry.<sup>389</sup>

He proposed the creation of an easy to use, online information resource to provide easily understandable Victorian labour market information to young people, parents, schools and the broader community.<sup>390</sup>

#### Improving upon the Government's commitment to career development

In August 2018, the Parliament of Victoria's former Economic, Education, Jobs and Skills Committee tabled its report on the Inquiry into career advice activities in Victorian schools. The Committee made 46 recommendations on how to improve school career development, which address the issues raised by this Inquiry's stakeholders. The Government's response in February 2019 supported in full or in principle all of the recommendations made. The Victorian Government began implementing reforms to career development in 2019, including an investment of \$109 million over four years, and \$26.7 million ongoing.<sup>391</sup>

However, as some stakeholders mentioned, it may take several years for the effects of these reforms to become evident in students' post-school outcomes and there is still more that can be done.<sup>392</sup> For example, Ms Carley Brennan, Skilling the Bay Manager at The Gordon, stated:

there are some really good initiatives that have just started in terms of some of the, you know, new Education State reforms and investment in careers teachers in schools, but those are going to take time to actually get some traction and gain some benefits. So I think our next challenge is really linking those careers education teachers with places like the Skills and Jobs Centre, where they can come in and experience the industry panels or we can do some more professional development for teachers in that space.<sup>393</sup>

**<sup>389</sup>** Mr Trent McCarthy, *Transcript of evidence*, p. 17.

**<sup>390</sup>** Ibid

<sup>391</sup> Government of Victoria, Response to the Parliament of Victoria, Economic, Education, Jobs and Skills Committee, Inquiry into career advice activities in Victorian schools, 21 February 2019, p. 1.

<sup>392</sup> Orygen, Submission 86, p. 7; Ms Tracey Jeffery, Transcript of evidence, p. 56; Mr Jim Dannock, Transcript of evidence, p. 62; Mr Andrew Simmons, Chief Executive Officer, South East Local Learning and Employment Network, Greater Dandenong Regional Employment Taskforce, public hearing, Warragul, 11 December 2019, Transcript of evidence, p. 19.

**<sup>393</sup>** Ms Carley Brennan, *Transcript of evidence*, p. 55.

While organisations that work with young people with personal barriers such as mental ill-health or disability supported the recommendations from the Inquiry into career advice activities in Victorian schools and the Government's reforms, they asked for a commitment to improve career practitioners' understanding of the needs of vulnerable students.<sup>394</sup> They requested the Government fund and implement professional development for school career practitioners so they can provide appropriate support to meet the needs of students with complex needs.<sup>395</sup>

**FINDING 21:** School career development is not meeting the needs of students and would be more effective if it was provided earlier to all students, especially students facing disadvantage.

**RECOMMENDATION 27:** That the Victorian Government implement all recommendations in the Economic, Education, Jobs and Skills Committee's 2018 report for the Inquiry into career advice activities in Victorian schools, prioritising:

- incorporation of career development into the school curriculum from at least Year 7
- reductions in school career practitioners' teaching loads so they can devote most, if not all, their hours to career development and student counselling
- mandatory professional development for school career practitioners on labour market trends and emerging industries
- online access to local labour market information for students, parents and schools
- better utilisation of Local Learning and Employment Networks to connect students with local employers and industry
- expansion of Years 7-10 students' access to local industry taster or immersion programs
- mandatory professional development for school career practitioners on the needs of student groups facing disadvantage.

Another concern raised by some metropolitan LLENs was the poor timing of the On Track Connect program. The program is based on the Victorian Government's On Track survey, which surveys Victorian school leavers six months after leaving school about their current destination, the career development activities they participated in while at school and how useful they thought the career development they received at school was. The survey is conducted every year from late April to mid-July and participation

<sup>394</sup> Outer Eastern LLEN, Submission 40, p. 4; Aspergers Victoria, Submission 71, p. 10; Orygen, Submission 86, p. 7; Children and Young People with Disability Australia. Submission 91, p. 3.

**<sup>395</sup>** Aspergers Victoria, *Submission 71*, p. 10; Orygen, *Submission 86*, p. 7; Children and Young People with Disability Australia, *Submission 91*, p. 4.

is voluntary. If survey respondents state they are not engaged in education, training or employment, they are referred to On Track Connect, which is run by LLENs who contact these school leavers and help them to re-engage.

Inner Eastern LLEN noted that it is too late for On Track Connect to contact these school leavers mid-year and that LLENs had reported this to the Department of Education and Training each time the program was reviewed. It said:

A long standing request has been that those early school leavers should be contacted within the first three months of the year to enable them to access support and early interventions can be implemented.<sup>396</sup>

Mr Boyd Maplestone, Chief Executive Officer of Maribyrnong and Moonee Valley LLEN, concurred:

students are most vulnerable around that October–March period. The On Track Connect program happens for us at that July to August period, so really the horse has already bolted ...

We are very frustrated by that, and we feel that we, through that place-based role, can be supporting them around that October to March–April time. That is that critical time when young people are vulnerable. Now, whether they have completed Year 12 or not, whether they are an early school leaver or not, we can work hand in glove with the schools and support them—which we already are, but it enhances that role—and by doing that we can then support them on that transition. So when a young person drops out and does not get into a course—let us say at TAFE in January, and the teacher is on leave, the best and most dedicated teachers will not be there to be able to support them—there could be a transition support worker that is supporting them through that particular time.<sup>397</sup>

While the current timing of the On Track survey leads to more accurate data on post-school destinations, it prevents LLENs from providing support to school leavers who might need assistance at the critical time from November to January when school is over, results are released and tertiary placements are offered. One option to overcome this is to allow schools to directly refer school leavers who need assistance to the On Track Connect program from October onwards.

**RECOMMENDATION 28:** That the Department of Education and Training develop a mechanism for schools to directly refer school leavers to On Track Connect from October each year so that Local Learning and Employment Networks can provide support to school leavers earlier.

<sup>396</sup> Inner Eastern LLEN, Submission 21, p. 14.

<sup>397</sup> Mr Boyd Maplestone, Chief Executive Officer, Maribyrnong and Moonee Valley LLEN, public hearing, Melbourne, 3 September 2019, *Transcript of evidence*, pp. 21–22.

#### Increasing access to work experience

An important aspect of career development is industry exposure and work experience, and many stakeholders argued for improving young people's and jobseekers' access to the workplace.<sup>398</sup> Not only does work experience give young people the opportunity to put their employability skills into practice, it also gives them a better idea of the jobs available in a sector and whether they want to pursue a particular career.<sup>399</sup>

Research has shown that a lack of work experience adversely affects young people's employment outcomes. For example, young adults who could not recall any work experience activities while at school were five times more likely to not be engaged in education, training or employment, and earned 16% less, than young adults who recalled at least four of these activities.<sup>400</sup>

However, the evidence the Committee received suggested that work experience was not well utilised in all schools. For example, some schools do not offer a work experience program and others offer only short periods.<sup>401</sup> The Inner Northern LLEN, which covers the Darebin, Moreland and Yarra regions, stated:

Schools have the discretion to approve up to 40 work experience days for a student in a school year, and these can be customised to meet individual needs, but young people report that few schools are utilising this flexibility.<sup>402</sup>

According to students in the Inner Northern LLEN's catchment, 82% had five days or fewer of work experience and 11% had 5–10 days.<sup>403</sup>

Even when schools do offer work experience programs, some students facing disadvantage may struggle to find a placement as explained by Ms Brennan from The Gordon, 'if you do not actually have access to networks or resources currently within your own family, how do you gain access or exposure to a workplace?'<sup>404</sup> The Centre for Multicultural Youth stated that this is a particular problem for young people from refugee and migrant backgrounds who 'are frequently unsure how or where to gain this experience, who to approach, or lack confidence to broker this themselves due to limited social and professional networks.'<sup>405</sup>

Principal of Bendigo Senior Secondary College, Mr Dale Pearce, noted that it can be a challenge for schools to organise and facilitate work experience, even for larger schools

**<sup>398</sup>** For example, Inner Eastern LLEN, *Submission 21*, p. 6; Future Connect, *Submission 26*, p. 6; Inner Northern LLEN, *Submission 50*, p. 3; Give Where You Live Foundation and GROW G21 Region Opportunities for Work, *Submission 82*, p. 10; Centre for Multicultural Youth, *Submission 89*, p. 14; Ms Leanne Hulm, *Transcript of evidence*, p. 34.

<sup>399</sup> Inner Northern LLEN, Submission 50, p. 6; Ms Tracey Jeffery, Transcript of evidence, p. 58; Mr Andrew Simmons, Transcript of evidence, p. 23.

<sup>400</sup> Victorian LLENs, Submission 98, p. 6.

<sup>401</sup> Inner Northern LLEN, Submission 50, p. 9; Ms Carley Brennan, Transcript of evidence, p. 57.

<sup>402</sup> Inner Northern LLEN, Submission 50, p. 9.

**<sup>403</sup>** Ihid

**<sup>404</sup>** Ms Carlev Brennan. *Transcript of evidence*. p. 57.

<sup>405</sup> Centre for Multicultural Youth, Submission 89, p. 14.

with more resources. 406 Employers can also struggle to develop work experience placements that are practical and worthwhile for both the employer and young person and no government assistance is provided to support them. 407 Insurance and occupational health and safety requirements along with Working with Children Checks can also put off employers. 408 Mr Pearce suggested the creation of a tax incentive to encourage businesses to take on work experience students. 409

**FINDING 22:** Some students are missing out on work experience because schools and employers are dissuaded from participating due to the administrative burden and legal requirements.

**RECOMMENDATION 29:** That the Victorian Government provide support, ease the administrative burden and develop financial incentives to encourage more employers to take on work experience students.

**RECOMMENDATION 30:** That the Victorian Government expand the number of work experience placements it offers secondary students at its departments and agencies, and set a proportion of these placements for students facing disadvantage.

The Committee came across several examples of programs that increase young people's exposure to industries and workplaces and have been successful at helping young people make informed career choices. At the West Gippsland Trade Training Alliance in Warragul, students from seven of its partner schools can participate in the Trade Pathways Program that gives students hands-on experience in a number of trades. One of the students who participated, Jarrod, explained how the program helped him to decide on a future career path:

I am 15 years old and I am already having to make life decisions about what I want to do in the future, and the Trade Pathways Program really makes it a lot easier to decide. It was a bit scary. I am more of a hands-on learner so I knew that I wanted to do a trade, but I did not know which one I was most interested in. But after trying three different trades I knew that carpentry was for me, and if it was not for the Trade Pathways Program, I probably would not have been able to come to this conclusion ... The Trades Pathways Program made a really scary, hard decision an easier one.<sup>410</sup>

In Bendigo, the Passions & Pathways program run by the Goldfields LLEN gives primary school students in Grades 5 and 6 work experience across sixty local businesses. The

**<sup>406</sup>** Mr Dale Pearce, Principal, Bendigo Senior Secondary College, public hearing, Bendigo, 22 October 2019, *Transcript of evidence*, p. 33.

<sup>407</sup> Give Where You Live Foundation and GROW G21 Region Opportunities for Work, Submission 82, p. 10.

<sup>408</sup> Mr Bruce King, Transcript of evidence, p. 30.

<sup>409</sup> Mr Dale Pearce. Transcript of evidence, p. 33.

**<sup>410</sup>** Jarrod, Student, Marist-Sion College, West Gippsland Trade Training Alliance, public hearing, Warragul, 11 December 2019, *Transcript of evidence*, p. 48.

program has been running for eight years and it works with primary schools that have a high proportion of families receiving financial assistance. Students undertake workplace tours and projects and teachers integrate the experience into classroom learning. Cr O'Rourke praised the project, citing data showing 'there are kids now in Year 12 that are saying if they did not do Passions & Pathways, they would not be there'.<sup>411</sup>

Another successful program running for secondary students and unemployed youth is the Multi Industry Pilot (MIP), which is managed by AEN. It gives participants a hands-on trial of 3–4 trades over a 6–12 month period and involves practical and theoretical student projects to build participants' numeracy and literacy skills, work readiness and technical skills. By May 2019, MIP delivered over 210 individual programs for over 2,500 participants, of which 35% transitioned into an apprenticeship and 55% reported changing their future training and career preferences as a result of participation.<sup>412</sup>

Ticket to Work is a program that prepares secondary school students with disability for work. Local networks work with young people, their schools and families to tailor curriculum, work experience and School-Based Apprenticeships and Traineeships (SBATs) for them, which builds their work readiness and view of themselves as workers. Ticket to Work has 31 networks nationally, which work with 116 schools, 247 local organisations and 2,313 employers. It has delivered 1,482 jobs for young people with significant disability and provided over 3,000 young people with work experience. An evaluation of Ticket to Work found participants are more likely to be socially active, independent, employed and have completed Year 12 than other young people with similar disability.

The Committee was also presented with examples of work experience programs for older jobseekers. For example, Jesuit Social Services has partnered with the National Australia Bank (NAB) to administer the African Australian Inclusion Program, which provides skilled African Australians six months of paid corporate experience to overcome the employment barrier posed by a lack of local work experience. The program has had over 360 participants; over 80% of them found ongoing employment after completing the program and over 50% are still working at NAB.<sup>415</sup>

Another valuable program implemented by The Gordon is the Returnships program, which is a three-week paid work experience program for mature age workers. The program was originally developed for retrenched workers to try out a different industry, but most of the participants were mothers returning to work in addition to a cross-section of workers with employment barriers such as jobseekers with disability

<sup>411</sup> Cr Margaret O'Rourke, Transcript of evidence, p. 2.

<sup>412</sup> Apprenticeship Employment Network, Submission 19, pp. 19-20.

<sup>413</sup> National Disability Services, *Opening the doors to open employment: the Ticket to Work model*, supplementary evidence received 4 September 2019, p. 1; Ms Michelle Wakeford, National Ticket to Work Manager, National Disability Services, public hearing, Melbourne, 4 September 2019, *Transcript of evidence*, p. 44.

<sup>414</sup> National Disability Services, Opening the doors to open employment, p. 5.

<sup>415</sup> Victorian Multicultural Commission, Submission 97, p. 6; National Australia Bank, African Australian employment, <a href="https://www.nab.com.au/about-us/social-impact/our-people/african-australian-employment">https://www.nab.com.au/about-us/social-impact/our-people/african-australian-employment</a> accessed 7 February 2020.

and from non-English speaking or Aboriginal backgrounds. As explained by Ms Jeffery, The Gordon paid participants' salaries and provided them with ongoing support:

So a lot of the silly questions that they felt like they might have to ask their employer, they had somewhere else that they could go to say, 'What does this mean? What is this pay? They want me to do this. I don't really understand what's going on here', and that we could get them through that sort of process and they had a bit of a network there that they could go to as well.<sup>416</sup>

Ms Keelie Hamilton, Director, Student and Industry Engagement at The Gordon, said about 58% of participants gained employment, adding:

We had companies like LBW who literally straightaway—they are an accounting firm here in Geelong—rang and said, 'We want more people'. They put that person on. They created a job for her because they just knew her skill sets were something they did not want to lose.<sup>417</sup>

The Returnships program was funded by the Skilling the Bay, a Victorian Government initiative run by The Gordon to build Geelong's future workforce, and the Australian Government. Similar programs could be established in other Victorian regions.

**FINDING 23:** Older jobseekers lack structured opportunities to undertake work experience so they can gain exposure to different industries.

**RECOMMENDATION 31:** That the Victorian Government support more Skills and Jobs Centres to provide paid local internships for adults who are seeking to return to the workforce.

#### **2.2.5** Better data collection would improve the evaluation of services

Throughout the Inquiry, the Committee heard there is a lack of data on jobseekers facing disadvantage to be able to track the extent to which their barriers are affecting employment outcomes and to measure the effectiveness of interventions that aim to place and keep these jobseekers in work. For example, National Disability Services noted 'there is very little consolidated data regarding the experiences and transition outcomes (past, present and projected) of young people with disability in Australia. The Longitudinal Surveys of Australian Youth (LSAY) have not included young people with cognitive or physical disability since 2007, and the only data LSAY collects on students with disability are on those who attend mainstream schools.

<sup>416</sup> Ms Tracey Jeffery, Transcript of evidence, p. 49.

<sup>417</sup> Ms Keelie Hamilton, Transcript of evidence, pp. 49-50.

<sup>418</sup> National Disability Services, Submission 37, p. 10; Cultural Infusion, Submission 60, p. 4.

<sup>419</sup> National Disability Services, Submission 37, p. 9.

<sup>420</sup> Ibid.

The Centre for Multicultural Youth and Anglicare Victoria also supported longitudinal research into employment outcomes for young people from refugee and migrant backgrounds and young people leaving care, respectively. This evidence could be used to measure the effectiveness of interventions and improve future policies and programs.<sup>421</sup>

The Victorian Government's On Track survey, which surveys recent school leavers on their post-school destination, currently has low response rates. In 2018, 49% of Year 12 completers responded to the survey and only 28% of early school leavers (who had left in Years 10, 11 or 12 without completing) responded. 422 Ms Hardy from Future Connect said that young people may not be opting in to the survey because they cannot see the benefit of it:

If there was a value for them in being contacted, because they would be getting that support, then hopefully that would mean that more young people would opt in to On Track, which would actually give us much more substantial data, and that would give us more accuracy around trends and what is happening. 423

Ms Field-Pimm also stated that VACRO cannot assess the impact of its programs because it does not have access to the information it needs:

Measurement is really poor, and that is mainly because we do not have access to data about our participants because it is owned by Corrections Victoria ... I recently spoke to Corrections Victoria, and they do not have any statistics on post-release employment, so it is not there. Work needs to be done in terms of matching up the data systems between Corrections Victoria and Centrelink and all those data systems that are around, where we could actually start to track people and what is going on once they leave prison.<sup>424</sup>

Without robust data, the Victorian Government cannot accurately evaluate the effectiveness of its employment services programs, in particular its Jobs Victoria programs that target jobseekers with multiple employment barriers.

**FINDING 24:** There is a lack of data on the employment experiences and outcomes of jobseekers facing disadvantage to comprehensively assess the effectiveness of government employment services.

**RECOMMENDATION 32:** That the Department of Jobs, Precincts and Regions capture de-identified data on Jobs Victoria Employment Network participants to enable the evaluation of program effectiveness for particular cohorts.

<sup>421</sup> Centre for Multicultural Youth, Submission 89, p. 25; Anglicare Victoria, Submission 42, p. 10.

**<sup>422</sup>** Department of Education and Training, *On Track 2018: destinations of Victorian school leavers*, snapshot, Victorian Government, Melbourne, November 2018, p. 1.

<sup>423</sup> Ms Deirdre Hardy, Transcript of evidence, p. 22.

<sup>424</sup> Ms Melanie Field-Pimm, Transcript of evidence, p. 21.

## Supporting employers to provide sustainable work opportunities

Employers play a crucial role in securing sustainable employment for jobseekers facing disadvantage. Research suggests that focusing mainly on jobseekers when trying to reduce joblessness places too much responsibility on individuals to find and retain employment and fails to recognise the significant impact of employers' recruitment and workplace practices, which are beyond the control of the jobseeker.<sup>425</sup>

While stakeholders noted many employers want to hire jobseekers facing disadvantage, profitability and efficiency considerations also have a bearing on recruitment choices. The economic impact of the Coronavirus disease (COVID-19) pandemic will place even greater pressure on employers' margins and the increased number of jobseekers competing for fewer jobs will enable employers to be more selective when recruiting. As a result, jobseekers facing disadvantage will find it even harder to find and retain sustainable employment.

Some employers might also pose more direct employment barriers through unconscious bias, discrimination and non-inclusive recruitment practices and workplaces. The evidence suggested that employers often are unaware of the challenges experienced by jobseekers facing disadvantage and do not recognise these jobseekers' strengths and potential contribution to the workplace.

This chapter considers the types of barriers to sustainable employment that originate with the employer and then discusses how employers could be supported to improve their ability and willingness to offer and provide sustainable employment to jobseekers facing disadvantage.

# 3.1 Employers' knowledge, attitudes and practices sometimes create further barriers for jobseekers facing disadvantage

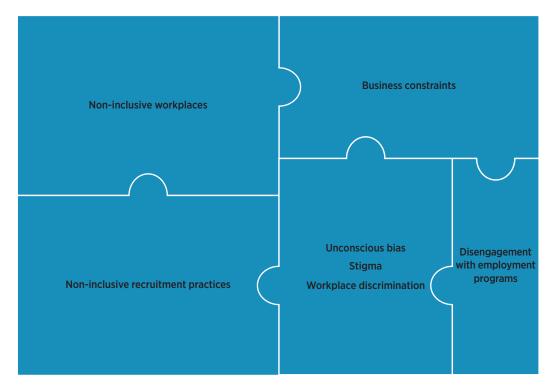
In addition to the individual barriers to employment they experience, jobseekers facing disadvantage can also encounter barriers set up by employers at the recruitment stage or in the workplace. These barriers can include bias and discrimination, recruitment practices and decisions, non-inclusive workplace environments and cultures, and poor engagement with employment programs designed to support employers to hire jobseekers facing disadvantage.

<sup>425</sup> National Employment Services Association, Submission 87, p. 6.

Employers may create these barriers either consciously or unconsciously, but typically their creation is a result of employers' lack of knowledge about the barriers some jobseekers face, their attitudes towards groups of jobseekers and/or how they run their business. Businesses that run for profit need to strike a balance between profitability and the social benefits of hiring jobseekers facing disadvantage. The Committee recognises that in the aftermath of the COVID-19 pandemic, employers' focus will be on rebuilding their businesses; however, this period may also be an opportunity for employers to diversify their business and workforce and improve their productivity by uncovering hidden talent pools among jobseekers facing disadvantage.

The common barriers to employment for jobseekers facing disadvantage that can be traced to employers are summarised in Figure 3.1 and discussed below.

Figure 3.1 Employer-related barriers to employment



# **3.1.1** Business constraints can influence employers' recruitment choices

The Committee heard that most employers want to hire jobseekers who are struggling to find employment but they need support to do so.<sup>426</sup> For example, Chief Executive Officer of Be.Bendigo, the peak body for business in Greater Bendigo, Mr Dennis Bice, said:

**<sup>426</sup>** Ms Deirdre Hardy, Executive Officer, Future Connect, public hearing, Melbourne, 3 September 2019, *Transcript of evidence*, pp. 19–20; Mr Dallian D'Cruz, Chief Executive Officer, WynBay LLEN, public hearing, Melbourne, 3 September 2019, *Transcript of evidence*, p. 20.

we have not spoken to anyone in business that does not want to make a difference. I have not come across anyone who has said, 'No. That's no good. We're not going to do that'. They all want to be a part of it. The question is the how, which becomes the really important bit. How do we actually do it and how do we get the support in that? So it is a chain of things that need to happen; it is not one.

We have got a lot of really good businesses here that are actually taking people in at the moment under different programs and all the rest of it. Businesses are willing to help and to try and do the right thing.<sup>427</sup>

However, stakeholders informed the Committee that for some businesses, particularly small to medium enterprises, tight margins might make them less willing to take the chance and hire a jobseeker facing disadvantage. As Mr Mark Brennan, Chair of the Bendigo Manufacturing Group and a Director at Thales Australia, explained:

we are a large company with a lot of resources and a lot of capacity to do different programs, and we have got lots of really wonderful employee support programs. But as an SME [small to medium-sized enterprise] you have got a bottom line to manage, as does Thales. But [for SMEs] the bottom line is probably going to be a risk-averse approach, and I prefer to have someone who is not from that circumstance, that I do not have to take the risk and then not have them here, because their time on the job would be the thing that drives profitability. So I think smaller companies would definitely struggle and would need support. 429

The Bass Coast Shire Council noted that most businesses in its region (64%) are single-person operations, a further 35% employ fewer than 20 people and only three businesses employ over 200 people. It argued that smaller enterprises do not have the resources to train and support workers facing disadvantage. And Mr Jim Dannock, Regional Manager of the Ballarat and Wimmera Region for the Australian Industry (Ai) Group, agreed that although there is quite a lot of willingness to want to work with people who might find it difficult to transition into the workforce, some small to medium enterprises lack the capability of working with people who sometimes find it hard in the work environment and sometimes it is difficult for them to be able to work with that.

In some cases, employers are confronted with practical and economic hurdles they had not considered when wanting to hire jobseekers facing employment barriers. For example, Ms Keelie Hamilton, Director of Student and Industry Engagement at regional TAFE The Gordon, mentioned how construction companies that want to employ women in traditionally male roles:

<sup>427</sup> Mr Dennis Bice, Chief Executive Officer, Be.Bendigo, public hearing, Bendigo, 22 October 2019, Transcript of evidence, p. 11.

<sup>428</sup> Name withheld, *Submission 24*, p. 1; Bass Coast Shire Council, *Submission 39*, pp. 2, 4; National Employment Services Association, *Submission 87*, p. 6; Mr Jim Dannock, Regional Manager, Ballarat and Wimmera Region, Ai Group, public hearing, Ballarat, 23 October 2019, *Transcript of evidence*, p. 60.

<sup>429</sup> Mr Mark Brennan, Chair, Bendigo Manufacturing Group, public hearing, Bendigo, 22 October 2019, Transcript of evidence, p. 11.

**<sup>430</sup>** Bass Coast Shire Council, *Submission 39*, pp. 1–2.

<sup>431</sup> Mr Jim Dannock. *Transcript of evidence*, p. 60.

are facing barriers that they have never even thought of. Where are the women's amenities? Where are their toilet facilities? The blokes have got their posters on the wall. And this stuff is still real. As much as we do not think it is, those workplaces are still very male-oriented ...

[and] if you want [a uniform] tailored for a women's physique, it is 80% more expensive than the blokes' stuff is. $^{432}$ 

Economies of scale have an impact on businesses' recruitment strategies, as do industry growth and the broader economy. According to the National Employment Services Association (NESA), the peak body of the Australian employment services sector:

As was experienced during the Resources Boom high demand for skilled workers can create greater opportunity for workforce mobility and increase availability of entry level and lower skilled roles. Under such conditions, employers often display greater flexibility in their prerequisite requirements and are more accepting of candidates with skills or experience below their preference. However, in highly competitive labour markets where supply exceeds demand employers, understandably, maximise their options to attract the best talent, often increasing requirements rather than making concessions.<sup>433</sup>

The labour market has become more competitive due to the economic impact of the COVID-19 pandemic. Businesses have reported adverse impacts on their operations from government restrictions such as social distancing, trading restrictions and the shutdown of non-essential services. In April 2020 according to the Australian Bureau of Statistics, 72% of Australian businesses expected reduced cash flow and 69% expected reduced demand for their goods and services over the next two months. An Australian Government survey between 27 March and 1 May 2020 also found 32% of Australian businesses had reduced staff numbers since the onset of the COVID-19 pandemic, and of these, 22% had reduced staffing levels by 10 workers or more. In Victoria, 35% of businesses had reduced their staff numbers over the same period. While there were signs of increased business confidence once government restrictions began easing, the impact on employment could take years to reverse even if there is a strong and fast economic recovery.

As businesses face economic uncertainty, they are less likely to be able and willing to hire new staff especially those who might need more support to fit into the workplace. To overcome these economic constraints to employing jobseekers facing disadvantage, businesses need incentives and support. Mr Stephen Ward, Executive Director of Education Training and Employment at Jesuit Social Services, stated:

**<sup>432</sup>** Ms Keelie Hamilton, Director, Student and Industry Engagement, The Gordon, public hearing, Geelong, 24 October 2019, *Transcript of evidence*, p. 53.

<sup>433</sup> National Employment Services Association, Submission 87, p. 6.

<sup>434</sup> Australian Bureau of Statistics, *Business indicators, Business impacts of COVID-19, April 2020*, cat. no. 5676.0.55.003, 2020, <a href="https://www.abs.gov.au/ausstats/abs@.nsf/Previousproducts/5676.0.55.003Main%20Features3April%202020">https://www.abs.gov.au/ausstats/abs@.nsf/Previousproducts/5676.0.55.003Main%20Features3April%202020</a> accessed 20 May 2020.

<sup>435</sup> Department of Education, Skills and Employment, *Impacts of COVID-19 on businesses: 1 May 2020*, Australian Government, Canberra, 2020, pp. 1, 2.

<sup>436</sup> Department of Education, Skills and Employment, *Impacts of COVID-19 on businesses: 8 May 2020*, Australian Government, Canberra, 2020, p. 1; Reserve Bank of Australia, *Statement on monetary policy: May 2020*, Reserve Bank of Australia, Sydney, 2020, p. 93.

We need employers on board, but sometimes employers do not find it too easy to play their role. They are running a business—they have got to produce what they are producing. They have got to build bridges and buildings and so on. When we work with employers, we need to make it easy for them.<sup>437</sup>

His organisation, which supports individuals and communities experiencing disadvantage, works with about 450 employers through its employment programs. He added:

What I have been pleasantly surprised by—really pleased with—is the commitment of those employers at the senior management levels, CEO levels and below that, to give people a second chance. But they need to have it made easier.<sup>438</sup>

The Brotherhood of St Laurence (BSL), another community service organisation that works to prevent and alleviate poverty, agreed that employers are eager to provide employment to jobseekers facing disadvantage if they have adequate support. This often includes sourcing candidates who are work ready and meet their recruitment needs, linking employers with suitable employment programs and subsidy opportunities, and assistance with supporting and retaining staff.<sup>439</sup>

**FINDING 25:** Many employers want to offer sustainable employment to jobseekers facing disadvantage but they need support to do so in a way that balances the social benefits with productivity.

# **3.1.2** Stigma and unconscious bias can lead to discrimination against jobseekers

Recruitment studies conducted in Victoria and Australia have identified employers' bias against culturally diverse job applicants on the basis of their names. According to Cultural Infusion, a not-for-profit, charitable organisation supporting disadvantaged people in Australia and internationally, this bias also extends to other types of diversity based on gender, ability, age and sexual orientation. Hume City Council added that while jobseekers face unique employment barriers based on their circumstances, all jobseekers facing disadvantage can experience employers' unconscious bias and/or prejudice, which can lead to discrimination during recruitment.

Employers' unconscious bias, stigmatisation of, and discrimination against, certain jobseeker groups are discussed below.

**<sup>437</sup>** Mr Stephen Ward, Executive Director, Education Training and Employment, Jesuit Social Services, public hearing, Melbourne, 4 September 2019, *Transcript of evidence*, p. 8.

**<sup>438</sup>** Ibid

<sup>439</sup> Brotherhood of St Laurence, Submission 96, p. 21.

<sup>440</sup> Department of Premier and Cabinet and Centre for Ethical Leadership, University of Melbourne, *Recruit Smarter: report of findings*, Victorian Government, Melbourne, 2018, p. 18; Alison Booth, Andrew Leigh and Elena Varganova, 'Does ethnic discrimination vary across minority groups?: evidence from a field experiment', *Oxford Bulletin of Economics and Statistics*, vol. 74, no. 4, 2012, p. 547.

**<sup>441</sup>** Cultural Infusion, *Submission 60*, p. 5.

<sup>442</sup> Hume City Council, Submission 61, p. 7.

#### **Unconscious bias**

Unconscious bias in the workplace refers to an employer's underlying attitudes or stereotypes about people or groups of people that affects recruitment, promotion and staff retention. The prejudice comes from employers making a quick assessment of a person or a situation based on their background, culture and personal experiences. It is considered to be automatic and outside a person's control.<sup>443</sup> However, there are ways to reduce its impact, as discussed in Section 3.2.3.

Organisations that work with culturally and linguistically diverse (CALD) people, such as the Ethnic Communities' Council of Victoria (ECCV), the Centre for Multicultural Youth and Loddon Campaspe Multicultural Services, highlighted the impact of unconscious bias on the recruitment of culturally diverse jobseekers, in particular, how having an ethnic name reduces the chance of being shortlisted for interviews. They said it affects both entry-level and tertiary-educated jobseekers, and especially younger and more recently arrived migrants and refugees. The Committee also heard first-hand accounts from jobseekers who believed they did not progress through the selection process due to unconscious bias. An example is provided in Case study 3.1.

#### **CASE STUDY 3.1:** 'It might just be some sort of unconscious bias'

'It was my first year out of high school, and I wanted to study part-time and work full-time somewhere. And the reason why I wanted to do that was because—as is very common amongst immigrant families the parents usually, when they come to a new country, do not really have a lot of employability skills. And that was the case from my parents as well. My parents were teachers back in Afghanistan for 20-plus years; when they came here their qualifications were not recognised. They could not speak the language. In fact to this day my parents are still unemployed; they do not work, so that creates a lot of financial tension in the house, and that onus to earn falls on the children.

In fact I have been working as soon as I turned 14 out of high school. I was working three jobs at the same time, on top of school. But out of high school I am like, 'It would be really good to work full-time somewhere in my field'—marketing and finance—and I looked around me, and I saw a lot of other students that were the same age as me, doing the same course, and they already had jobs at really good places like the banks, financial planning firms and accountancy firms. They were entry level positions. I am like, 'Look, if these guys can do it, then surely I could do it as well'. I looked at the descriptions; I had the necessary work experience and I had the work ethic, so I just started applying like a maniac everywhere. I did about 80 applications in the space of three weeks for banks, financial planning firms, accountancy firms and real estate agencies, and had not a single interview out of those 80 applications. Most of them did not even get back to me.

### (continued)

**<sup>443</sup>** Australian Public Service Commission, *Unconscious bias*, 2018, <a href="https://www.apsc.gov.au/unconscious-bias">https://www.apsc.gov.au/unconscious-bias</a> accessed 20 February 2020.

<sup>444</sup> Ethnic Communities' Council of Victoria, Submission 58, p. 3; Centre for Multicultural Youth, Submission 89, p. 9; Ms Kate McInnes, Executive Officer, Loddon Campaspe Multicultural Services, public hearing, Bendigo, 22 October 2019, Transcript of evidence, p. 45.

### **CASE STUDY 3.1** (continued)

So that is where, I guess, all the self-doubt comes in ... It was, I guess, hard to ignore what the obvious difference was between me and these other students. The obvious difference was, of course, our backgrounds ... And it might not even be explicit discrimination. It might just be some sort of unconscious bias that they might have towards—they might look at my CV: Shadab Safa, Afghanistan; he might not even be able to speak English, whereas they might see someone else, like John Smith from Canterbury. Okay, he sounds more familiar, he sounds like us; maybe we should take him just because he is familiar ...

So that is when I came across CMY [Centre for Multicultural Youth]. They had a program called Employment Empowers where they pair you up with a mentor and you work one on one with a mentor for a period of 12 months. My mentor helped me out a lot with CV writing, professionalism and just, I guess, helping me to stand out from other candidates

At the same time I came across another organisation called CareerSeekers. Now, CareerSeekers provides paid internships specifically for people of refugee/migrant backgrounds. I did a three-month internship in the 2018–2019 summer break at government construction projects, actually, the Level Crossing Removal Authority. I did that for three months, and it was really good. After that I started doing a bit of public speaking work for another organisation. I was going to schools doing seminars. I went to about 26 different schools over a period of a couple of months, but it just was not paying; I was not making enough from my speaking work ...

I did the whole thing again: 80 applications for similar organisations and similar roles. But this time around I had a lot of success. A few people were calling me back. I got a couple of responses; I got a couple of interviews. In fact just this week, on Monday, I got two job offers.'

#### **Shadab Safa**

Source: Mr Shadab Safa, public hearing, Melbourne, 4 September 2019, Transcript of evidence, pp. 17-18.

A Victorian Government initiative named Recruit Smarter trialled new recruitment approaches between 2016 and 2018. One of these approaches was de-identifying résumés so the candidates' demographic characteristics were not visible. Following résumé de-identification, overseas-born candidates were 8% more likely to be shortlisted, women were 8% more likely to be shortlisted and hired, and candidates from lower socioeconomic suburbs were 9.4% more likely to be shortlisted and receive a job offer.<sup>445</sup>

<sup>445</sup> Department of Premier and Cabinet and Centre for Ethical Leadership, Recruit Smarter, p. 11.

Résumé de-identification resulted in clear positive recruitment outcomes for women. Without de-identification, men were 30% more likely to be shortlisted and 33% more likely to be hired for the same position than women. Following de-identification, men were only 6% more likely to be shortlisted than women and women were 8% more likely to be hired than men.<sup>446</sup>

Unconscious bias can also affect older jobseekers. A survey of Australian HR Institute members, who consist of human resource and people management professionals, found 30% of respondents were reluctant to recruit workers above a certain age, and of these, 68% indicated an unwillingness to hire workers aged over 50.<sup>447</sup> Council on the Ageing Victoria (COTA Vic), the peak body representing the interests of Victorians aged over 50, added that women experience ageism in the workplace at a younger age than men.<sup>448</sup> According to research from the United Kingdom, this can occur from age 40.<sup>449</sup> Ms Amanda Kelly, Chief Executive Officer of health promotion agency Women's Health Goulburn North East, explained that even if age is not included on a candidate's résumé, 'you are looking at experience and you can see where she sits.'<sup>450</sup>

Mr David Clements, Deputy Secretary, Inclusion at the Department of Jobs, Precincts and Regions (DJPR), agreed that unconscious bias 'is one of the challenges that we need to try to help employers with' and stated 'what we find overwhelmingly is that when those sorts of barriers are broken down, employers very quickly realise the value' of jobseekers who otherwise might have been overlooked.<sup>451</sup>

### **Stigma**

Stigma is when a person is seen negatively by others due to a characteristic or attribute such as cultural background, mental ill-health, substance dependence or a criminal record. The person is defined by this characteristic and is no longer seen as an individual but as part of a stereotyped group. Stigma attached to a characteristic can produce among the wider community a sense of fear, lack of sympathy or ridicule towards people with that characteristic. The effects of stigma can make affected individuals doubt themselves and believe they cannot overcome the characteristic to achieve what they want.<sup>452</sup>

<sup>446</sup> Ibid.

**<sup>447</sup>** Australian HR Institute and Australian Human Rights Commission, *Employing older workers: research report*, Australian HR Institute and Australian Human Rights Commission, Sydney, 2018, p. 5.

<sup>448</sup> Council on the Ageing Victoria, Submission 55, p. 10.

<sup>449</sup> Lindsay Cook, 'Ageism in the workplace 'starts at 40' for women', Financial Times, 21 December 2018, <a href="https://www.ft.com/content/e4141576-04eb-11e9-99df-6183d3002eel">https://www.ft.com/content/e4141576-04eb-11e9-99df-6183d3002eel</a> accessed 9 April 2020.

**<sup>450</sup>** Ms Amanda Kelly, Chief Executive Officer, Women's Health Goulburn North East, public hearing, Shepparton, 20 November 2019, *Transcript of evidence*, p. 39.

**<sup>451</sup>** Mr David Clements, Deputy Secretary, Inclusion, Department of Jobs, Precincts and Regions, public hearing, Melbourne, 3 September 2019, *Transcript of evidence*, p. 4.

<sup>452</sup> Department of Health, Stigma, discrimination and mental illness, fact sheet, Government of Western Australia, Perth, 2009, p. 1; Better Health Channel, Stigma, discrimination and mental illness, 2015, <a href="https://www.betterhealth.vic.gov.au/health/servicesandsupport/stigma-discrimination-and-mental-illness">https://www.betterhealth.vic.gov.au/health/servicesandsupport/stigma-discrimination-and-mental-illness</a> accessed 21 February 2020.

Jobs Australia, the national peak body for not-for-profit employment and community service providers, noted that stigma attached to a criminal history, substance dependence or mental illness can limit employment opportunities for jobseekers when they disclose this information.<sup>453</sup> Other stakeholders agreed that employers can be unwilling to employ these individuals due to negative perceptions and attitudes, which impairs the confidence and self-worth of the jobseekers and makes it harder for them to become work ready.<sup>454</sup>

Ms Melanie Field-Pimm, Manager, Development at the Victorian Association for the Care and Resettlement of Offenders, an organisation that supports remandees, offenders and their families, stated that the negative stereotype of ex-prisoners ignores the range of skills and employment histories among these individuals. She said:

For us the problem sits more with the perceptions of the community and the media and the barrier of a criminal record. So yes, they do require an investment of time and funding to get results, but the majority of people leaving prison pose very little risk to a business. Upon release they are used to having routine. They have been living a structured existence, and they are also fit and healthy. The Federal Department of Employment, Skills, Small and Family Business released in 2018 from one of their surveys that 78% of employers said this target group were hardworking team players liked by their colleagues and customers and that they appreciated the job opportunity and demonstrated the right skills for the job.<sup>455</sup>

Stakeholders identified other groups who are affected by stigma. For example, sex workers can be defined by negative attitudes towards sex work and find it harder to transition out of the industry. Also, women experiencing family violence can be defined and limited by their circumstances. As Ms Jo Turner, Employment Case Worker at McAuley Community Services for Women, a charity that provides services for women and their children who are escaping family violence, explained:

I feel that when I market my clients into employers, as soon as they hear what I do and the clientele that I work with, I have at times come against closed doors. A lot of it, I think, is because of the fear that the perpetrator will come to their business, which is then going to disrupt their business. They have got a duty of care to their other employees as well. They do not seem to realise that we have worked extensively with these women ...

But I think the employers need to be a little more open-minded with women who have experienced family violence and not stigmatise. Yes, some of our clients are living in tents, possibly under bridges and some are in cars, but please don't assume they are

<sup>453</sup> Jobs Australia, Submission 90, p. 4.

**<sup>454</sup>** Victorian Alcohol and Drug Association, *Submission 22*, pp. 5, 6; National Centre for Vocational Education Research, *Submission 53*, p. 4; Hume City Council, *Submission 61*, p. 7; Australian Network on Disability, *Submission 88*, p. 1.

**<sup>455</sup>** Ms Melanie Field-Pimm, Manager, Development, Victorian Association for the Care and Resettlement of Offenders, public hearing, Melbourne, 19 November 2019, *Transcript of evidence*, p. 18.

<sup>456</sup> Sex Work Law Reform Victoria, Submission 38, pp. 3-4.

dirty, have no hygiene or are out to cause trouble. These women want to excel. They want to move forward. They want to grasp the opportunities—especially the ones that McAuley has offered to them, so that they can successfully transition back into the community and give back. Their lives have been horrendous for a very long time.<sup>457</sup>

People can consider stigmatised groups to be responsible and to blame for their circumstances, as well as unable to perform their job well, which can lead to employers perceiving these jobseekers as unsuitable for the workforce.

#### Discrimination

Unconscious bias and stigma can lead to discrimination in the workplace, which can prevent jobseekers from finding and retaining sustainable employment. Workplace discrimination is when an employer adversely treats an employee or prospective employee because of a personal attribute such as cultural background, gender, sexual orientation, age, disability, marital status, pregnancy, caring responsibilities, religion and political opinion. It can manifest as dismissal of an employee or denying promotion to an employee and in terms of jobseekers, as refusal to employ a prospective employee or offering a prospective employee different and unfair terms and conditions for the job.<sup>458</sup>

The Australian Human Rights Commission (AHRC) receives more complaints about disability discrimination than any other type of discrimination each year, and a significant proportion of these complaints relates to employment (34% in 2014–15). Employers who have a poor understanding about disability in the workplace are more likely to have negative perceptions about employees with disability. For example, some employers might believe that employees with disability are more likely to be absent from work and less productive than other workers and employing them might be more risky and costly (through higher insurance premiums, training costs and costs to adapt the workplace). These negative attitudes can lead to discrimination during recruitment and in the workplace from employers and co-workers.

Aspergers Victoria, a not-for-profit organisation that provides services, support and advocacy for people with Asperger syndrome, added:

As there are relatively low numbers of people with disability employed in the workforce, their lack of visibility only serves to reinforce the perception that they are not effective in the workforce. 462

**<sup>457</sup>** Ms Jo Turner, Employment Case Worker, McAuley Community Services for Women, public hearing, Ballarat, 23 October 2019, *Transcript of evidence*, pp. 48-49.

<sup>458</sup> Fair Work Ombudsman, Workplace discrimination, fact sheet, Australian Government, Melbourne, 2017, p. 1.

**<sup>459</sup>** Australian Institute of Health and Welfare, *People with disability in Australia 2019: in brief*, AlHW, Canberra, 2019, p. 9; Australian Human Rights Commission, *Willing to work: national inquiry into employment discrimination against older Australians and Australians with disability*, Australian Human Rights Commission, Sydney, 2016, p. 42.

<sup>460</sup> Aspergers Victoria, Submission 71, p. 14; Australian Network on Disability, Submission 88, p. 1.

<sup>461</sup> City of Stonnington, Submission 48, p. 3; Bass Coast Shire Council, Submission 39, p. 3.

<sup>462</sup> Aspergers Victoria, Submission 71, p. 14.

Studies have shown that employers who have had previous experience with employees with disability are more likely to hold positive attitudes towards working with them. 463 Mission Australia, a charity that helps vulnerable people gain independence, cited research showing that only 35% of Australian employers have demonstrated a behavioural commitment to employing people with disability despite over three-quarters of employers (77%) stating they are open to doing so. 464

According to the AHRC, age discrimination in the workplace is also significant. In 2014–15, 71% of the complaints it received about age discrimination were related to employment. From employers might believe it is more expensive to hire and train older workers and that there will be less return on investment because older workers are closer to retiring. Other negative attitudes include that older people are slow, unwilling to learn or change and are more likely to be sick. Case study 3.2 provides an example of age discrimination experienced by a teacher aged 50.

## **CASE STUDY 3.2:** 'I found that I was not considered for positions despite all of my experience'

'I am a 50-year-old relief teacher in the secondary sector. I wanted to do relief and contract teaching because I had a very young family, but when I wanted a permanent position for security of employment, I found that I was not considered for positions despite all of my experience because I was now at the top of the pay scale and too old. I can't even get long-term contracts anymore. The positions go to young graduates because they're cheaper and younger. I have seen many people in similar circumstances and have even seen older teachers being forced into early retirement with teaching loads they don't want. This is a wide spread problem and one which has forced me to retrain to get employment in the private sector and take my considerable experience and skills—that have been honed over many years—somewhere else.'

Source: Name withheld, Submission 7, p. 1.

Parents returning to work after parental leave have reported experiencing discrimination such as a reluctance among employers to hire or promote working parents, changes to salary or working conditions when they return to work, and dismissal or redundancy.<sup>468</sup> Members of the LGBTI+ community have also reported

<sup>463</sup> Australian Network on Disability, Submission 88, p. 1.

<sup>464</sup> Mission Australia, Submission 64, p. 12.

<sup>465</sup> Australian Human Rights Commission, Willing to work, p. 11.

**<sup>466</sup>** Melton City Council, *Submission 30*, p. 17; City of Stonnington, *Submission 48*, p. 3; Ms Emma Cvitak, Board Member, National Social Security Rights Network, public hearing, Melbourne, 19 November 2019, *Transcript of evidence*, p. 25.

**<sup>467</sup>** City of Stonnington, *Submission 48*, p. 3; Council on the Ageing Victoria, *Submission 55*, p. 8; Hume City Council, *Submission 61*, p. 5.

<sup>468</sup> Mission Australia, Submission 64, p. 16.

receiving less favourable treatment during recruitment processes and being at greater risk of discrimination in some industries such as construction, forestry and some manufacturing sectors for men and healthcare for women.<sup>469</sup>

Mr Sam Birrell, Chief Executive Officer of the Committee for Greater Shepparton, a group of business and community leaders working to improve the regional economy, stated that discrimination is less prevalent in times and regions of labour shortages:

As the workforce shortage impacts us more and more, if there was an inclination to say, 'I won't hire that person because they're from this background', I do not think that is there as much anymore. What there might be is some language difficulties or some cultural difficulties that might make it difficult for a person to work within a workplace ... I see the discrimination as not being there as much anymore. If I am an employer, if someone can do the job, then some of those other things are not there. Making sure the person has the ability to do the job is probably the most important thing.<sup>470</sup>

However, when there are fewer job opportunities available, employers tend to be more selective when recruiting.<sup>471</sup> This is likely to become more prominent in the aftermath of the COVID-19 pandemic, when there will be more jobseekers competing for fewer jobs.

**FINDING 26:** Unconscious bias and stigmatisation of jobseekers facing disadvantage can lead to employers discriminating against these jobseekers especially when soft labour market conditions make it easier for employers to be more selective when recruiting.

# **3.1.3** Non-inclusive recruitment practices and workplaces create barriers to sustainable employment

The recruitment process can set up a barrier for some jobseekers if by design it excludes some groups. For example, jobseekers with Autism Spectrum Disorder may not perform well in traditional interviews because their thought processes and behaviour can be different to what employers expect. They may find the interview process confusing and they may lack the social and communication skills to sell themselves and their talents.<sup>472</sup>

Ms Gayle Vermont, Programs Manager at Aspergers Victoria, gave an example of how language and social skills can be significant barriers during interviews:

The major challenge is the language—the literalness and the abstract nature of language—that we use in interviews. Also the social skills you need—how you greet people when you come in. Within the first 7 seconds of an interview people have already made a judgement about that person, particularly with an aspie, who does not look

<sup>469</sup> National Centre for Vocational Education Research, Submission 53, p. 4.

**<sup>470</sup>** Mr Sam Birrell, Chief Executive Officer, Committee for Greater Shepparton, public hearing, Shepparton, 20 November 2019, *Transcript of evidence*, p. 18.

<sup>471</sup> National Employment Services Association. Submission 87, p. 6.

<sup>472</sup> Outer Eastern LLEN, Submission 40, p. 2; Aspergers Victoria, Submission 71, p. 4; Parliament of Victoria, Family and Community Development Committee, Inquiry into services for people with Autism Spectrum Disorder, June 2017, p. 212.

you in the eye. And if they look you in the eye, then they cannot think, or they may look down to answer a question or may be very abrupt with the answer, because they will give you the answer that you have asked rather than elaborate on an answer. So there is that. Sometimes in the interview a lot of aspies really struggle with videos and even seeing themselves on videos. Group interviews are a pain in the neck. One of our young men has missed out on even getting an interview, because the interview question, or the application question, was, 'Do you like group work?'. Of course he said no, but he can do group work! He does not like it.<sup>473</sup>

People with disability may also be unsure if, when and how to disclose their disability to a prospective employer in case the information harms their chances of being offered work.<sup>474</sup> The Australian Network on Disability, a national organisation that supports employers to be actively inclusive of customers and employees with disability, regularly conducts reviews of employers' recruitment processes and has found:

without exception, jobseekers with disability are disadvantaged because recruitment systems and processes are not accessible or inclusive. Many employers do not describe the key requirements of their roles, making it difficult for jobseekers with disability to know whether they could perform a role. Most employers don't provide an opportunity for jobseekers with disability to request adjustments to facilitate a fair and equitable recruitment process. Employers routinely eliminate jobseekers who can't manage a voice phone call—not realising that the jobseeker may be deaf and require an alternate format. 475

Chief Executive of the Australian Network on Disability, Ms Suzanne Colbert, stated that online applications have added to the complexity of recruitment for jobseekers with disability because they 'do not provide an opportunity to have adjustments or to tell your story'. The Australian Network on Disability, Ms Suzanne Colbert, stated that online applications have added that online applications have added that recruitment barriers can be even greater with:

large employers who are doing most of the employing, and it is very hard to get through their recruitment and selection process on the basis that the whole purpose of an efficient HR [human resources] process is to take 500 applications and reduce them to five in as short as possible a time frame with the best possible match. As we see the growth and development of AI [artificial intelligence] in recruitment and selection that will become increasingly difficult.<sup>477</sup>

Stakeholders who work with CALD jobseekers also believed recruitment documents and processes can be complex, inflexible and written in unfamiliar language.<sup>478</sup> A bias towards candidates with local experience also harms the prospects of newly arrived

<sup>473</sup> Ms Gayle Vermont, Programs Manager, Aspergers Victoria, public hearing, Melbourne, 4 September 2019, Transcript of evidence, pp. 61–62.

<sup>474</sup> Australian Human Rights Commission, Willing to work, p. 12.

<sup>475</sup> Australian Network on Disability, Submission 88, p. 1.

**<sup>476</sup>** Ms Suzanne Colbert AM, Chief Executive, Australian Network on Disability, public hearing, Melbourne, 4 September 2019, *Transcript of evidence*, p. 45.

**<sup>477</sup>** Ibid

<sup>478</sup> Wyndham Community & Education Centre, Submission 20, p. 2; Brimbank City Council, Submission 32, p. 3; Outer Eastern LLEN, Submission 40, p. 2.

migrants.<sup>479</sup> AMES Australia, a settlement agency which supports newly-arrived refugees and migrants, explained:

recently arrived migrants are unlikely to have either local experience or local employer references to verify intangible attributes such as 'initiative', 'problem-solving', 'teamwork', 'loyalty', 'commitment', 'honesty' or 'reliability'.<sup>480</sup>

Employers' methods to shortlist candidates can also work against some jobseekers. The use of artificial intelligence in recruitment through filtering tools and screening algorithms can exclude applicants on the basis of age, gender and other characteristics. Algorithms could also be used to screen and exclude jobseekers with mental illness or long periods of unemployment.<sup>481</sup>

Ms Anne Pahl, Manager, Veterans Engagement and Transition with RSL Active, a program of the Returned and Services League Victoria to support young veterans, added that the training and work history of a veteran can vary greatly from the typical path taken by a civilian. This can make it difficult for employers to compare candidates:

we have a population now that are leaving the ADF [Australian Defence Force] who are young, who have transitioned from school into the military, who have got significant skill sets that they have gained very, very quickly in that time; however, when you compare that to a school leaver who has gone into university and employment that way, there is a mismatch appearing. It becomes quite confusing for employers out there who have got these people in front of them and are trying to match the skill that has come from one area, plus the age, to someone who has come from the university sector and maybe an internship and followed on from there.<sup>482</sup>

Employers who are unaware of the different ways some jobseekers present during recruitment will be unable to set up processes to ensure the recruitment process does not exclude these jobseekers.

Non-inclusive workplaces can also make it difficult for employees from some backgrounds to stay in a job. For example, the ECCV, the peak policy advocacy body for regional ethnic community councils across Victoria, stated there is:

a lack of inclusive culture in many Victorian workplaces, with employers not fully embracing the need to make changes to recruitment, HR and workplace practices to enhance their inclusiveness to people of all types of diverse backgrounds.<sup>483</sup>

The reputation of these workplaces can also spread through word of mouth discouraging jobseekers from applying to work there. Mr Ricky Kildea, who is the Director of Wan-Yaari Aboriginal Consultancy Services, an Aboriginal-owned and

<sup>479</sup> Dr Moses Abiodun, Submission 12, p. 1; AMES Australia, Submission 34, p. 8.

<sup>480</sup> AMES Australia, Submission 34, p. 8.

<sup>481</sup> National Employment Services Association, Submission 87, p. 7.

**<sup>482</sup>** Ms Anne Pahl, Manager, Veterans Engagement and Transition, RSL Active, Returned and Services League of Australia–Victorian Branch, public hearing, Melbourne, 19 November 2019, *Transcript of evidence*, p. 16.

<sup>483</sup> Ethnic Communities' Council of Victoria, Submission 58, p. 6.

operated business providing employment services in the Geelong region, described how this happens:

Some of those barriers include organisations not necessarily being culturally inclusive and respectful workplaces—you know, community going into those places, having a bad experience, will then leave, and they will tell other community not to go and work there.

... it does become a big barrier. You know, if you have a great experience somewhere, you are going to tell, or if you have a bad experience, especially in the Koori community, that really gets around out into community as well.<sup>484</sup>

Workers with disability can also struggle in workplaces that are not inclusive of them. Some stakeholders mentioned that employers do not always have the knowledge and skills to effectively manage people with disability and provide practical assistance such as implementing workplace adjustments or work arrangements and redesigning a job.<sup>485</sup> Aspergers Victoria added that co-workers may also lack awareness of the social and behavioural differences people with Asperger syndrome display, which can lead to misunderstandings in the workplace.<sup>486</sup>

## 3.1.4 Not all employers engage with employment programs

Stakeholders informed the Committee that not all employers were aware of programs and incentives designed to help disadvantaged jobseekers find and maintain employment. For example, there has been poor take-up of the Restart program, which is an Australian Government financial incentive of up to \$10,000 to encourage businesses to hire and retain employees aged 50 and over. Ms Tina Hogarth-Clarke, Chief Executive Officer of COTA Vic, suggested this could be because of poor promotion and employers not understanding what the program is about and how it works. Similarly, Aspergers Victoria argued that many employers are unaware of the Australian Government's Disability Employment Services (DES) highlighting that 'only 3% of employers use DES when recruiting.'

However, the Greater Dandenong Regional Employment Taskforce, a collaboration of government, community organisations, employment services providers and education and training providers, noted that employers who are aware of employment programs may not be engaging with them because they are frustrated with the process. It explained:

Employers have long expressed a frustration in working with organisations servicing disadvantaged clients, with very few of them now willing to use 'the system'. To employers 'the system' could be Federal/State/Local employment programs and/or

<sup>484</sup> Mr Ricky Kildea, Director, Wan-Yaari Aboriginal Consultancy Services, public hearing, Geelong, 24 October 2019, *Transcript of evidence*, p. 40.

<sup>485</sup> Hume City Council, Submission 61, p. 6; Aspergers Victoria, Submission 71, p. 14.

<sup>486</sup> Aspergers Victoria, Submission 71, p. 4.

**<sup>487</sup>** Ibid., p. 14.

<sup>488</sup> Ms Tina Hogarth-Clarke, Chief Executive Officer, Council on the Ageing Victoria, public hearing, Melbourne, 4 September 2019, Transcript of evidence, p. 51.

<sup>489</sup> Aspergers Victoria, Submission 71, p. 14.

organisations set up to place disadvantaged job seekers into employment. They are all one and the same as far as the employer is concerned, a couple of bad experiences with one means they are all tarred with the same brush. Result is that now many employers have lost trust and are reluctant to work with 'the system'.<sup>490</sup>

The Central Goldfields Shire Council also cited findings from a 2016 Brotherhood of St Laurence report into employment and economic challenges in Maryborough to show that:

employers do not readily engage with Commonwealth-funded employment services because the pool of possible candidates is spread across multiple providers increasing the effort to source a sufficient pool of candidates or because they have been 'burned' before with inadequately qualified or prepared candidates referred to them ...<sup>491</sup>

The Greater Dandenong Regional Employment Taskforce identified employers' four main frustrations with employment programs:

- the gap between the skills and attitudes they need for the job and the jobseekers they are presented with
- · the number of unsuitable applications they receive
- · the time it takes for them to be presented with suitable applicants
- the competition between employment services providers who contact them and promise them better service delivery than other providers.<sup>492</sup>

The Taskforce added that to improve employer engagement with programs designed for jobseekers facing disadvantage, service providers need to deliver a better service and gain employers' trust.<sup>493</sup> Further ways to improve employment service provision are discussed in Chapter 4.

# **3.2** Better support and collaboration will help employers to remove barriers

NESA, whose members consist of not-for-profit, community, private and public sector organisations that deliver employment services, argued that removing barriers to sustainable employment requires 'a simultaneous focus on both supply and demand factors', that is, both jobseekers and employers. 494 Ms Hogarth-Clarke from COTA Vic also noted the importance of involving businesses to support government employment programs and initiatives. 495

**<sup>490</sup>** Greater Dandenong Regional Employment Taskforce, *Submission 54*, p. 3.

<sup>491</sup> Central Goldfields Shire Council, Submission 70, p. 3.

<sup>492</sup> Greater Dandenong Regional Employment Taskforce, Submission 54, p. 3.

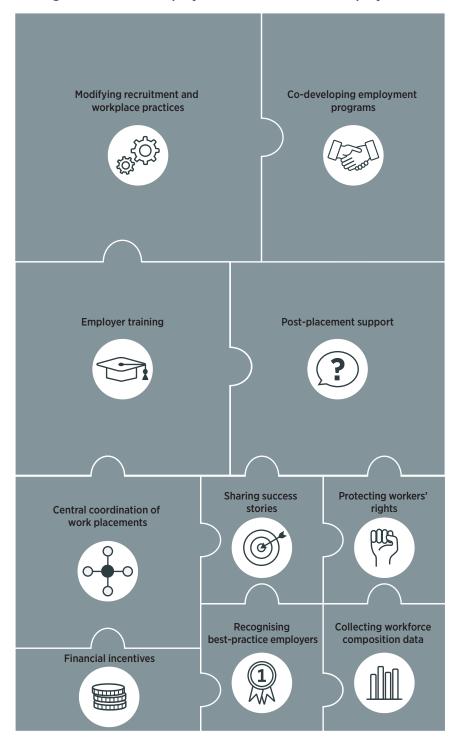
<sup>493</sup> Ibid., p. 4.

<sup>494</sup> National Employment Services Association. Submission 87, p. 8.

<sup>495</sup> Ms Tina Hogarth-Clarke, Transcript of evidence, p. 50.

This section presents strategies to help employers remove any barriers to sustainable employment that exist at their end. These strategies include financial incentives, co-development of employment programs, training to eliminate discrimination, simplifying work placements and providing adequate post-placement support. They are summarised in Figure 3.2.

Figure 3.2 Strategies to address employer-related barriers to employment



# **3.2.1** Success stories and incentives can encourage employers to reduce barriers

Employers can be incentivised to offer sustainable work opportunities to jobseekers facing disadvantage through financial inducements, appeals to their sense of fairness and greater awareness of success stories and the benefits of recruiting more inclusively. At the same time, employers' concerns about the impact of inclusive recruitment on productivity also need to be recognised.

As explained by Mr Birrell from the Committee for Greater Shepparton:

What the business community wants is productivity. Yes, they have a heart and they want to help people, but at the end of the day it is so competitive out there and they need productivity. 496

He instead talks to employers to determine how to improve jobseekers' work readiness for their business. Similarly, Mr Bice from Be.Bendigo, identified some of the challenges around encouraging businesses to offer employment opportunities to jobseekers facing disadvantage:

One is talking to the businesses about the fact that you are not always going to get experienced people. Sometimes you have got to take the opportunity to bring some people in that do not have the expertise or experience. And we understand why businesses do that—because they are under pressure to perform and drive that outcome ...<sup>497</sup>

Mr Clements from DJPR noted that addressing the difficulties some employers face to find the workforce they need for their business can encourage their participation in government employment programs. Regarding the Victorian Government's Jobs Victoria Employment Network (JVEN), an employment program for jobseekers with multiple employment barriers, he said:

we see a real success of this model is that we are tapping into a supply of labour for some industries where they might not otherwise have access to the workforce that they need to either sustain or grow their businesses. There have been some really good examples of success in areas like food manufacturing and food processing, where the work is really hard and the work is really difficult. And in some instances, in a really tight labour market, some people may not choose to work in those sorts of industries.<sup>498</sup>

He added that JVEN can link these employers with jobseekers or communities who are suited to this type of work and are grateful for the 'opportunity to work and provide for their families and their local communities.' <sup>499</sup>

<sup>496</sup> Mr Sam Birrell, Transcript of evidence, p. 18.

<sup>497</sup> Mr Dennis Bice, Transcript of evidence, p. 8.

<sup>498</sup> Mr David Clements, *Transcript of evidence*, pp. 2–3.

**<sup>499</sup>** Ibid., p. 3.

## Offering employers financial incentives

Several stakeholders suggested offering financial incentives, such as payroll tax concessions or subsidies, to encourage employers to hire jobseekers facing disadvantage, since employers may have lower financial returns in the first few years due to training costs and initial lower productivity. Financial assistance would be especially important for smaller businesses that may not have the resources to train and support jobseekers who have additional needs. For

The Australian Government offers wage subsidies to businesses that hire an eligible new employee. Employment services providers pay the wage subsidies to the business over six months. Employers can receive wage subsidies of up to \$10,000 for new employees who are Indigenous Australian or aged either 15–24 or 50 and over. They can receive up to \$6,500 for new employees who are aged 25–29, a principal carer parent or a person who has been registered with an employment services provider for at least 12 months. <sup>502</sup> An Australian Government analysis of factors affecting income support status found the odds of being off income support after 12 months were about 14% higher for jobseekers who received a wage subsidy compared with those who only received a job placement. <sup>503</sup>

Mr Luke Whinney, Senior Manager of Education and Employment at AMES Australia, suggested that wage subsidies be extended beyond six months to encourage employers to offer more sustainable employment.<sup>504</sup> He added that financial incentives could be used to encourage businesses to provide more permanent work opportunities to jobseekers facing disadvantage:

Could you [set up a system for] corporates to have a milestone set around 12 months, 24 months, 36 months that is quite attractive and appealing? That incentivised system might attract corporates to not only engage more in that space but also provide greater incentives to provide those sustainable opportunities.<sup>505</sup>

According to employment rights and community legal centres, another benefit of providing financial incentives at later milestone dates is that it would prevent employers dismissing employees once the wage subsidy expires. The qualification period for unfair dismissal claims is six months—or 12 months for small businesses that employ fewer than 15 employees—so employees who suspect they have been dismissed

<sup>500</sup> Name withheld, Submission 24, p. 1; National Disability Services, Submission 37, p. 11; WEstjustice Community Legal Centre and Springvale Monash Legal Service, Submission 62, p. 14.

**<sup>501</sup>** Bass Coast Shire Council. *Submission 39*, pp. 1–2.

**<sup>502</sup>** Australian Government, *Wage subsidies*, <a href="https://jobsearch.gov.au/employer-info/wage-subsidies">https://jobsearch.gov.au/employer-info/wage-subsidies</a>> accessed 25 February 2020.

<sup>503</sup> Department of Education, Employment and Workplace Relations, Employment Pathway Fund, Chapter 2: wage subsidies, DEEWR, Canberra, 2012, p. 29.

<sup>504</sup> Mr Luke Whinney, Senior Manager, Education and Employment, AMES Australia, public hearing, Melbourne, 4 September 2019, Transcript of evidence, p. 33.

**<sup>505</sup>** Ibid., p. 35.

<sup>506</sup> JobWatch, Submission 59, p. 8.

because the subsidy has ended have no recourse. As explained by Mr John O'Hagan, a lawyer at JobWatch, which is an independent, not-for-profit employment rights legal centre:

because of the six-month duration of the subsidy it actually enables the employer to arguably dismiss an employee for no reason, because they arguably do not need a valid reason ... because the qualification period for unfair dismissal has not been met ...

we get a lot of calls from people who have been in that system and they have been dismissed exactly when the subsidy expires.<sup>507</sup>

Ms Ashleigh Newnham, Manager of Strategy and Community Development at community legal centre Springvale Monash Legal Service, agreed this was a problem for some employees adding, 'There is very little that we can do for them.' 508 She suggested that the wage subsidy could be extended to 28 weeks to avoid dismissal at six months, as well as providing 'subsidies for annual leave or long service leave entitlements to help small businesses make it more sustainable to keep that employee on.' 509

Another suggestion from Ms Liz Morgan, Employment Program Director, Policy and Education, at WEstjustice, a community legal centre for residents of Melbourne's western suburbs, was:

incentives around permanent rather than casual employment. With the way that the subsidies or incentives are structured, you kind of get what you pay for, so they cut out at a certain point, as opposed to if you are actually aiming more towards the permanent type of employment.<sup>510</sup>

Since the wage subsidy is a federal rather than state government initiative, Mr O'Hagan suggested the Victorian Government consider:

a bonus lump sum payable at the end of two years—just to pull that figure out of a hat—just so that there is a longer commitment with a reward at the end of it. We just feel that that two-year period is enough to sift out the people who are just after a short-term hit from those who are actually more serious about it.<sup>511</sup>

Encouraging employers to employ jobseekers facing disadvantage for longer periods will give the recruits more time and opportunity to gain skills and experience, which will improve their employability over the long term.<sup>512</sup> The Victorian Government could offer financial incentives to employers who employ jobseekers through JVEN after 12 and 24 months of employment to encourage sustainable employment.

<sup>507</sup> Mr John O'Hagan, Lawyer, JobWatch, public hearing, Melbourne, 19 November 2019, *Transcript of evidence*, p. 43.

<sup>508</sup> Ms Ashleigh Newnham, Manager, Strategy and Community Development, Springvale Monash Legal Service, public hearing, Melbourne, 19 November 2019, *Transcript of evidence*, p. 43.

<sup>509</sup> Ibid., p. 44.

<sup>510</sup> Ms Liz Morgan, Employment Program Director, Policy and Education, WEstjustice, public hearing, Melbourne, 19 November 2019, *Transcript of evidence*, p. 44.

<sup>511</sup> Mr John O'Hagan, *Transcript of evidence*, p. 45.

<sup>512</sup> JobWatch, Submission 59, p. 8.

**FINDING 27:** Offering employers financial incentives at later milestones would encourage the retention of recruits facing disadvantage for longer periods and enable these recruits to gain more skills and experience in the workplace, improving their future employment prospects.

**RECOMMENDATION 33:** That the Department of Jobs, Precincts and Regions consider bonus lump sum payments for employers when an employee hired through the Jobs Victoria Employment Network reaches 12 and 24 months of continuous employment.

## Sharing success stories and raising awareness of benefits

BSL noted that 'demonstrating the business case for inclusive employment by building an understanding of shared benefits' would help to encourage employers to offer more opportunities to jobseekers facing disadvantage.<sup>513</sup> Other stakeholders added that the best way to raise awareness about the benefits of employing jobseekers facing disadvantage was to publicise the benefits and share success stories with employers.<sup>514</sup>

For example, Dr Sue Olney, a Research Fellow with the Public Service Research Group at the University of New South Wales Canberra, said:

the elephant in the room of course is that we have 700,000 people on Newstart [unemployment benefit], we have 1 million people who are underemployed looking for work and very soon we will have close to 200,000 people with disabilities coming through the NDIS [National Disability Insurance] scheme looking as well. That is an enormous labour pool for employers to draw on. So if we say that, in order to reduce the lifetime costs of disadvantaged jobseekers being marginalised in the labour market, then I think we have to really focus on employers and say what benefit it is to employers to put those people into work in preference to someone else.<sup>515</sup>

Employers are more likely to be swayed by reports from other businesses that have had success employing jobseekers facing disadvantage, according to Mr Cameron Spence, Program Manager of GROW (Growing Regional Opportunities for Work) Gippsland, a collaboration of local businesses working to strengthen social and economic outcomes and job growth in the region. He said:

Everyone is open to signing up [to social procurement]—yes, absolutely. It is one thing to sign up; it is another to really change the way you do things ... it takes time. We have got leaders ... And then you have got people who are taking more time to come on the

<sup>513</sup> Brotherhood of St Laurence, Submission 96, p. 3.

<sup>514</sup> For example, Cr Margaret O'Rourke, Mayor, City of Greater Bendigo, public hearing, Bendigo, 22 October 2019, *Transcript of evidence*, pp. 2–3.

<sup>515</sup> Dr Sue Olney, Research Fellow, Public Service Research Group, UNSW Canberra, public hearing, Melbourne, 3 September 2019, Transcript of evidence, pp. 16–17.

journey. What works though is hearing the actions of others—not hearing it from us but when they hear of their peers who are doing things well, that it is achievable, it is practical and can deliver the outcomes.<sup>516</sup>

Mr Matthew Inkster, who is the Manager of People, Capability and Inclusion at the Metro Roads Program Alliance, one of the level crossing removal alliances in Melbourne, said sharing good news stories would encourage more employers to recruit jobseekers with employment barriers:

it sometimes feels like it is a hard thing to sell. There are so many good stories out there and there are so many good foundations, charities and organisations which put in so much hard work. We need to support that. We need to promote that. We need to let people know what is out there and the good work that is being done, and take away some of that stigma around the employment of some of these cohorts.<sup>517</sup>

This view was shared by Ms Tina Hosseini, a Victorian Multicultural Commission Commissioner, who argued that publicising good news stories of employing CALD jobseekers would counter the stereotyping and media sensationalism around migrants and refugees and 'help these young people as well in terms of employers being more receptive to hiring them.'518

Representatives of organisations that work with people with disability also argued for publicity campaigns to encourage employers to recruit jobseekers with disability. For example, Ms Mary Sayers, Chief Executive Officer of Children and Young People with Disability Australia, the national peak body representing children and young people with disability aged up to 25 years, explained:

Often there is a fear of the workplace adjustments that are going to need to be made. There is a lack of confidence or knowledge. There is sometimes an absence of leadership commitment, and then for small businesses navigating all the frameworks and all the processes is really complex, so there needs to be both incentivisation and public awareness about the benefits of employing people with disability ... a broadscale campaign around why it is good to employ, why you are a good citizen of Victoria if you employ a person with disability. It is not just a charity thing, actually they are good workers and they bring a lot of richness and diversity to the workplace.<sup>519</sup>

President of Aspergers Victoria, Ms Tamsin Jowett, highlighted the benefits to employers of recruiting people with Asperger syndrome, such as improved productivity through diverse thinking and better team performance.<sup>520</sup> Case study 3.3 provides an example.

<sup>516</sup> Mr Cameron Spence, Program Manager, GROW Gippsland, public hearing, Warragul, 11 December 2019, *Transcript of evidence*, p. 30.

<sup>517</sup> Mr Matthew Inkster, Manager, People, Capability and Inclusion, Metro Roads Program Alliance, Fulton Hogan, public hearing, Melbourne, 19 November 2019, *Transcript of evidence*, p. 32.

<sup>518</sup> Ms Tina Hosseini, Commissioner, Victorian Multicultural Commission, public hearing, Melbourne, 4 September 2019, *Transcript of evidence*, p. 31.

<sup>519</sup> Ms Mary Sayers, Chief Executive Officer, Children and Young People with Disability Australia, public hearing, Melbourne, 4 September 2019. *Transcript of evidence*, pp. 47–48.

<sup>520</sup> Ms Tamsin Jowett, President, Aspergers Victoria, public hearing, Melbourne, 4 September 2019, Transcript of evidence, p. 61.

## **CASE STUDY 3.3:** '[A] very new way of thinking that just brings those fresh eyes'

'With one of our local employers ... we have got a young person in there who has been out of work for four years. He has lived in his bedroom. As he got into that job—and he has been quite challenged getting into the job—within the first, I think, month of him working he had already solved two of the major problems that they had been working on for two years. That is a common story you hear, particularly in the IT field—that is really common—because it comes with a very new way of thinking that just brings those fresh eyes and very much systems [thinking]. This young boy in particular, he has got this project he is meant to be doing, and he said, 'I think if I went away and wrote a program I could do it. This is going to take me months to do'. He said, 'If I write a program, then I can sell the program to other organisations'. That is what you are looking at; that is the type of worker that you are looking at.'

Source: Ms Gayle Vermont, Programs Manager, Aspergers Victoria, public hearing, Melbourne, 4 September 2019, *Transcript of evidence*, p. 61.

Ms Colbert from the Australian Network on Disability referred to a mass employer education program conducted in the United Kingdom when it introduced disability discrimination legislation:

Every employer, even sole traders, were sent a very neat little pack helping employers to understand who their potential workforce could be and who their potential customers would be. That gave them an example of the kind of adjustments that they might want to make for people in their community who want to do business with them as employees or as customers. So there are some very strong precedents being set by other countries that have made substantial differences that go to the heart of employer practice.<sup>521</sup>

The Australian Government has an employment information hub for people with disability, employers and service providers called JobAccess. The JobAccess website has an employer toolkit with resources for employers and case studies of people with disability using JobAccess and their experiences in the workforce. National Disability Services, Australia's peak body for non-government disability service organisations, suggested the Victorian Government 'publicise and promote the Job Access website and the new Employer Toolkit.'523

Ms Hogarth-Clarke from COTA Vic also supported raising awareness among employers of the benefits of employing older workers, such as their greater experience, corporate knowledge and loyalty.<sup>524</sup> At the same time, policies and workplace practices to support

<sup>521</sup> Ms Suzanne Colbert AM, Transcript of evidence, p. 48.

<sup>522</sup> JobAccess, Access for employers, 2020, <a href="https://www.jobaccess.gov.au/employers">https://www.jobaccess.gov.au/employers</a> accessed 26 February 2020.

<sup>523</sup> National Disability Services, Submission 37, p. 8.

**<sup>524</sup>** Ms Tina Hogarth-Clarke, *Transcript of evidence*, p. 51.

the employment of older workers should also be promoted, including tailored training plans, flexible and/or shorter working hours, additional leave, decreased workload and ergonomic measures.<sup>525</sup>

Ms Emma Cvitak, a Board Member of the National Social Security Rights Network, a peak body representing community legal services, agreed there is a need for:

encouragement of employers from across the board. These [older] people bring valuable skills, valuable assets and a really good work ethic to the job. So I think that perhaps is a hurdle in getting them to enter that market to begin with. But also on the end of employers, just to encourage them that these people can bring a lot to the table and that a lot of those things that may be holding them back from employing an older person are not necessarily realistic ... in reality a lot of those things do not play out, such as the cost of having to hire someone, just because they think there are going to be extra costs associated because they are older, where in reality that is not the case. You could hire someone that is younger, and if they have certain vulnerabilities, you are going to be in the exact same position. <sup>526</sup>

To counteract some employers' negative assumptions of the costs associated with hiring jobseekers facing disadvantage, the Victorian Government could raise awareness of the benefits of employing these jobseekers, policies that can assist these jobseekers to succeed in the workplace and the support available to employers who recruit them. While the Jobs Victoria website has these resources and case studies, not all employers may be aware of the website and the resources are not tailored to specific cohorts. A pack sent to all employers, similar to the one sent to employers in the United Kingdom on people with disability, could be developed to target particular cohorts of jobseekers.

**FINDING 28:** Greater awareness of the benefits of employing jobseekers facing disadvantage and success stories of their employment will encourage more employers to actively recruit these jobseekers.

**RECOMMENDATION 34:** That the Department of Jobs, Precincts and Regions develop and distribute employer packs on targeted jobseeker cohorts, such as people with disability and older people, promoting success stories, the benefits of employing these cohorts and how to support them in the workplace.

# Recognising employers who commit to employing jobseekers facing disadvantage

Stakeholders who work with businesses to create employment opportunities for jobseekers facing disadvantage explained how they try to encourage employers to make a commitment to offering these opportunities. For example, Mr Birrell from the

**<sup>525</sup>** Council on the Ageing Victoria. *Submission 55*, p. 17.

**<sup>526</sup>** Ms Emma Cvitak, *Transcript of evidence*, p. 25.

Committee for Greater Shepparton appeals to employers' sense of responsibility to help jobseekers who are struggling to find work, particularly people:

who have low aspirations, low self-esteem, and will never consider themselves to be able to be employed. The most important thing for us to do, in my opinion, is to make sure that those people—their children, when they come to school—do not feel like that and that the business community gets in there and says, 'There's no reason you can't get an apprenticeship as an auto mechanic or become a diesel auto mechanic at Kreskas Bros', which is the company that takes most of the milk products from here to the Port of Melbourne to go to China. 'There's no reason you can't do that—earn a really attractive salary, buy your own house and travel'. It is creating that aspiration for people that do not have it. Work readiness, as I say, is that state of mind. We develop the drive in these kids. As the business community, our responsibility is to do that.<sup>527</sup>

Similarly, Mr Bice from Be.Bendigo, stated:

one of the things we have actually been working with them [businesses] on is to say, 'There is an opportunity here for you to take on whether it be a trainee or a student or whatever to actually help that particular process and address that issue of, certainly, youth unemployment' ...<sup>528</sup>

Other groups have used an employer pledge model for employers to pledge commitment to hiring jobseekers facing disadvantage. Examples include Soldier On, an organisation that provides support services to ex-service personnel and their families, which has a pledge that employers can sign indicating they commit to supporting the employment of ex-service personnel. The employers also list vacancies on the Soldier On job board. There are 171 employers who have signed the pledge, about 600 jobs on the jobs board, and between 3,000 and 4,000 veterans using the program. The Victorian Association for the Care and Resettlement of Offenders also mentioned the Second Chance register, which is a register of businesses willing to employ people with a criminal record. Signature of the Second Chance register of businesses willing to employ people with

The Inner Northern Local Learning and Employment Network (LLEN), which works with young people in the Darebin, Moreland and Yarra regions who are at risk of disengaging, or who have already disengaged, from school, established a taskforce, which trialled the employer pledge model during 2015–2017. The employer pledge received 550 pledges from employers who committed to assisting young people to develop skills and gain work experience or employment. The Taskforce found the most popular assistance employers provided was work readiness training, mock interviews and workplace learning. It recommended creating an online presence for the pledge to streamline the process, increase accessibility and promote it publically.<sup>531</sup>

<sup>527</sup> Mr Sam Birrell, Transcript of evidence, p. 19.

<sup>528</sup> Mr Dennis Bice, Transcript of evidence, p. 8.

**<sup>529</sup>** Mr Ivan Slavich, Chief Executive Officer, Soldier On Australia, public hearing, Melbourne, 19 November 2019, *Transcript of evidence*, p. 15.

<sup>530</sup> Ms Melanie Field-Pimm, Transcript of evidence, p. 18.

<sup>531</sup> Inner Northern LLEN, Submission 50, Attachment 1, pp. 5, 23.

The Taskforce also suggested considering the development of an employer pledge program similar to one running in the United Kingdom. <sup>532</sup> Youth Employment UK, which is an independent, not-for-profit social enterprise founded in 2012 to tackle youth unemployment, has a program where employers can earn a Youth Friendly Employer Mark, which shows they are invested in recruiting and supporting young people. Employers can use this symbol to publicly promote their business's commitment to youth employment on their website, social media and public relations campaigns. Youth Employment UK has developed a Youth Friendly Employer framework and provides employers with the tools and support they need to recruit and retain young people. <sup>533</sup> A similar program in Victoria could give businesses the incentive to commit to employing jobseekers facing disadvantage such as young people or people with disability.

**FINDING 29:** Employer pledge programs encourage businesses to actively support the recruitment of jobseekers facing disadvantage and provide businesses with relevant support, access to new talent and a favourable public profile.

**RECOMMENDATION 35:** That the Victorian Government support the creation of employer pledge programs to publicly recognise and support employers who actively commit to recruiting jobseekers facing disadvantage.

# **3.2.2** Co-developing employment programs with employers benefits all parties

The Committee also received evidence highlighting the importance of co-developing employment programs with employers so that the programs meet workplace needs and get greater buy-in from employers. According to the City of Greater Geelong:

When an employer is engaged in the program delivery this makes a world of difference to the success of an employment project. This was perhaps best demonstrated in Whittington Works [a social inclusion program for long-term unemployed residents of Geelong] by Etheridge Cleaning Services who were committed and engaged from the very start of Cleaning Operations courses through attending information sessions, participating during the course and then offering one week work trials to participants. Etheridge Cleaning Services provided the feedback that they benefitted from being engaged in the training program to witness the work ethic and soft skills of potential employees before progressing them to being an employee.<sup>534</sup>

<sup>532</sup> Ibid., p. 23.

<sup>533</sup> Youth Employment UK, *About Youth Employment UK*, 2020, <a href="https://www.youthemployment.org.uk/about-us">https://www.youthemployment.org.uk/about-us</a> accessed 25 February 2020.

<sup>534</sup> City of Greater Geelong, Submission 85, p. 7.

Through its Shared Local Solutions project, Gippsland East LLEN, which works with young people across the East Gippsland and Wellington shires, has found co-developing and co-delivering training programs with local employers is likely to increase opportunities for sustainable employment because:

employers shape training that covers the skills they are seeking and builds their confidence in the workforce. They are able to look at prospective staff and contribute to their growth and jobseekers are able to make direct contact with potential employers.<sup>535</sup>

Employment programs co-developed with employers can involve pre-training interviews with the employer, training in the workplace and mentoring to increase the chances of jobseekers facing disadvantage transitioning into sustainable employment.<sup>536</sup>

BSL also argued that employers should be included in the design of employment pathways, especially in skill shortage areas. It stated:

Intensive emphasis on the demand side of the employment equation is key to opening decent opportunities for people who might otherwise be screened out by mainstream recruitment methods. Employers, as well as employer and industry bodies, need to be involved at all points—from systems governance, to strategic advice on how state employment support can assist their present and future workforce needs; to co-design of training and recruitment pathways; to providing opportunities for jobseekers and being supported to implement inclusive employment practices and sustainable jobs.<sup>537</sup>

From its research and experience of delivering employment programs, BSL has found that employers:

want to work with a single contact who understands their business; co-designs a recruitment pathway that meets their needs; sources appropriate candidates that match those requirements; navigates different program rules and subsidy opportunities, and assists them to support and retain staff.<sup>538</sup>

Co-development of employment programs is mutually beneficial for employers, employment services providers and training providers, because it creates work-ready candidates who can fill pre-determined vacancies, while also providing employers with external support to recruit and retrain jobseekers facing disadvantage.<sup>539</sup>

**<sup>535</sup>** Gippsland East LLEN, *Submission 84*, p. 11.

<sup>536</sup> National Employment Services Association, Submission 87, p. 12.

<sup>537</sup> Brotherhood of St Laurence, Submission 96, p. 6.

**<sup>538</sup>** Ibid., p. 21

<sup>539</sup> Djerriwarrh Community & Education Services, Submission 66, p. 2; City of Greater Geelong, Submission 85, p. 4; Ms Lyn Morgan, Executive Officer, Northern Futures, public hearing, Geelong, 24 October 2019, Transcript of evidence, pp. 18–19.

By working with employers, employment services providers can better prepare candidates to meet employers' needs at the time employers need workers. This is particularly important for jobseekers facing disadvantage who need more time and support to become work ready. As explained by Mr Ward from Jesuit Social Services:

What we need with those employers is a sense of a time line. If we know six weeks out, eight weeks out, sometimes three months out or 12 months out, that there are vacancies going to be happening, then we can prepare people through the work readiness programs, through, say, hospitality programs specific to those or construction or aged care, for example—specifically for those roles.<sup>540</sup>

He believed that employers are keen to cooperate with providers to prepare for future workforce needs 'but they often do not know where to go to or they have had experience with a jobactive provider which has burnt them, to be frank.' The jobactive program is the Australian Government's mainstream employment service for jobseekers receiving income support.

Ms Colbert from the Australian Network on Disability, who also upheld the importance of co-developing employment programs with employers, considered the Victorian Government's JVEN successful at engaging with employers:

I think the strength of the JVEN program is that it does focus on brokerage and supporting employers and treats the employer as a valuable asset to the employment process as opposed to more a transaction party, which you can imagine that most employers do not appreciate ... So to make progress on the employment of people with disability we really have to consider the way we treat employers and value them as a partnership approach so that the recruitment and retention of people with disability becomes a sustainable approach. So that brokerage role that is being played is critically important. It respects employers and is adding real value.<sup>542</sup>

The Jobs Victoria program has built relationships with employers to identify employment opportunities and design and deliver pre-employment programs, customised pre-employment training and post-placement retention strategies. In October 2019, the Victorian Government established JobsBank, an independent entity, to work with government, businesses and the community sector to develop tailored programs for employers to recruit jobseekers facing employment barriers. JobsBank will use findings from the delivery of Jobs Victoria programs to refine its approach and improve employment outcomes for jobseekers facing disadvantage.<sup>543</sup>

BSL and the Chief Executive Officer of NESA, Ms Sally Sinclair, considered the establishment of JobsBank as a positive. For example, BSL said JobsBank:

is promising. It could provide a platform for strategic and coordinated employer engagement, enable a greater focus on demand-led approaches, inform the design

<sup>540</sup> Mr Stephen Ward, Transcript of evidence, p. 9.

**<sup>541</sup>** Ibid

<sup>542</sup> Ms Suzanne Colbert AM, Transcript of evidence, pp. 43–44, 48.

<sup>543</sup> Department of Jobs, Precincts and Regions, Submission 99, p. 20.

and continuous improvement of state employment support and foster inclusive and sustainable employment practices.<sup>544</sup>

Ms Sinclair noted the need for such an initiative to assist larger cohorts of jobseekers:

I had the opportunity last week to participate in a co-design of the JobsBank, which is a Victorian Government initiative. I think as an initiative to better engage employers in onboarding disadvantaged jobseekers, the Government is actually to be commended on that particular initiative, because one of the things we see when we look across Australia with delivery of a whole range of labour market assistance programs is how to get that coordination with employers, particularly where you are looking at large infrastructure projects or employers who may have large footprints, be it at a state level or nationally. The labour market assistance programs and the whole range of providers are all doing their best but often in a very place-based, very localised way, which is great for local employers but can be a bit of a challenge with employers where you are looking at a larger pool of jobseekers.<sup>545</sup>

Ms Jocelyn Bignold, Chief Executive Officer of McAuley Community Services for Women, also believed that JobsBank would be beneficial and 'a real opportunity' for individual employment services providers, stating:

For us to try and negotiate jobs with every single employer is a very big deal. We do not have time for that. So if JobsBank will come in and be a meeting place for contractors and employers, I think that would be good.<sup>546</sup>

The evidence received demonstrates that the co-development and co-delivery of employment programs works well at a local level and has the potential to be successful at a broader state-wide level. The Victorian Government can improve employment outcomes for jobseekers facing disadvantage by continuing to support local and Victoria-wide co-development initiatives. Including employers in the design and delivery of these programs will be even more important in the aftermath of the COVID-19 pandemic to ensure that the programs meet the needs of employers.

**FINDING 30:** The co-development and co-delivery of employment programs by employers, employment services providers and training providers benefit all parties by creating work-ready candidates that meet labour market needs while providing support to employers recruiting jobseekers facing disadvantage.

**RECOMMENDATION 36:** That the Department of Jobs, Precincts and Regions support training providers and employment services providers to work with employers to co-develop and co-deliver employment programs that meet current and future demand for skills and workers at both a local and state-wide level.

<sup>544</sup> Brotherhood of St Laurence, Submission 96, p. 24.

<sup>545</sup> Ms Sally Sinclair, Chief Executive Officer, National Employment Services Association, public hearing, Melbourne, 3 September 2019. *Transcript of evidence*. p. 36.

**<sup>546</sup>** Ms Jocelyn Bignold, Chief Executive Officer, McAuley Community Services for Women, public hearing, Melbourne, 4 September 2019, *Transcript of evidence*, p. 39.

# **3.2.3** Training and support for employers will help create inclusive workplaces

Stakeholders endorsed providing employers with training and support to help make workplaces more inclusive and to ensure recruitment and work practices do not discriminate against some cohorts. The Committee heard that many employers lack these resources. GROW (G21 Region Opportunities for Work), an initiative to address joblessness in disadvantaged locations in the Geelong region, conducted a workshop to map barriers and enablers of the employment of jobseekers facing disadvantage. Feedback from the workshop, which included local employment services providers, employment programs, training providers and representatives from local, state and federal governments, identified that even when:

employers are prepared to work with disadvantaged job seekers, there is a "lack of resources to meet employers where they are and help to build their capacity in their own environment (to counter) perceptions and realities of risks; lack of rewards for employers who take the chance." <sup>547</sup>

GROW noted that it is critical for employers to be 'inclusive and create a healthy and safe workplace for all employees' but especially for small to medium enterprises, developing the capacity to become an inclusive employer 'can be a resource intensive and complex process, and current tools are not suitable or effective (or easily accessible).'548

This section considers how employers can be assisted to make their workplaces more inclusive through training and support.

### Understanding the challenges faced by some jobseekers

Several submissions requested more education for employers so they can better understand the issues experienced by jobseekers facing disadvantage and learn how to communicate with them and meet their needs.<sup>549</sup> As explained by Alpine Shire Council:

More education on the issues [faced by] the disadvantaged jobseekers and their particular needs could assist in better and more suited placements that might lead to more long term and sustainable employment. Understanding each jobseeker and their individual circumstances could help better train and place them into suitable and sustainable roles.<sup>550</sup>

<sup>547</sup> Give Where You Live Foundation and GROW G21 Region Opportunities for Work, Submission 82, p. 5.

<sup>548</sup> Ibid., p. 11.

<sup>549</sup> Alpine Shire Council, Submission 13, p. 2; Name withheld, Submission 24, p. 1; Brimbank City Council, Submission 32, p. 6; Djerriwarrh Community & Education Services, Submission 66, p. 3; Department of Health and Human Services, Submission 81, p. 2; Whitelion, Submission 94, p. 8.

<sup>550</sup> Alpine Shire Council, Submission 13, p. 2.

When asked how to support employers to provide a safe and inclusive workplace for women experiencing family violence, Ms Turner from McAuley Community Services for Women responded:

More awareness and more knowing the issues that these women are facing as well. They are not just facing their own demons and issues; they have been separated from their children as well. They want to be able to be financially secure and independent and work within the community so they can get their children back, so we need businesses that are open-minded to family for the whole holistic approach of what is going on. I know that McAuley Community Services does have an education program that will go to the employers and talk to them about the issues that women face trying to get back into the workforce as well.<sup>551</sup>

NESA also supported '[e]ducating employers on the benefits of job customisation and workforce diversity' to help them make appropriate accommodations in the workplace and be more inclusive. <sup>552</sup> Ms Annette Gill, Principal Policy Advisor at NESA, added that employers need support to manage workers experiencing disadvantage:

because sometimes it is dealing with, I guess, some of the social issues that they [employers] are perhaps not really well equipped to deal with. So if you have youth coming out of leaving school early, they might already have alcohol and drug issues or they might have experienced family violence. You get them into some form of training that might get them into some form of work. There is a lot of additional responsibility on those employers when they are taking particularly those people with additional social issues.<sup>553</sup>

WEstjustice Community Legal Centre and Springvale Monash Legal Service raised the need for assisting employers so they can better support workers who are experiencing mental ill-health, particularly when disputes between employers and employees can lead to or exacerbate mental health conditions. They said:

In our experience, employers are often ill equipped to support and manage staff who are experiencing mental illness. We see an opportunity for employers to be supported to rectify this through improved guidelines and policy infrastructure. There is a role for Worksafe, together with the Fair Work Commission and the Victorian Human Rights Commission to work together to improve the supports offered to employers to ensure those with a mental illness are supported in their work place ... Employers need greater support in order to respond to employees appropriately and with sensitivity. We recommend the provision of increased infrastructure, including best practice guidelines, training, and organisational review audits for employers so they are equipped to support employees experiencing a mental illness.<sup>554</sup>

<sup>551</sup> Ms Jo Turner, Transcript of evidence, p. 49.

<sup>552</sup> National Employment Services Association, Submission 87, p. 12.

<sup>553</sup> Ms Annette Gill, Principal Policy Advisor, National Employment Services Association, public hearing, Melbourne, 3 September 2019, *Transcript of evidence*, p. 37.

**<sup>554</sup>** WEstjustice Community Legal Centre and Springvale Monash Legal Service, *Submission 62*, p. 11.

For its 2016 inquiry into employment discrimination against older Australians and Australians with disability, the AHRC recommended education and training for employers so they can create and manage diverse teams and flexible workplaces. This included support to redesign jobs and flexibly manage employees, as well as information on relevant guidelines and the nature and impact of discrimination.<sup>555</sup>

Community service organisations and advocacy groups are well placed to develop and run employer training on the needs and issues faced by the people they support. The Victorian Government could assist them to deliver this training to more employers. The Fair Work Commission has a self-audit checklist for employers to assess their compliance with Fair Work legislation. Similar self-audit checklists could be developed for certain cohorts, such as culturally diverse people and people with disability or mental ill-health, so employers can assess how inclusive their workplaces are. WorkSafe, the Fair Work Commission and the Victorian Human Rights Commission could help develop these checklists so they align with relevant legislation and best practice guidelines.

**FINDING 31:** Education on the barriers experienced by people facing disadvantage and their needs will help employers to create inclusive workplaces and better support jobseekers and employees.

**RECOMMENDATION 37:** That the Department of Jobs, Precincts and Regions support relevant community service organisations and advocacy groups to expand their delivery of employer training on workplace inclusiveness.

**RECOMMENDATION 38:** That the Department of Jobs, Precincts and Regions, in collaboration with relevant community service organisations, work with WorkSafe, the Fair Work Commission and the Victorian Human Rights Commission to develop best practice guidelines and self-audit checklists for employers to assess the inclusiveness of their workplace.

The AHRC's inquiry found that employers lacked confidence and knowledge about recruiting and working with people with disability, supporting flexible working arrangements and implementing appropriate workplace adjustments. It also found that employers were afraid of asking questions of workers with disability or 'doing the wrong thing' and were also concerned about invading privacy or seeming discriminatory. Employers' low expectations and mistaken perceptions of ability can also be detrimental to jobseekers with disability as shown in Case study 3.4, but with greater understanding, employers can create real opportunities for these jobseekers.

<sup>555</sup> Australian Human Rights Commission, Willing to work, p. 23.

<sup>556</sup> Fair Work Ombudsman, Small business, <a href="https://www.fairwork.gov.au/find-help-for/small-business">https://www.fairwork.gov.au/find-help-for/small-business</a> accessed 28 February 2020.

**<sup>557</sup>** Australian Human Rights Commission, *Willing to work*, p. 187.

# **CASE STUDY 3.4:** '[H]e was putting in five days a week, nine to five, and not earning the money that he should have been'

Enable Social Enterprises is a not-for-profit organisation that provides employability programs to help improve job prospects for jobseekers with disability. Enable's Founder and Managing Director, Ms Julie McKay, explained:

We operate in computer recycling and testing and repair. We also do e-waste, online retailing to support the former, and also warehousing and logistics. Each of these industries are identified as stable and also growing in the area of Broadmeadows, where we are located. This in turn assists us to facilitate some pathways to local jobs for local people—very real jobs—in robust sectors.

Program participant, Mr Jonathon Papadopoulos, described the tasks he performs at Enable, 'I check the computer for the phone accessories or eBay orders, and then I get ready to pack the accessories and send them off to the post office ... I love it.'

Prior to working at Enable, Jonathon worked in a supported workplace. Jonathon's mother, Ms Despina Papadopoulos observed that at that time Jonathon was:

not earning a lot of money, but we felt that that was important for him to build his skills and to build his confidence ... on the other hand it was very sad that he was putting in five days a week, nine to five, and not earning the money that he should have been.

Ms McKay emphasised that Enable programs place emphasis on technical skills, particularly OH&S because of false perceptions 'that because Jonathon necessarily has a different learning style to others in some way he would be unsafe in the workplace.'

#### Jonathon commented:

I have a good understanding of the goggles, gloves, wearing a safety vest and boots and stuff like that, that you have to walk inside the yellow lines ... What I am doing now helps me to get to full pay and have a good understanding of safety in the workplace ...

Source: Ms Julie McKay, Founder and Managing Director, Mr Jonathon Papadopoulos, program participant, Enable Social Enterprises and Ms Despina Papadopoulos, parent, public hearing, Melbourne, 19 November 2019, *Transcript of evidence*, pp. 36, 38, 40.

In February 2020, the Victorian Government along with Amaze, the peak body for autistic people and their supporters in Victoria, launched a public education campaign called Change Your Reactions to increase understanding and inclusion of people with autism. The campaign advertisements, which ran on television, radio and digital and social media, feature actors with autism and aim to raise awareness of the challenges faced by people with autism and how they are affected by other people's actions and reactions. Similar education campaigns would help to raise awareness about the challenges faced by people with other types of disability.

<sup>558</sup> See Amaze and Victorian Government, *Autism: change your reactions*, 2020, <a href="https://changeyourreactions.com">https://changeyourreactions.com</a> accessed 2 March 2020.

Ms Julie McKay, Founder and Managing Director of Enable Social Enterprises, which runs employability programs for jobseekers with disability through its IT equipment recycling service, told the Committee that employers' first steps to create a workplace inclusive of people with disability should be disability awareness training and implementing an Equal Employment Opportunity policy.<sup>559</sup>

Mr John Papadopoulos, who is a program participant and works as a customer service support person at Enable, explained how support from the National Disability Insurance Scheme (NDIS) helped him find this job. He said, 'NDIS gives a strong focus on employment support as providing access to jobs that challenge me. NDIS gave me the opportunity to get the job I wanted.'560 Ms McKay added that the NDIS will create more opportunities for people with disability:

It is possible that systems such as the NDIS, which has recently changed the way it looks at employment supports, could possibly see a brave new world where Jonathon is in an open employment job, a fully paid job, with his support worker. Those supports then become what the employer does rather than what we have to do and what Jonathon has to do. Then that onus is also shared with everyone.<sup>561</sup>

Disability action plans are one way for employers to raise awareness in the workplace and reduce barriers experienced by people with disability. They are documents prepared by organisations that outline how they will eliminate discrimination and make their workplace, products and services accessible to people with disability. This includes how they will reduce barriers to people with disability obtaining and maintaining employment with them.<sup>562</sup>

The Victorian *Disability Act 2006* requires all public sector bodies to have a disability action plan, and the development and implementation of a disability action plan is considered best practice across public and private sectors. The Victorian Government could improve employment outcomes for people with disability by requiring large-sized enterprises to develop and implement a disability action plan.<sup>563</sup> Development of the action plan will help organisations to identify accessibility barriers created by their current practices and determine ways to reduce them over several years. A greater visibility of disability action plans will also raise awareness of accessibility issues in the community.

**FINDING 32:** The development and implementation of disability action plans help businesses and organisations to eliminate discrimination, improve accessibility and remove employment barriers for jobseekers with disability.

<sup>559</sup> Ms Julie McKay, Founder and Managing Director, Enable Social Enterprises, public hearing, Melbourne, 19 November 2019, Transcript of evidence, p. 38.

<sup>560</sup> Mr Jonathon Papadopoulos, program participant, Enable Social Enterprises, public hearing, Melbourne, 19 November 2019, Transcript of evidence, p. 40.

<sup>561</sup> Ms Julie McKay, Transcript of evidence, p. 38.

**<sup>562</sup>** *Disability Act 2006* (Vic) s 38(1).

<sup>563</sup> Ms Mary Sayers, Transcript of evidence, p. 44.

**RECOMMENDATION 39:** That the Victorian Government require large-sized enterprises that employ 200 or more employees to develop and implement a disability action plan.

Stakeholders also raised the importance of cultural awareness training to build employers' and workers' cultural competence and create more inclusive workplaces.<sup>564</sup> When asked how to increase awareness of unconscious bias among employers, Ms Bu Gay Pah Thei, a Community Development Worker at Loddon Campaspe Multicultural Services, responded:

the employer might need to receive cultural competency training. We should sit down with employers to let them know about the refugee people; you know, that they are very good at what they are doing and they are employable and they are very reliable people. They are not just people that come here and want to take people's jobs. They want to make a better life and they want to start a new life. They want to build a family in Australia, to be very successful and to have a future for their kids to be very successful in Australia.<sup>565</sup>

Reconciliation action plans, which are statements of commitment to reconciliation that foster respect for Aboriginal and Torres Strait Islander peoples and develop opportunities to improve their socio-economic outcomes, also help organisations create a culturally safe workplace. Mr Kildea from Wan-Yaari Aboriginal Consultancy Services noted that while there are good intentions among employers and these strategies are useful, they sometimes do not achieve good employment outcomes. He said there are:

Multiple reasons around that, but I think a big one is just that connection with community. You need to really understand community and understand jobseeker disadvantage but also create an organisation that is really welcoming and respectful to get those outcomes.<sup>566</sup>

#### Similarly, the ECCV stated:

Many organisations offer training in cultural competency and the like, and these can certainly be useful, but ECCV considers that in order to offer properly inclusive workplaces, organisation[s] must have inclusive employment practices embedded in all parts of their policies and procedures.<sup>567</sup>

To support the creation of culturally inclusive workplaces, the Victorian Government should require public sector bodies to deliver cultural awareness training to all employees. This training should be conducted to increase understanding and respect of Aboriginal communities as well as culturally and linguistically diverse communities.

<sup>564</sup> Djerriwarrh Community & Education Services, *Submission 66*, p. 3; Mr Ricky Kildea, *Transcript of evidence*, p. 39; Ms Bu Gay Pah Thei, Community Development Worker, Loddon Campaspe Multicultural Services, public hearing, Bendigo, 22 October 2019, *Transcript of evidence*, p. 45.

<sup>565</sup> Ms Bu Gay Pah Thei, Transcript of evidence, p. 45.

<sup>566</sup> Mr Ricky Kildea. Transcript of evidence, p. 40.

<sup>567</sup> Ethnic Communities' Council of Victoria, Submission 58, p. 11.

**FINDING 33:** Cultural awareness training for employers and their staff helps to build knowledge and respect for different cultures and create more inclusive workplaces.

**RECOMMENDATION 40:** That the Victorian Government require all public sector bodies, and encourage all non-public sector employers, to deliver cultural awareness training to their staff on a regular basis to capture all new and existing employees.

## Modifying recruitment and workplace practices

While training will raise awareness of diversity among staff it is only the first step to achieving an inclusive workplace. Additional measures such as implementing non-discriminatory recruitment strategies and reviewing workplace practices for inclusiveness, will help to create safe workplaces and remove barriers for all jobseekers.

Employers also need guidance to remove unconscious bias in their recruitment processes according to Ms Hosseini from the Victorian Multicultural Commission who stated that what is needed is:

training around unconscious biases that employers, recruitment agencies and HR staff may not be aware of in terms of how to address it, how to actually unleash the fact that everyone has unconscious biases and how to deal with that and make sure they are not missing out on incredible diversity within workplaces because of that.<sup>568</sup>

Other stakeholders added that employers need to update recruitment, induction and retention strategies to ensure their processes are fair and accommodate the needs of jobseekers facing disadvantage.<sup>569</sup>

Some employers are recognising the barriers created by traditional application and interview processes and are using other techniques. For example, Ms Lauren Kerr, Senior Project Officer, Flemington Revitalisation Project at Moonee Valley City Council, noted:

there is some really great research that the Rockefeller Foundation has produced that aids the key selection criteria and the three-person panel, face-to-face interviews. These can be really scary for marginalised jobseekers. So there is an approach to still get a sense of what talents and skills and capacities that potential employee has, and the recruitment approach is probably not fit for purpose sometimes. Certainly that is something that we are looking at, and 'How can we get the right candidate for the job?' is the approach we are taking through our recruitment practices.

<sup>568</sup> Ms Tina Hosseini, *Transcript of evidence*, p. 35.

<sup>569</sup> Municipal Association of Victoria, *Submission 33*, pp. 4–5; Australian Network on Disability, *Submission 88*, p. 1; Mr Dallian D'Cruz, *Transcript of evidence*, p. 26.

The right way of doing it I think—PwC and Ernst and Young, they are not necessarily looking at degree qualifications. They might be offering higher apprenticeships, where you are getting people straight out of secondary school—straight into a workplace. So I think there is a litany of different approaches that people can take.<sup>570</sup>

Ms Vermont also gave the example of Jobs Victoria organising an alternative interview process for applicants with Asperger syndrome applying for a cadetship position:

They did an amazing job with setting up interviews that were much more aspie friendly. What they did is things like provide the questions beforehand. They did very simple things that anyone could do. They made sure that there was very clear language—there were no guessy-type questions where you have got to guess what the answer is. So it made it a very relaxed atmosphere and a very simple atmosphere. In particular they did it with two people who are very socially challenged. I have never seen one of them ever smile before, and he smiled at the interviewer ...

You can do interview buddies. There are many strategies you can use. 571

Ideally, employers should have what Ms Colbert described as 'a barrier-free front door' where anyone with disability can apply for any job and be treated fairly. She mentioned the Australian Network on Disability's Disability Confident Recruiter (DCR) program, which provides employers with tools and resources to make recruitment processes free from barriers and inclusive. It also gives people with disability:

an assurance that if they apply for a job at that organisation, they will get fair and equitable treatment and be considered for that role. But that is a very small number of vacancies ...<sup>572</sup>

Ms Colbert added, 'we also need a side door for people who need to be considered separately from that main door competitive process.' She raised the work of Specialisterne, a social business that helps employers understand, value, and include people on the autism spectrum, which includes alternative recruitment methods (see Case study 3.5).

Specialisterne Australia has collaborated with Sun Pork Farms to develop careers in animal care for people on the autism spectrum. Ten per cent of Sun Pork's workforce at its piggeries in Dalby, Queensland, and Gawler, South Australia, have autism. The recruitment process, which moved away from the traditional résumé and interview process, successfully hired workers with autism who 'have empathy with animals, attention to detail, impressive recall and memory, are motivated learners and committed workers ... [The process has] created a pathway to drive improvements in animal care.'574

<sup>570</sup> Ms Lauren Kerr, Senior Project Officer, Flemington Revitalisation Project, Moonee Valley City Council, public hearing, Melbourne, 3 September 2019, *Transcript of evidence*, p. 33.

<sup>571</sup> Ms Gayle Vermont, Transcript of evidence, p. 61.

<sup>572</sup> Ms Suzanne Colbert AM, Transcript of evidence, p. 45.

**<sup>573</sup>** Ibid., p. 47.

**<sup>574</sup>** Alpine Shire Council, *Submission 13*, p. 2.

## **CASE STUDY 3.5:** '[O]ur members are absolutely flocking to use that program'

'I think there is a lesson in the growth of the business Specialisterne. Specialisterne is an autism-specific organisation. It is a global organisation. It is a not for profit, and they package up services. Many of our member organisations, such as DHHS [Department of Health and Human Services], for example, have the Rise program through Specialisterne. The reason I want to raise that is because the Specialisterne program has a substantial cost, about \$10,000 a placement, and yet our members are absolutely flocking to use that program. The reason that they are is because it is very well packaged. It is clear what the employer will get: the support that they will get and for how long and how much that will cost, the alignment between the roles they have on offer and the talent that they will be provided. The way that people are recruited through the Specialisterne program is through a two-week on-the-job work experience kind of package that is about learning and understanding and demonstrating their skills and capability without the need for a formal interview. This is not required for every group, but the point I will make to you is that I think of our members certainly 20 or 25 organisations from the public and private sectors have recruited hundreds of people through Specialisterne. I say this because it is not about the money, because clearly the DES program is free, yet employers are choosing to engage with Specialisterne because of the way that the program is packaged, it has a good reputation, they have good data, it really makes a difference for that particular cohort ...

[The program] does not have a traditional interview. It has a two-week working interview, if you like, that makes it easier to clearly articulate the skills and capabilities of individuals and then to match them to very specific roles. Those roles are not only in IT. They have certainly had success in agriculture and many other areas, so I think it is an example of where we could learn for future design and the way that it puts employers at the heart as well as the skills and capabilities of young people with disability.'

Source: Ms Suzanne Colbert AM, Chief Executive, Australian Network on Disability, public hearing, Melbourne, 4 September 2019, *Transcript of evidence*, p. 47.

Alternative recruitment methods have also been used successfully for other groups of jobseekers. For example, Mr Kildea from Wan-Yaari gave the following example:

Under our G21 Aboriginal Employment Initiative contract with the Department [Australian Department of Employment, Skills, Small and Family Business], our first placement was with WorkSafe, and it came to a guy who was one of 600 applicants for the role. I think there were four to eight positions at the end of that, so we developed some strategies to look at that short-listing process, that formal recruitment, and I guess a trusting relationship between the organisation and us that that candidate we were referring was very specific and suited to the role, and he was able to go through those checks and get that placement. So he is on about 85 to 90K a year—you know, a fantastic placement.<sup>575</sup>

<sup>575</sup> Mr Ricky Kildea, *Transcript of evidence*, p. 41.

For other jobseeker cohorts, such as ex-offenders, recruitment issues can be more complicated. Background checks and the requirement to disclose criminal records create a significant barrier especially when seeking employment with public sector bodies. While Ms Kerr from Moonee Valley City Council acknowledged there are some local government roles that are available to ex-offenders, 'councils need to flex and be agile too. We have some very rigid expectations sometimes of our staff base'. 576

Some stakeholders noted that this barrier would be partly removed if Victoria introduced a legislated spent convictions scheme.<sup>577</sup> A spent convictions scheme allows for a person's convictions not to be disclosed on a Police Record Check after a period free of reoffending. The convictions will remain on a person's criminal record and some offences, depending on their nature, will always be disclosed. In August 2019, the Legislative Council's Legal and Social Issues Committee recommended the Victorian Government introduce legislation for a Controlled Disclosure of Criminal Record Information Framework. The Victorian Government's response to the report in February 2020 committed to introducing a legislated spent convictions scheme so that old and irrelevant criminal records do not create employment barriers for ex-offenders.<sup>578</sup>

Recruitment issues are also more problematic for jobseekers from CALD backgrounds. While the process could be improved through the use of blind recruitment, where identifying details are removed from résumés and applications, and using plain English for recruitment documents and processes, the non-recognition of overseas qualifications remains an issue.<sup>579</sup>

Qualified migrants and refugees who cannot get their qualifications recognised by Australian registering authorities are forced to settle for lower-level jobs, which is not only demoralising but has impacts on family finances, job satisfaction and quality of life.<sup>580</sup> It has the added effect of limiting the availability of entry-level roles for other jobseekers.<sup>581</sup> As illustrated in Case study 3.6, the process of recognising prior learning and ratifying overseas qualifications can be complex, inflexible, lengthy and cost thousands of dollars.<sup>582</sup> There is no centralised body to oversee the recognition process, which varies between professional authorities and there is no independent appeals body.<sup>583</sup>

<sup>576</sup> Ms Lauren Kerr, Transcript of evidence, p. 31.

<sup>577</sup> Jesuit Social Services, Submission 83, p. 4; Jobs Australia, Submission 90, p. 10.

<sup>578</sup> Hon. Jill Hennessy, Attorney-General, *Victoria to have a legislated spent convictions scheme*, media release, Victorian Government. Melbourne. 27 February 2020.

<sup>579</sup> Outer Eastern LLEN, Submission 40, p. 2; Ms Kate McInnes, Transcript of evidence, p. 46.

**<sup>580</sup>** Victorian Multicultural Commission, Submission 97, p. 2.

<sup>581</sup> Ethnic Communities' Council of Victoria, Submission 58, p. 4.

<sup>582</sup> WEstjustice Community Legal Centre and Springvale Monash Legal Service, *Submission 62*, p. 10; Victorian Multicultural Commission, *Submission 97*, p. 7; Ms Erika Jones, Employment Case Coordinator, National Immigration Support Scheme, Life Without Barriers, public hearing, Melbourne, 4 September 2019, *Transcript of evidence*, p. 32.

<sup>583</sup> WEstjustice Community Legal Centre and Springvale Monash Legal Service, Submission 62, p. 10; Ethnic Communities' Council of Victoria, Submission 58, p. 4.

## **CASE STUDY 3.6:** 'Sharif ... worked as a surgeon in Iraq ... [but] struggled to find his way into practising medicine again'

'Sharif (not his real name) worked as a surgeon in Iraq during the conflict saving hundreds of lives. His daily work was tending to battlefield wounds suffered by soldiers or militia members fighting ISIS or assisting women and children injured in gunfire. On arrival in Australia in 2017, he initially struggled to find his way into practicing medicine again due to the cost and the complex and arduous process of requalification.

Determined to re-establish his medical career in Australia, he achieved the English test score required by APHRA [Australian Health Practitioner Regulation Agency] to requalify at the first attempt. Rather than attempt to requalify under the Australian Medical Council standard pathway for overseas medical practitioners, he chose to requalify under the specialist pathway. In October 2018, he was successfully interviewed by the Australian Royal College of Physicians which assessed his skills and suitability to work as a medical practitioner under supervision within the Australian hospital system.

The CPP [Career Pathways Pilot for Humanitarian Entrants, an Australian Government pilot program] invested \$14,000 to assist him on his pathway, including enrolment in the Skilled Professional Migrant Program (SPMP) to prepare him for interviews, the cultural differences in work environments and to provide him with a mentor. It is through the mentor program at AMES Australia that he was able to successfully apply for the position as Senior Health Registrar at the West Gippsland Hospital in Warragul, Victoria. He commenced work in January 2019 while he continues to train in his field under the guidelines of the Royal College of Physicians.'

Source: AMES Australia, Submission 34, p. 12.

The Victorian Multicultural Commission argued for the introduction of a process that allows for rapid recognition of overseas qualifications and prior learning. The process would need safeguards to ensure that overseas qualifications match Australian standards. The ECCV also recommended the Victorian Overseas Qualifications Unit, which is a Victorian Government body that provides services to assist overseas qualified professionals who are permanent Victorian residents, be adequately resourced to provide face-to-face legal advice, assistance and liaison opportunities to assist migrants to get their skills and qualifications recognised. The introduction of a process that allows for rapid recognised and prior learning.

AMES Australia pointed out Germany's system of recognising the skills and qualifications of humanitarian migrants as best practice. The system, which has evolved over many years and has been accepted by industry nationwide, enables applicants to submit certificates and evidence to the relevant authority, which assesses the equivalence between the foreign and local qualification. If the foreign qualification is not equivalent, the authority determines if the applicant can offset the difference by

**<sup>584</sup>** Victorian Multicultural Commission. *Submission* 97. p. 7.

<sup>585</sup> Ethnic Communities' Council of Victoria, Submission 58, p. 4.

undertaking additional training or proving they have relevant professional experience gained either in Germany or abroad.<sup>586</sup> For the recent influx of humanitarian migrants from Syria, Germany introduced online tests and video-based certification for certain occupations to assess skills and work readiness.<sup>587</sup>

AMES was also involved in the Career Pathways Pilot for Humanitarian Entrants, an Australian Department of Social Services pilot program that linked skilled refugees with mentors and relevant work placements that allowed them to demonstrate their skills and knowledge in the workplace. The pilot ran from October 2016 to June 2019 and also provided participants with Occupational English Test preparation and financial support to help with training, retraining or qualification recognition.<sup>588</sup>

The pilot was modelled after a similar program in Canada called Alternative Careers Pathways. An interim evaluation of the pilot found 11–17% of participants had found employment in the same profession they had qualified in overseas and one third reported that their qualifications had been recognised or were in the process of being recognised. The process of being recognised. Data from Germany shows that humanitarian migrants whose overseas qualifications are recognised are 23% more likely to be employed and 28% more likely to earn more than those who do not have their qualifications recognised. The process of being recognised.

Pilot eligibility was limited to humanitarian entrants who had arrived in Australia in the last five years, spoke English well, had qualifications applicable to the Australian workforce and wanted to be employed in the same career. Since the pilot ended, the Australian Government's jobactive program introduced reimbursement for post-placement English language training and mentoring for refugees. <sup>591</sup> However, the opportunity to demonstrate skills and knowledge in the workplace is no longer supported. To improve employment outcomes for recently arrived refugees, the Victorian Government could pilot a similar program for newly arrived refugees to enable them to use their overseas qualifications in Australia. The pilot program should be informed from the evaluations of the Australian Government pilot.

**FINDING 34:** Jobseekers with overseas professional or trade qualifications can find the process of getting their qualifications recognised by the relevant registering authority in Australia complex, expensive and time-consuming.

<sup>586</sup> Federal Ministry of Education and Research, *Recognition in Germany: FAQ*, 2019, <a href="https://www.anerkennung-in-deutschland.de/html/en/fag.php">https://www.anerkennung-in-deutschland.de/html/en/fag.php</a>> accessed 2 March 2020.

**<sup>587</sup>** AMES Australia, *Submission 34*, p. 22.

<sup>588</sup> Ibid., p. 12.

<sup>589</sup> Deloitte Access Economics, *Interim evaluation of the Career Pathways Pilot for Humanitarian Entrants*, report for Department of Home Affairs, Canberra, 2019, p. 9.

<sup>590</sup> AMES Australia, Submission 34, p. 22.

**<sup>591</sup>** Ibid., p. 12.

**RECOMMENDATION 41:** That the Victorian Government through the National Cabinet advocate for a streamlined recognition process of overseas professional and trade qualifications.

**RECOMMENDATION 42:** That the Victorian Government pilot a program to support recently arrived refugee jobseekers gain recognition of their overseas qualifications using the evaluation findings of the Department of Social Services' Career Pathways Pilot for Humanitarian Entrants to inform the program's operation.

In addition to modifying recruitment practices, employers should also ensure their workplace practices, including promotion and professional development opportunities, are inclusive. One way of offering more opportunities to jobseekers with employment barriers is job re-design. For example, jobs can be broken down into competencies or tasks and offered to people with disability, mental ill-health or other barriers that match their skills and abilities. Enable Social Enterprises explained how they used this strategy:

Another thing that we look at to include everyone is job design and process engineering—so down to that really finite level. For example, with Jonathon, he is probably a very good example, he wanted to get involved in the testing of computers. He was a little bit daunted, I think would be a fair call, by the database, which can be quite complex. There is lots of information and it is very, very computer technical, so what we ended up doing was breaking down the process. Jonathon was doing the testing and working with someone that was really comfortable doing the data entry into a rather sophisticated database. In actual fact productivity increased by 25% by breaking down the task and streamlining it that way.<sup>593</sup>

Employers should also establish policies and procedures for implementing workplace adjustments and ensure their position descriptions identify inherent or essential requirements so candidates and employment services providers can ascertain the suitability of candidates and avoid discrimination on the basis of age or ability. Aspergers Victoria provided examples of simple workplace adjustments that employers might make for workers with Asperger syndrome such as moving the desk of a worker who has severe noise sensitivity to a quieter area and providing more straightforward and blunt instructions to a worker who is very literal and does not understand social cues. 595

Other strategies to enhance workplace inclusiveness include providing relevant training and reskilling opportunities and offering flexible working arrangements and career management. Ms Hogarth-Clarke provided the Committee with the example

**<sup>592</sup>** Give Where You Live Foundation and GROW G21 Region Opportunities for Work, *Submission 82*, p. 12.

<sup>593</sup> Ms Julie McKay, *Transcript of evidence*, p. 39.

<sup>594</sup> Australian Network on Disability and Social Ventures Australia, NSW Government employment enablement strategy: high growth jobs, talented candidates early learnings, report for Department of Family and Community Services, NSW Government, Sydney, 2016, p. 4.

<sup>595</sup> Aspergers Victoria, Submission 71, p. 6.

of Westpac Bank's Amplify 50+ program, which supports staff aged 50 and over to manage their career, including transitioning to retirement for those who want to, as presented in Case study 3.7.

## **CASE STUDY 3.7:** '[T]hey recognise the value that older, more experienced people bring to their organisation'

'[A best practice model] is the Westpac bank. Currently 20% of their employees are at [or over] the age of 50. They have a very active retention program for their employees and a recruitment program, because they recognise the value that older, more experienced people bring to their organisation ... They offer flexible working hours, which is important for older people. As we said, some of them are carers. Some of them are carers for grandchildren as well. So they like the flexible working hours. It is also recognising that that group may get some disabilities as they get older as well, so sitting at a desk with a sore back or strain injuries, eyesight and all of those sorts of things—so recognising those. They also ensure that their older employees receive exactly the same training opportunities and advancement opportunities as anyone else, which tends to be another barrier that we see in those larger corporations: 'You don't need training. You're already really experienced. You have been here 20 years. What do you need training for?'—so allowing them to take up those training opportunities. The flexible working arrangements, part-time and grandparent leave is the other one that they have also included ...

They have also established a mature-age employee action group to progress the position of employees that are aged 50 ... Westpac actively do that [consult these workers] within part of their process, and they listen to their employees in that age group—their concerns and the issues that they might have and incorporate those. And they have established a prime of life program, which is a suite of training options and support for mature-age workers and their managers, and this involves giving the 50-plus employees access to workshop sessions which assist them to plan for their future. Again we are talking about finance and health and their career. Do they want to stay, do they want to retrain, what happens after retirement—all those sorts of questions. Because they put those out there, that is how they are able to have 20%.'

Source: Ms Tina Hogarth-Clarke, Chief Executive Officer, Council on the Ageing Victoria, public hearing, Melbourne, 4 September 2019, *Transcript of evidence*, pp. 52–53.

In a large organisation, the process of reviewing recruitment policies and developing workplace retention and adjustment policies and procedures can take months and will require collaboration across business units. <sup>596</sup> However, it is an essential step to remove, or at least reduce, barriers to employment for jobseekers facing disadvantage. Smaller enterprises are likely to have fewer roles and functions, making it easier for them to implement changes. Nevertheless, all employers including small businesses should be encouraged to review their recruitment and workplace practices to ensure they are not unfair to jobseekers and workers from diverse backgrounds, ages and abilities.

<sup>596</sup> Australian Network on Disability and Social Ventures Australia, NSW Government employment enablement strategy, p. 4.

**RECOMMENDATION 43:** That the Victorian Government require all public sector bodies, and encourage all non-public sector employers, to review their recruitment and workplace practices to ensure they are inclusive of jobseekers and workers diverse in age, culture and ability.

#### **Protecting workers' rights**

Workplace discrimination against an employee because of a personal characteristic is illegal in Victoria and workers are protected during the recruitment, employment and dismissal stages. Stakeholders noted that people facing disadvantage, particularly those with disability or from CALD backgrounds, are more likely to be exploited in a job than other workers because they may be unaware of their rights and/or avenues of redress as well as reluctant to pursue complaints if they perceive it will be unsuccessful or will jeopardise their employment.<sup>597</sup> Protecting workers' rights is an important aspect of sustainable employment.

Employers should be educated about workers' rights to ensure they are treating jobseekers and workers fairly. For example, the Victorian Multicultural Commission said that employers need assistance to understand the work rights of jobseekers on bridging visas and their eligibility for training programs such as apprenticeships. <sup>598</sup> Aspergers Victoria also highlighted employers' need for guidance on workplace discrimination laws and their obligations to jobseekers and employees with disability. <sup>599</sup>

Stakeholders praised the Victorian Government's introduction of legislation relating to wage theft, industrial manslaughter and the establishment of a Labour Hire Licensing Authority to regulate labour hire services. At the same time, WEstjustice and Springvale Monash Legal Service argued for employees to have better access to information on their workplace rights, minimum entitlements and where to go for assistance. They also supported financial assistance for jobseekers facing disadvantage to use employment law services. 601

**FINDING 35:** Workers facing disadvantage are more likely than other workers to be exploited in the workplace because they may be unaware of their rights and/or reluctant to make a complaint.

<sup>597</sup> City of Stonnington, Submission 48, p. 3; Ethnic Communities' Council of Victoria, Submission 58, p. 5; WEstjustice Community Legal Centre and Springvale Monash Legal Service, Submission 62, p. 7; Dr Carina Garland, Assistant Secretary, Victorian Trades Hall Council, public hearing, Melbourne, 4 September 2019, Transcript of evidence, p. 1.

<sup>598</sup> Victorian Multicultural Commission, Submission 97, p. 4.

**<sup>599</sup>** Aspergers Victoria, *Submission 71*, p. 14.

<sup>600</sup> Dr Carina Garland, *Transcript of evidence*, p. 1: Ethnic Communities' Council of Victoria, *Submission 58*, p. 5.

<sup>601</sup> WEstjustice Community Legal Centre and Springvale Monash Legal Service, Submission 62, pp. 2, 5, 6, 9.

**RECOMMENDATION 44:** That the Department of Jobs, Precincts and Regions run separate education campaigns for employers and jobseekers on workers' rights and available employment law services, and provide this information in different languages including easy English.

# **3.2.4** More employers will offer work placements if risks and burdens are reduced

The Committee came across many examples of programs where employers were providing work placements or work experience specifically for jobseekers facing disadvantage. For example, the Department of Health and Human Services provides job opportunities for people facing disadvantage through several programs including:

- Youth Employment Scheme traineeships, which offer young people aged 15–24 one year of paid work experience in the Victorian Public Service (VPS) while they study for a certificate level qualification
- Public Tenant Employment Program, which provides public housing tenants employment with enterprises that provide services to public housing estates such as cleaning, gardening or security services, as well as accredited training through TAFEs or Registered Training Organisations.<sup>602</sup>

In 2017, the Victorian Government began a four-year pilot of another program for young jobseekers, the Jobs Victoria Youth Cadetship Scheme. It offers young people aged 15–24 facing disadvantage a two-year entry-level cadetship in the VPS while they complete a Certificate IV in Government. It is a non-graduate pathway into the VPS that has delivered 135 cadetships over the four years.<sup>603</sup>

Both the Returned and Services League and Soldier On praised the Victorian Government's commitment to employing 750 veterans in the VPS by June 2021 and supporting veterans to secure construction work across the Government's major projects. However, Chief Executive Officer of Soldier On, Mr Ivan Slavich, wanted more opportunities for veterans in the private sector:

I think that that program is really good in the sense that 750 is a pretty good number when you consider there are 6,000 nationally—that is a very good number for Victoria. It is of course in the public service, though. There are a number of veterans that do not necessarily want to go into the public service, but they do want to go into other industries ... If there is something that the Victorian Government can do to help private enterprise with that transition into the private sector ...<sup>605</sup>

<sup>602</sup> Department of Health and Human Services, Submission 81, pp. 1, 3.

<sup>603</sup> Department of Jobs, Precincts and Regions, Submission 99, p. 25.

<sup>604</sup> Ms Wendy Bateman, Manager, Aged and Health Support, Returned and Services League of Australia-Victorian Branch, public hearing, Melbourne, 19 November 2019, *Transcript of evidence*, p. 12; Mr Ivan Slavich, *Transcript of evidence*, p. 16.

<sup>605</sup> Mr Ivan Slavich, Transcript of evidence, p. 16.

Through its Corporate Diversity Partnerships, Jesuit Social Services has successfully placed hundreds of skilled jobseekers facing disadvantage in work placements with large corporations. Examples include its African Australian Inclusion Program in partnership with the National Australia Bank and the Opening doors program in partnership with the Australian Taxation Office, which provides placements to primary caregivers, Australian citizens from refugee backgrounds and veterans. Jesuit Social Services also has similar partnerships with engineering contractor John Holland, Yarra Valley Water, Melbourne Water and superannuation fund CBUS.<sup>606</sup>

These programs not only improve employment prospects for jobseekers facing disadvantage but also help public and private sector employers to access new talent pools and create move diverse workforces. The Victorian Government should continue supporting these programs so they can expand their reach to more jobseekers and employers.

**FINDING 36:** Work placement programs for jobseekers facing disadvantage run by employers, or employers in partnership with community service organisations, help these jobseekers obtain corporate experience while connecting employers with new talent pools.

**RECOMMENDATION 45:** That the Victorian Government continue funding and consider expanding the Jobs Victoria Youth Cadetship Scheme if evaluation findings of the pilot program show that it has created sustainable employment opportunities for young Victorians.

**RECOMMENDATION 46:** That the Victorian Government continue supporting and investing in employment programs that partner community service organisations with private sector employers to provide employment opportunities to jobseekers facing disadvantage.

However, not all employers are open to participating in work placements for jobseekers facing disadvantage. Mr Gary Workman, Executive Director of the Apprenticeship Employment Network, the peak body representing not-for-profit Group Training Organisations across Victoria, noted that fewer employers are engaging with apprenticeships and investing in the future workforce:

how do you reengage employers? Employers have walked away from the sector a little bit because they can find cheaper labour just for the short term that they need quickly. While they are able to get that, they are not going to invest long term. It is changing their thinking to probably have a look at what are your long-term workforce needs? How do we support you for the next five to 10 years, not for the next five to 10 months?

152

<sup>606</sup> Jesuit Social Services, Submission 83, pp. 9-10.

I know we have got to get them [jobseekers] to a certain level to be employable, but after that I think you have really got to put the acid on employers to say: are you willing to take a risk with this young person? This is the support we can provide you, these are the incentives to help support the wage, but put them into a job before you give them any more training. I think that is our biggest problem with our system. It is not just a Victorian problem; this is Australia-wide, state and Commonwealth.<sup>607</sup>

A Melbourne Institute of Applied Economic and Social Research review of best practice programs for jobseekers with multiple employment barriers found work placements to be critical in assisting jobseekers but the process should impose 'the least burden on employers' who are already involved with school work experience, university placement and internship schemes. The review suggested a one-stop shop to coordinate contact between employers and employment services providers but this might be difficult to enforce and have a negative impact on existing relationships between employers and providers. Another suggestion was funding an employment facilitator to broker job placements within a region. 608

An Organisation for Economic Co-operation and Development report on Indigenous employment and skills strategies in Australia also recommended improving the connection between Indigenous jobseekers and jobs by 'having designated employer outreach officers who actively work with employers to source job opportunities for Indigenous Australians'. Victoria has 31 LLENs across the state covering each region, which currently facilitate connections between schools, industry and local employers. Due to their state-wide coverage they are uniquely placed to provide an employer outreach service that would link jobseekers facing disadvantage with work opportunities available with local employers.

Another strategy that has had success is providing employers a labour hire arrangement that supports new recruits and placement hosts while a Group Training Organisation employs the recruit and pays wages, superannuation, workers compensation, leave pay and other employment benefits. This reduces employers' risk and compliance burdens and gives employers a chance to try out a recruit before employing them directly.<sup>610</sup>

BSL has its own Group Training Organisation that employs trainees and apprentices and places them with host organisations. It runs the Given the Chance program in partnership with the ANZ Bank offering pre-employment training and supported work placements for refugees at the bank. Out of almost 200 participants since the program began in 2007, over 90% completed the program and 86% gained ongoing work with ANZ. Of these, 94% were still working with ANZ six months later.<sup>611</sup>

<sup>607</sup> Mr Gary Workman, Executive Director, Apprenticeship Employment Network, public hearing, Melbourne, 3 September 2019, Transcript of evidence, p. 47.

<sup>608</sup> Jeff Borland, et al., What are best-practice programs for jobseekers facing high barriers to employment?, policy brief, no. 4/16, Melbourne Institute, Melbourne, June 2016, p. 14.

**<sup>609</sup>** Organisation for Economic Co-operation and Development, *Indigenous employment and skills strategies in Australia: policy highlights*, OECD Publishing, Paris, 2019, p. 7.

<sup>610</sup> Brotherhood of St Laurence, Submission 96, p. 22.

**<sup>611</sup>** Ibid.

LIFT Social Enterprise, which works to create sustainable employment for marginalised young people in the Hawke's Bay region of New Zealand, also includes a labour hire placement in their model following pre-employment training and work experience. The enterprise has a labour hire arm, which places program participants into a labour hire placement to test whether the participant is ready for work and/or wants to work with the employer. At the same time, LIFT provides 18 months of post-placement support to both the participant and employer. In the 12 months to September 2019, LIFT had 175 program participants and achieved over 85 work placements.<sup>612</sup>

Labour hire arrangements, particularly those in partnership with community service organisations or social enterprises that can provide additional support, enable employers to provide work placements for jobseekers facing disadvantage with minimal risk.

**FINDING 37:** More employers would offer work placements to jobseekers facing disadvantage if there were fewer financial risks and compliance burdens and the process was centrally coordinated by a third party.

**RECOMMENDATION 47:** That the Victorian Government fund Local Learning and Employment Networks to appoint employment outreach officers, who would meet and work with local employers to coordinate opportunities for all jobseeker groups facing disadvantage within their region, not only young people who have disengaged from school.

**RECOMMENDATION 48:** That the Victorian Government support community service organisations and social enterprises to establish or expand supported labour hire arrangements to encourage more employers to host work placements for jobseekers facing disadvantage.

# **3.2.5** Post-placement support for employers is critical for worker retention

Post-placement support for employers is essential for fostering retention of workers facing disadvantage. It helps employers to support new employees to settle in, which might include setting up flexible working arrangements or workplace modifications, determining the need for further training, or working with personal issues the employees may be experiencing.

In its programs, BSL provides post-placement support to both new recruits and their employers to ensure 'managers are trained, prepared and supported to take on disadvantaged workers and respond effectively to issues that may arise.'613 It has

<sup>612</sup> Atarau Hamilton, 'LIFT—'I lift, you lift, we lift': Hawkes Bay's new social enterprise delivering youth employment', paper presented at Working Communities Congress Indigenous Employment Forum, Sydney, 2–3 October 2019, pp. 10, 18.

<sup>613</sup> Brotherhood of St Laurence, Submission 96, p. 22.

found using this approach is more than twice as likely to achieve at least 26 weeks of employment as the jobactive program.<sup>614</sup>

It is important for employment services providers to know if the placement is working for both the employer and the jobseeker and if either needs additional support. According to Ms Robyn Stevens, Director, Community Life at the City of Greater Geelong:

The employers that we are working with are fantastic. They are really committed, they are engaged, but it is not easy for them or the staff in their businesses often where you have got someone coming in who has a lot of challenges that they need to address. So the employers and their other staff and their teams need support and systems that they can access in terms of being able to fulfil their role in helping that person to succeed as well. 616

Employers can struggle to deal with issues that their new recruits face, as explained by Ms Deborah Fewster, Manager, Advocacy and Engagement at the Victorian Council of Social Service:

employers, for example, do not necessarily really understand the nitty-gritty of that kind of manifestation of disadvantage, so there is an important piece there around supporting and building the capacity of employers to be able to actually support disadvantaged jobseekers. Giving jobseekers a job in the first place is key, but then it is actually how do you make that stick when people do not have that experience of having been in the workforce or are coming with no experience. Is it family violence or homelessness or other common forms of disadvantage? I guess that is an important component where we are keen to see some capacity building as well.<sup>617</sup>

Ms Helen Craven, Human Resources Manager at Air Radiators, a Geelong business that designs and manufactures heat transfer and air movement products, agreed that post-placement support was essential. Her workplace partners with Geelong not-for-profit organisation Northern Futures to provide work placements to jobseekers with employment barriers, and she stated:

We need that support. We are an SME. There is only one HR person at Air Radiators, and I cannot be a social worker. The fact that I can go to Northern Futures if I have a problem and say, 'Please help me'—even if the person has been there three months, they are there to help you. So that has been instrumental to us continuing on ... I think otherwise a lot of us would have given up a long time ago. <sup>618</sup>

**<sup>614</sup>** Ibid.

<sup>615</sup> Mr David Clements, *Transcript of evidence*, p. 2; Ms Melinda Moore, Head of Work, Economic Security and Social Inclusion, Brotherhood of St Laurence, public hearing, Melbourne, 4 September 2019, *Transcript of evidence*, p. 12; Borland, et al., *What are best-practice programs for jobseekers facing high barriers to employment?*, p. 10; Mildura Rural City Council, *Submission 73*, p. 3.

<sup>616</sup> Ms Robyn Stevens, Director, Community Life, City of Greater Geelong, public hearing, Geelong, 24 October 2019, *Transcript of evidence* p. 3

<sup>617</sup> Ms Deborah Fewster, Manager, Advocacy and Engagement, Victorian Council of Social Service, public hearing, Melbourne, 3 September 2019. *Transcript of evidence*. p. 61.

<sup>618</sup> Ms Helen Craven, Human Resources Manager, Air Radiators, public hearing, Geelong, 24 October 2019, *Transcript of evidence*, pp. 26–27.

Ms Michelle Wakeford, who is the National Ticket to Work Manager at National Disability Services, said too often the approach is 'place and pray'. Ticket to Work is a program that prepares secondary school students with disability for work through training, work experience and School-Based Apprenticeships and Traineeships (SBATs). The program works with over 2,300 employers and Ms Wakeford said:

what we have found is our employers want ongoing support, because we work mainly with intellectual disability. The common way of working is 'place and pray'—stick someone in a job and just pray that it will work. It never, never works. We take the approach of match—to make sure it is the right match for that employer—place and support. What our employers are saying and what some of the research is saying, particularly that AND [the Australian Network on Disability] has been doing, is that employers are willing but they need the right supports in place, and that is what our experience has been through the Ticket to Work networks, and that demand-led approach, that they are not just a vehicle; their needs are being taken into consideration. 619

Post-placement support can also be used for educating employers, managers and co-workers about the needs of the employee, as well as ensuring the employee understands the job requirements and what is expected of them in the workplace. Ms Colbert from the Australian Network on Disability noted that post-placement support may also be required years later, particularly for workers with disability when the nature of their work changes or they need or want to be developed further in their role. 621

Under jobactive and JVEN, post-placement support is provided to jobseekers and employers for up to 26 weeks. The Victorian Government could improve retention rates of new employees who are facing disadvantage by allowing employers to request support beyond 26 weeks.

**FINDING 38:** Employers benefit from access to post-placement support to help retain employees facing disadvantage.

**RECOMMENDATION 49:** That the Department of Jobs, Precincts and Regions create an avenue for employers to request post-placement support for Jobs Victoria Employment Network participants beyond 26 weeks of employment if and when required.

<sup>619</sup> Ms Michelle Wakeford, National Ticket to Work Manager, National Disability Services, public hearing, Melbourne, 4 September 2019, *Transcript of evidence*, p. 44.

**<sup>620</sup>** Aspergers Victoria. Submission 71, p. 6.

<sup>621</sup> Ms Suzanne Colbert AM, Transcript of evidence, p. 49.

# **3.2.6** Better data collection and reporting can identify areas for improvement

Another way to make larger employers more accountable for the diversity of their workforce is to require them to report data on their workforce composition. This is currently in place for gender diversity, where non-public sector businesses hiring over 100 employees must report annually to the Workplace Gender Equality Agency, an Australian Government statutory agency, on their workforce composition by gender and management level.

Data is important for determining the diversity gap in employment opportunities and workforce participation, that is, how closely diversity in the workforce matches diversity in society. This information helps employers and the government to understand the size of the diversity gap in a particular workforce, the effectiveness of interventions and progress over time. 624

In their annual reports, Victorian Government departments state the gender and age breakdown of their workforce. In Canada, the collection and reporting of workplace diversity is mandatory in the public service, and captures gender, ability, age, ethnicity and sexual orientation. In addition, Canada mandates industries that are federally regulated such as banks, broadcasters and telecommunications companies, to lodge employment plans for four groups: Aboriginal peoples, women, visible minorities and people with disability.<sup>625</sup> Also, from 1 January 2020, all Canadian corporations must report on the number and percentage of members on their board and in senior management who belong to one of these four groups.<sup>626</sup>

To better understand workforce diversity and the impact of interventions to increase it, the Victorian Government should encourage public sector bodies to expand their data collection and reporting to cover ability and cultural diversity in addition to age and gender. Large private sector employers should also be encouraged to report on the diversity of their workforce to highlight any diversity gaps.

**FINDING 39:** There is a lack of data collection and reporting on workforce composition in Victorian workplaces to measure workforce diversity, the effectiveness of interventions and progress over time.

**<sup>622</sup>** WEstjustice Community Legal Centre and Springvale Monash Legal Service, *Submission 62*, p. 7.

<sup>623</sup> Department of Health and Human Services, Submission 81, p. 2.

<sup>624</sup> Cultural Infusion, Submission 60, pp. 3, 6.

<sup>625</sup> Ibid., p. 6; Government of Canada, Employment equity and diversity: legislation and regulations, 2011, <a href="https://www.canada.ca/en/public-service-commission/services/appointment-framework/employment-equity-diversity/legislation-regulations.html">https://www.canada.ca/en/public-service-commission/services/appointment-framework/employment-equity-diversity/legislation-regulations.html</a> accessed 4 March 2020.

<sup>626</sup> Jennifer Jeffrey, Andrew MacDougall and John M Valley, Canada is first jurisdiction worldwide to require diversity disclosure beyond gender: diversity disclosure rules will apply to federally incorporated public companies effective Jan. 1, 2020, 2019, <a href="https://www.osler.com/en/resources/regulations/2019/canada-is-first-jurisdiction-worldwide-to-require-diversity-disclosure-beyond-gender-diversity-disclosure-beyond-gen

**RECOMMENDATION 50:** That the Victorian Government encourage public sector bodies to publish their workforce composition with respect to Aboriginal and culturally diverse employees and employees with disability in their annual report, in addition to age and gender diversity.

**RECOMMENDATION 51:** That the Victorian Government encourage non-public sector employers with 100 or more employees to report on their workforce composition in relation to gender, age, ability and cultural diversity.

# 4 Removing structural barriers to sustainable employment

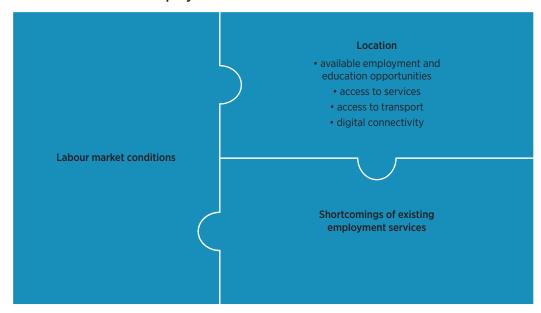
A jobseeker's ability to find and retain employment is not only influenced by personal barriers or the actions of employers but also by structural barriers that affect all jobseekers. Structural barriers can occur at a systemic, or system-wide, level, such as a weak economy or lack of public transport, and at an industry level, such as job automation. Structural barriers are beyond the control of jobseekers and employers and highlight the need for broader approaches to address joblessness involving employment services providers, training providers and governments at all levels working together to alleviate the impact of these barriers.

This chapter discusses the different types of structural barriers to sustainable employment and then presents strategies to remove them or reduce their impact on jobseekers facing disadvantage.

# 4.1 The labour market, geography and existing services can all create employment barriers

Structural barriers are features of the external environment that can limit options for individuals. In the case of employment, structural barriers can include current labour market conditions, locations with limited services and opportunities, and deficiencies of government-funded employment services as summarised in Figure 4.1. The impact of these structural barriers on the ability of jobseekers facing disadvantage to find and retain employment are discussed in the following sections.

Figure 4.1 Structural barriers to employment



# **4.1.1** Current labour market conditions hinder jobseekers facing disadvantage

The balance of labour supply and demand has a significant impact on joblessness and in a weak economy, there are not enough jobs for all jobseekers. Prior to the Coronavirus disease (COVID-19) pandemic, soft labour market conditions had led to fewer job opportunities and increasing numbers of candidates applying for each vacancy across Australia. Australian Government surveys of employers found the average number of applicants per vacancy rose from 5 in 2007–2008 to 15 in 2013 and 19 in 2018.

Competition for job vacancies in Victoria was also strong. According to the Australian Bureau of Statistics (ABS), Victoria had 162,000 unemployed people in June 2019 while there were about 43,000 vacancies in May 2019. The number of vacancies in Victoria as measured by the Internet Vacancy Index, which counts online job advertisements newly lodged on SEEK, CareerOne and Australian JobSearch each month, had fallen by 5.5% from the previous year.<sup>629</sup>

There has since been a sharp downturn in recruitment due to government restrictions introduced to manage the COVID-19 pandemic. The Internet Vacancy Index for Australia fell 16.4% between March and April 2020 and was down 46.1% from April 2019, reflecting an all-time series low of 94,300 job advertisements. Victoria recorded the sharpest decline of all states over the year to April 2020 with job advertisements down 51.6% to 23,100 advertisements.<sup>630</sup>

Key features of the labour market prior to the COVID-19 pandemic included:

- declines in low-skill, entry-level opportunities and overall opportunities relative to the working-age population
- casualisation of about 25% of the workforce
- credential inflation, where the value of university qualifications declined and the minimum educational requirements to enter the workforce increased.<sup>631</sup>

In the aftermath of the COVID-19 pandemic, these features are likely to remain and the greater number of jobseekers relative to available job opportunities will only exacerbate competition for work and the disadvantage jobseekers with multiple employment barriers face.

The changing nature of work caused by automation, a shift away from manufacturing towards the services sector and the growth of part-time work and subcontracting

<sup>627</sup> Mr Grahame Rowland, Submission 28, p. 2; National Employment Services Association, Submission 87, p. 5.

<sup>628</sup> National Employment Services Association, Submission 87, p. 5.

<sup>629</sup> Mission Australia, Submission 64, p. 3.

<sup>630</sup> Australian Government Labour Market Information Portal, *Vacancy report: April 2020*, 2020, <a href="https://lmip.gov.au/default.aspx?LMIP/GainInsights/VacancyReport">https://lmip.gov.au/default.aspx?LMIP/GainInsights/VacancyReport</a> accessed 21 May 2020.

<sup>631</sup> Capital City LLEN, Submission 51, p. 2; yourtown, Submission 74, p. 6.

has had a significant impact on Australian labour market conditions. The Australian Institute of Health and Welfare identified four major changes in Australian employment composition that have occurred between 1966 and 2016:

- increased proportion of women in the workforce (from 30% in 1966 to 47% in 2016)
- growth in part-time jobs (from 10% in 1966 to 31% in 2016)
- a shift in the industrial composition of jobs (manufacturing accounted for 25% of jobs in 1966 compared with 7% in 2016; the services sector accounted for 56% of jobs in 1966 compared with almost 80% in 2016)
- increased proportion of high-skilled jobs resulting in increased demand for a more qualified workforce (in the late 1970s, 36% of the labour force had a post-school qualification and 7% had a university degree, compared with 66% and 27%, respectively, in 2016).<sup>632</sup>

The impact of these changes on joblessness prior to the COVID-19 pandemic are discussed in more detail below based on the evidence the Committee received prior to the emergence of COVID-19. It is uncertain how these impacts on labour market conditions will play out in the pandemic's aftermath. However, early signs show the industries that will be most affected by job losses are hospitality followed by arts and recreation services. Young workers and women are more commonly employed in these industries so they are likely to be hit hardest.<sup>633</sup>

#### Automation and greater demand for highly qualified workers

Over the past three decades, new technologies have been rapidly adopted in the workplace resulting in the automation of many jobs.<sup>634</sup> The Organisation for Economic Co-operation and Development (OECD) predicts 11% of jobs in Australia are at high risk (greater than 70% probability) of being completely automated within the next 10–15 years, and a further 25% are at significant risk (50–70% probability).<sup>635</sup> While job automation increases, the OECD states this is unlikely to lead to fewer jobs overall; however, jobs growth is likely to occur in different industries and among high-skill occupations, which may not suit displaced workers.<sup>636</sup>

The jobs at highest risk of automation are routine jobs requiring low skills and education and that have low hourly wages. The industries most affected are manufacturing and agriculture, but some service industries, such as food services, are also at high risk. Young people are most susceptible due to the fall in low-skill, entry-level roles.<sup>637</sup>

<sup>632</sup> Australian Institute of Health and Welfare, Australia's welfare 2017, AIHW, Canberra, 2017, p. 145.

<sup>633</sup> Brendan Coates, et al., Shutdown: estimating the COVID-19 employment shock, Grattan Institute, Melbourne, 2020, pp. 20, 22.

<sup>634</sup> Organisation for Economic Co-operation and Development, *OECD employment outlook 2019: the future of work*, OECD Publishing, Paris, 2019, p. 40.

<sup>635</sup> Jonathan Barr, 'OECD report on Indigenous employment and skills strategies in Australia', paper presented at Working Communities Congress Indigenous Employment Forum, Sydney, 2–3 October 2019, p. 4.

<sup>636</sup> Organisation for Economic Co-operation and Development, OECD employment outlook 2019, pp. 44, 47.

<sup>637</sup> Barr, 'OECD report on Indigenous employment and skills strategies in Australia', p. 5.

Regional job opportunities could also decline by 60% due to automation.<sup>638</sup> These declines increase the risk of long-term unemployment among low-skilled jobseekers.<sup>639</sup>

Most job growth in recent years has occurred in occupations requiring post-school qualifications. Australian Government employment projections made prior to the COVID-19 pandemic showed the highest growth in the five years to May 2024 will occur among occupations requiring a Bachelor degree or higher qualification (11.8%) and the lowest growth (5.0%) would occur in occupations requiring secondary education or Certificate I equivalent.<sup>640</sup>

Not only is the labour market requiring jobseekers to have higher qualifications but increasing numbers of jobseekers per vacancy enable employers to be more selective in their recruitment and hire more qualified and skilled workers.<sup>641</sup> Anglicare Australia, which publishes an annual jobs availability snapshot, has found that people with higher qualifications are working in lower skilled jobs due to increased competition for work, and along with further competition from underemployed workers, this puts further pressure on jobseekers facing disadvantage.<sup>642</sup>

Mr Matthew Maruff, member of the Bendigo Education Council and Headmaster of Girton Grammar, also spoke about the 'arms race of qualifications' where entry into the workforce now requires increasingly higher qualifications, stating:

it is not enough to have an arts degree now; you need a Masters or a PhD. So trying to get a kid into the Walter and Eliza Hall Institute in Parkville, unless you are a PhD student—forget it. Whereas 10 years ago they would take 16- or 17-year-olds who were interested in biotech—gone. So the opportunities are very difficult to get across.<sup>643</sup>

Since the Global Financial Crisis (GFC), university graduates have taken longer to find work. In 2016, 71% of Bachelor degree graduates were working full time within four months of completing their degree compared with 85% in 2008.<sup>644</sup> Data from the 2015 Longitudinal Surveys of Australian Youth also showed that about 25% of Bachelor degree graduates worked in casual roles.<sup>645</sup>

#### Fewer entry-level jobs

As a result of the increased demand for qualified workers and more low-skill jobs moving offshore, the number of entry-level jobs in Australia is falling making them

<sup>638</sup> Victorian LLENs, Submission 98, p. 3.

<sup>639</sup> National Employment Services Association, Submission 87, p. 6.

<sup>640</sup> Australian Government Labour Market Information Portal, 2019 employment projections: for the five years to May 2024, 2020, <a href="http://lmip.gov.au/default.aspx?LMIP/EmploymentProjections">http://lmip.gov.au/default.aspx?LMIP/EmploymentProjections</a>> accessed 7 April 2020.

<sup>641</sup> Public Service Research Group, UNSW Canberra, Submission 77, p. 3.

<sup>642</sup> Anglicare Australia, Jobs availability snapshot 2019, Anglicare Australia, Canberra, 2019, p. 12.

<sup>643</sup> Mr Matthew Maruff, Headmaster, Girton Grammar, public hearing, Bendigo, 22 October 2019, Transcript of evidence, p. 34.

<sup>644</sup> Australian Institute of Health and Welfare. Australia's welfare 2017, p. 123.

<sup>645</sup> Kate Torii and Megan O'Connell, *Preparing young people for the future of work*, Mitchell Institute policy paper, no. 01/2017, Mitchell Institute, Melbourne, March 2017, p. 2.

increasingly competitive.<sup>646</sup> The Australia and New Zealand Standard Classification of Occupations categorises jobs according to the skill level they require from Level 1 (Bachelor degree or higher) to Level 5 (Certificate I, compulsory secondary education and/or on-the-job training). Entry-level jobs, which often suit recent school-leavers and some other jobseekers facing disadvantage, are commonly defined as jobs that require Level 5 skills.

In May 2019, just 10% of jobs advertised across Australia required Level 5 skills. National advertisements for Level 5 jobs fell by 14% from 2014 to 2019, whereas advertisements for each of the higher level jobs increased between 11% (Level 4) and 29% (Level 1). Anglicare Australia also found for every Level 5 vacancy in May 2019 there were more than five people facing disadvantage (5.49) competing for it nationally. In Victoria, there were 3.96 people facing disadvantage competing for every Level 5 vacancy. Jobseekers facing disadvantage are not only competing with one another for these entry-level roles but also with recent graduates, retrenched workers and underemployed workers.

Several stakeholders raised the falling number of entry-level jobs with the Committee. For example, upon reviewing online job advertisements, Ms Lisa Briggs, Interim Chief Executive Officer of the Wathaurong Aboriginal Co-operative, found those:

seeking Aboriginal-identified positions and Aboriginal youth traineeships within the Geelong area, there were only three positions that were advertised, that were listed. That was a justice worker, one from VACCA [Victorian Aboriginal Child Care Agency] for an Aboriginal child specialist adviser and someone to work in Cohealth as an Aboriginal access worker. They all required a licence as part of the experience, and they also required experience, so they were beyond the scope of any disadvantaged Aboriginal person who was unemployed. I made a comment that there were also no jobs online that encouraged on-the-job training—so no experience was necessary and support would be provided as you actually entered into the workforce ...<sup>650</sup>

Similarly, Mr Andrew Simmons, Chief Executive Officer of the South East Local Learning and Employment Network (LLEN), which works with young people in the Casey, Dandenong and Cardinia regions who are at risk of disengaging, or who have already disengaged, from school, stated:

we are massively losing job market for our young people ... Entry-level roles just do not exist, and we have got some really good statistics to demonstrate the changes in that space. In a region like ours, where we have got 45,000 new jobs coming in the next five years ... the growth is not in entry-level roles for our kids ...

<sup>646</sup> Wyndham Community & Education Centre, Submission 20, p. 2; Inner Northern LLEN, Submission 50, p. 5; Moonee Valley City Council, Submission 69, p. 5.

<sup>647</sup> Anglicare Australia, Jobs availability snapshot 2019, pp. 10-11.

<sup>648</sup> Ibid., p. 11.

<sup>649</sup> Ibid., p. 4.

**<sup>650</sup>** Ms Lisa Briggs, Interim Chief Executive Officer, Wathaurong Aboriginal Co-operative, public hearing, Geelong, 24 October 2019, *Transcript of evidence*, p. 33.

[over a] 10-year period in our region we had 6,000 new jobs in retail. For 15 to 19-year-olds that should be their bread and butter for an entry-level role, to develop those skills. Fifteen to 19-year-olds lost 220 jobs during that period. So theirs dropped while the actual market went up by 5,000 or 6,000 jobs.<sup>651</sup>

He suggested the declining availability of traditional entry-level roles might also be due to a bottleneck created by young people aged 20–24 who are holding these jobs for longer while they complete university and search for their first career role.<sup>652</sup>

Other stakeholders raised the impact of the decline in apprenticeships and manufacturing on the number of entry-level roles available for young people.

Mr Stephen Ward, Executive Director, Education Training and Employment at Jesuit Social Services, stated:

The factory jobs have gone, the apprenticeships have gone. All those companies that used to provide all the apprenticeships for the young people to train up for Victoria's workforce—the SECVs, the boards of works and all those sorts of organisation, are all gone. They do not do that anymore. There is a major gap in our system and it has been there for about 30 years. We have got 17 and 18-year-olds. When are they right for some sorts of jobs? Sometimes when they are 20, 21. What do we do with them in that gap?<sup>653</sup>

Executive Director of the Apprenticeship Employment Network (AEN), the peak body representing not-for-profit Group Training Organisations across Victoria, Mr Gary Workman, added that the shift towards subcontracting has diminished apprenticeship opportunities:

We have subcontracting arrangements, we have labour hire, we have a mentality in Australia where everything gets subcontracted out. So a big builder who develops a subdivision for 100 homes, that developer does not build too much at all. They tender out everything to the cheapest and quickest partner, so you are expecting a small business owner to say, 'I've got a three-month window of work. I'm not making a lot of margin on these programs, and I've got to now take on an apprentice for four years'. So their continuity of work is unstable.'654

Ms Keelie Hamilton, Director, Student and Industry Engagement at regional TAFE The Gordon, agreed and noted the loss of:

Ford and Alcoa, who were almost what you would say the mainstays of employing apprentices. In their heyday Ford, for instance, would have 100 apprentices a year. That does not happen now. So the engagement that it takes with those subbies to support employers is completely different than it used to be, because really you used to have Ford, which was almost like a training ground, and Alcoa, like a training ground.

**<sup>651</sup>** Mr Andrew Simmons, Chief Executive Officer, South East Local Learning and Employment Network, Greater Dandenong Regional Employment Taskforce, public hearing, Warragul, 11 December 2019, *Transcript of evidence*, p. 21.

**<sup>652</sup>** Ibid

**<sup>653</sup>** Mr Stephen Ward, Executive Director, Education Training and Employment, Jesuit Social Services, public hearing, Melbourne, 4 September 2019, *Transcript of evidence*, p. 15.

**<sup>654</sup>** Mr Gary Workman, Executive Director, Apprenticeship Employment Network, public hearing, Melbourne, 3 September 2019, *Transcript of evidence*, p. 44.

You knew it was almost like a benchmark of training that you were getting by being there. Now you do not know. You can have individual employers who are putting on an apprentice. They do not particularly know their rights and obligations towards that apprentice, and we are really finding that that has an impact on retention rates for people into their apprenticeships. That is something that we probably did not even recognise would be a consequence. It has only been later where we have gone, 'Oh my goodness. Now actually having to get those apprentices into employment requires so much more individual support'. <sup>655</sup>

The decline in job opportunities for younger jobseekers has led to a fall in the youth share of total employment in Australia since 2008 across a broad range of industries, occupations and regions.<sup>656</sup> Just prior to the 2008 GFC, young people took an average of 13 weeks to find work and less than 20% of them had been unemployed for at least 12 months. These figures increased to 29 weeks and over 55%, respectively, by February 2014.<sup>657</sup>

The youth unemployment rate has continued to rise since the GFC and the Australian Institute of Health and Welfare notes that the gap between the youth unemployment rate and total unemployment rate has widened at times of high total unemployment suggesting that economic downturns are affecting young people more severely than the rest of the population.<sup>658</sup>

The economic impact of the COVID-19 pandemic will also significantly increase youth unemployment rates since it has led to widespread job losses in industries that commonly employ young people such as hospitality and retail. As discussed in Chapter 1, youth unemployment rates take longer to recover following an economic crisis compared with rates for older workers. This will have a long-term impact as young people miss out on gaining skills and experience at a critical point in their working life. 659

#### Casualisation of the workforce

The high proportions of part-time and casual jobs also affect jobseekers' ability to gain sustainable employment. Part-time employment (less than 35 hours per week) has risen steadily over the past 50 years and by 2017, it accounted for about one third of employment in Australia. While the share of casual employees (for which the ABS uses workers without access to paid leave entitlements as a proxy measure) rose from

**<sup>655</sup>** Ms Keelie Hamilton, Director, Student and Industry Engagement, The Gordon, public hearing, Geelong, 24 October 2019, *Transcript of evidence*, pp. 51–52.

<sup>656</sup> Inner Northern LLEN, Submission 50, p. 5.

<sup>657</sup> Inner Eastern LLEN, Submission 21, p. 8.

<sup>658</sup> Australian Institute of Health and Welfare, Australia's welfare 2017, p. 163.

<sup>659</sup> Public Service Research Group, Submission 77, p. 3.

**<sup>660</sup>** Natasha Cassidy and Stephanie Parsons, 'The rising share of part-time employment', *RBA Bulletin*, September quarter, 2017, p. 19.

13% in the early 1980s to 24% in the mid-1990s, the share has remained relatively stable since, increasing to 25% in 2016. $^{661}$ 

Some LLENs noted that the growth of insecure work in their region was particularly disadvantaging young people. For example, Gippsland East LLEN, which works with young people across the East Gippsland and Wellington shires, stated:

Most new jobs created in the region in the past three years have been part time. This provides a significant challenge for workers in Gippsland East, escaping the 'gig' economy's cycle of precarious part-time, temporary, casual work. The average quality and security of work in Australia has deteriorated over the last few years with the growth of part-time work, temporary work and work casualisation. This means that for more people in Gippsland East work is increasingly insecure. Workers don't know when they're going to be working or if they'll have enough work. A decreasing number of young people between 15 and 24 years have full-time work.

Mr Dallian D'Cruz, Chief Executive Officer of WynBay LLEN, which works in the Wyndham and Hobsons Bay regions, added:

Our young people are paying the price for this mass casualisation and part-time work, and in this I am referring to young people that want full-time employment who cannot get it so they have two or three jobs around the place, jobs that pay very poorly.<sup>663</sup>

AEN also blamed the convenience and lower cost of short-term employment models 'such as part time work, subcontracting, importing skilled migrants, labour hire and self-employment' for reducing jobseekers' access to sustainable employment.<sup>664</sup>

As explained by the Public Service Research Group at UNSW Canberra, these changes to employment composition:

mean that many jobseekers now work episodically, move in and out of self-employment in the gig economy, or hold multiple short-term jobs concurrently. This sits uneasily with a welfare-to-work model founded on the premise that jobseekers will move from income support into a job providing regular documented income.<sup>665</sup>

It added that transitioning between welfare and work risks exposing jobseekers to financial hardship and acts as:

a (rational) deterrent for jobseekers with dependents to trade the security of income support and contingent access to subsidised housing, health services, transport and childcare for precarious, transient, low-paid work.<sup>666</sup>

<sup>661</sup> Geoff Gilfillan, Characteristics and use of casual employees in Australia, statistical snapshot, Parliamentary Library, Canberra, 2018, p. 1.

<sup>662</sup> Gippsland East LLEN, Submission 84, p. 9.

<sup>663</sup> Mr Dallian D'Cruz, Chief Executive Officer, WynBay LLEN, public hearing, Melbourne, 3 September 2019, Transcript of evidence, p. 24.

<sup>664</sup> Apprenticeship Employment Network, Submission 19, p. 5.

<sup>665</sup> Public Service Research Group. Submission 77. p. 3.

<sup>666</sup> Ibid.

Inner Northern LLEN, which works with young people in the Darebin, Moreland and Yarra regions, added that young people with temporary jobs are also among the first to lose their jobs during financial crises, increasing their risk of long-term unemployment.<sup>667</sup>

**FINDING 40:** Soft labour market conditions prior to the COVID-19 pandemic, which were characterised by fewer entry-level roles, a high proportion of part-time and casual work and increasing demand for highly qualified workers, reduced the number of opportunities for jobseekers facing disadvantage to find and retain sustainable employment.

**FINDING 41:** Increased competition for fewer available job opportunities in the aftermath of the COVID-19 pandemic will further harm the chances of jobseekers facing disadvantage finding and retaining sustainable employment.

# 4.1.2 Where jobseekers live can affect their ability to find and retain work

Stakeholders mentioned the impact of geographical location on jobseekers' ability to find and retain sustainable employment. Often there are fewer employment, education and training opportunities in regional and remote areas. Some regions have experienced industry closures such as the northern suburbs of Geelong, whereas others such as central Victoria and Gippsland have experienced drought and/or bushfires. Most of the jobs in popular tourist destinations might be seasonal and casual, and in some smaller regions the majority of businesses might be single-person operations, limiting employment opportunities. 669

In addition to fewer jobs, economies of scale can reduce regional access to services, education, child care and transport creating further challenges.<sup>670</sup> Jobseekers living in outer suburban Melbourne can also be disadvantaged through fewer services and lack of public transport. These barriers are discussed below.

#### Fewer employment opportunities

Even in times of low unemployment, the geographic distribution of jobs may not align with where suitable jobseekers live.<sup>671</sup> This is why there can be pockets of high unemployment rates in some regional areas or metropolitan locations even when the broader region is experiencing jobs growth. Table 4.1 lists the Victorian Local

<sup>667</sup> Inner Northern LLEN, Submission 50, p. 4.

<sup>668</sup> Mission Australia, Submission 64, p. 14; Northern Futures, Submission 41, p. 1; Mr Sam Birrell, Chief Executive Officer, Committee for Greater Shepparton, public hearing, Shepparton, 20 November 2019, Transcript of evidence, p. 16.

<sup>669</sup> Bass Coast Shire Council, Submission 39, pp. 2–3; Mr Martin Collins, General Manager, Community Wellbeing, Central Goldfields Shire Council, public hearing, Bendigo, 22 October 2019, Transcript of evidence, p. 37.

**<sup>670</sup>** Victorian TAFE Association. Submission 79. p. 6.

<sup>671</sup> National Employment Services Association, Submission 87, p. 5.

Government Areas (LGAs) with the highest unemployment rates in December 2019. Greater Dandenong ranked first with a smoothed (trend) unemployment rate of 9.1%, followed by Hume at 8.4% and Brimbank at 8.1%.

**Table 4.1** Top 10 Local Government Areas by smoothed unemployment rate, Victoria, December 2019

Rank	Local Government Area	Smoothed unemployment rate
		(%)
1	Greater Dandenong	9.1
2	Hume	8.4
3	Brimbank	
4	Central Goldfields	6.9
5	Melton	6.8
6	Casey	
7	Frankston	
8	Cardinia	
9	Yarra	5.9
10	Mildura	5.5

Source: Department of Education, Skills and Employment, Table 2: Small Area Labour Markets, December quarter 2019 (LGA), Small Area Labour Markets publication, 2020, <a href="https://www.employment.gov.au/small-area-labour-markets-publication-0">https://www.employment.gov.au/small-area-labour-markets-publication-0</a> accessed 17 April 2020.

However, these rates are deceptive because they hide pockets within them that have much higher unemployment. For example, Table 4.2, which presents unemployment rates within smaller areas (specifically ABS Statistical Area Level 2 or SA2), shows that Broadmeadows and Meadow Heights, both located in Hume, had unemployment rates of about 20% in December 2019. Similarly, Greater Geelong and Moonee Valley, which did not make the top 10 LGAs by unemployment, have SA2s within them, Corio–Norlane and Flemington respectively, with unemployment rates above 13%.

**Table 4.2** Top 20 Statistical Area Level 2s by smoothed unemployment rate, Victoria, December 2019

Rank	Statistical Area Level 2	Local Government Area	Smoothed unemployment rate
			(%)
1	Broadmeadows	Hume	20.0
2	Meadow Heights	Hume	19.7
3	Campbellfield-Coolaroo	Hume	16.0
4	Dandenong	Greater Dandenong	15.5
5	Doveton	Casey	15.4
6	Corio-Norlane	Greater Geelong	15.3
7	Flemington	Moonee Valley	13.2
8	Roxburgh Park-Somerton	Hume	13.0
9	Frankston North	Frankston	12.6
10	St Albans-North	Brimbank	12.4
11	Cranbourne	Casey	12.1
12	Collingwood	Yarra	11.8
13	Kings Park	Brimbank	11.6
14	Melton	Melton	11.5
15	St Albans-South	Brimbank	11.3
16	Melton South	Melton	10.9
17	Sunshine North	Brimbank	10.8
18	Hallam	Casey	10.2
19	Sunshine West	Brimbank	10.2
20	Hampton Park–Lynbrook	Casey	10.1

Source: Department of Education, Skills and Employment, Table 1: Small Area Labour Markets, December quarter 2019 (SA2), Small Area Labour Markets publication, 2020, <a href="https://www.employment.gov.au/small-area-labour-markets-publication-0">https://www.employment.gov.au/small-area-labour-markets-publication-0</a> accessed 17 April 2020.

Regional representatives told the Committee there were few work opportunities in their area for jobseekers facing disadvantage. For example, Mr David Richardson, Chair of the Loddon Campaspe Regional Partnership, a partnership of regional businesses and local and state government, argued:

there is less non-skilled work per capita in the regions than what there is in the metro. So even if they [jobseekers] were to want to just leave and go and get a job, there does not tend to be the range and the depth of non-skilled work to go and immediately work in those rural and regional areas as there is in metro. You often think it is the other way around, but evidence is suggesting that it is patchy and it is region by region, but there are not necessarily those opportunities.<sup>672</sup>

<sup>672</sup> Mr David Richardson, Chair, Loddon Campaspe Regional Partnership, public hearing, Bendigo, 22 October 2019, *Transcript of evidence*, p. 51.

Ms Anne O'Brien, Director of GROW (G21 Region Opportunities for Work), an initiative that aims to address joblessness in disadvantaged locations in the Geelong region, added that in some regions, such as Colac, 'there is not a lot of access to sustainable and sustaining work', which in addition to limiting opportunities, can also backfire on jobseekers who manage to find work. She explained it might be:

putting people in a worse situation if you support them from homelessness into a job and to start paying rent and bills and what have you and then the work dries up after seven months, because that particular industry goes slow over these months, and there is no work and no income and then getting back on Centrelink. I do not know if you know, but it can take seven weeks. So then all of a sudden, how are you eating and how are you paying your bills and how are you, really, sustaining? Sustainable income is more important than having debt, as well as homelessness, as well as additional crisis.<sup>673</sup>

The Greater Dandenong Regional Employment Taskforce, a collaboration of government, community organisations, employment services providers and education and training providers, also raised the paradox of high unemployment in its region while noting 80% of people who work in Greater Dandenong live outside the LGA. Mr Simmons and Ms Sandra George, Manager of the Taskforce, explained how Greater Dandenong is 'the net provider of jobs' in the region by having more jobs than people and with many residents of Casey and Cardinia travelling to Greater Dandenong to work. This contrasts with the LGA's high unemployment rate and Ms George added the Taskforce 'want[s] to build the capacity and capability of our own' residents so as to 'bring our unemployment rate down'. 675

Areas with high unemployment also have high levels of socio-economic disadvantage. The ABS uses its Socio-Economic Indexes for Areas (SEIFA) to rank areas in Australia based on relative socio-economic advantage and disadvantage. SEIFA consists of four indexes that use different subsets of Census variables to measure advantage and disadvantage. The Index of Relative Socio-economic Disadvantage (IRSD) ranks areas according to relative disadvantage, using measures such as the number of households with low income, the number of people with no qualifications and the number of people in low skilled occupations. It also measures the prevalence of disability, jobless families, single-parent families and households without a car in each area.<sup>676</sup>

All but six of the Victorian SA2s with the highest unemployment rates in December 2019 were in the lowest decile (or lowest 10%) of the 2016 IRSD, that is, they were among the most disadvantaged areas in Victoria. The remaining six were in the second

<sup>673</sup> Ms Anne O'Brien, Director, G21 Region Opportunities for Work (GROW), public hearing, Geelong, 24 October 2019, *Transcript of evidence*, p. 13.

**<sup>674</sup>** Mr Andrew Simmons, *Transcript of evidence*, p. 21; Ms Sandra George, Manager, Greater Dandenong Regional Employment Taskforce, public hearing, Warragul, 11 December 2019, *Transcript of evidence*, pp. 20–21.

**<sup>675</sup>** Ms Sandra George. *Transcript of evidence*, p. 21.

<sup>676</sup> Australian Bureau of Statistics, Socio-Economic Indexes for Areas (SEIFA): technical paper, cat. no. 2033.0.55.001, 2018, <a href="https://www.abs.gov.au/AUSSTATS/abs@.nsf/Lookup/2033.0.55.001Main+Features12016">https://www.abs.gov.au/AUSSTATS/abs@.nsf/Lookup/2033.0.55.001Main+Features12016</a> accessed 20 April 2020.

lowest decile.<sup>677</sup> The City of Greater Bendigo pointed out that disadvantage is further compounded in regional areas due to poor access to education and employment:

The difficulties faced by those living in rural and regional communities in accessing education and training and employment and the general disadvantages faced by people and communities in rural and regional areas are well documented. If you fall into a disadvantaged cohort and live in rural and regional areas your disadvantage is further compounded. Disadvantage and low participation rates in upper secondary and tertiary education, and access to further training and education generally for those who live in rural and regional communities is well entrenched and supported by educational attainment levels and unemployment rates ... For those in the workforce who now find that their skills and qualifications are no longer relevant or for those who have been out of work for long periods find that their disadvantage is compounded by living in a rural and regional community.<sup>678</sup>

Ms Nicole Steers, Acting Chief Operating Officer of Jobs Australia, the national peak body for not-for-profit employment and community service providers, believed this type of disadvantage in regional and remote areas also extended to the outer suburbs and growth corridors of capital cities. She gave the example of:

kids leaving school perhaps early and the opportunities even with the best intent are not necessarily there. There is just not work in the environments where they live. Add to that public transport—lack of, completely. How do they get to training? How do they get to work? Mum and Dad might already be completely out of the area because they have to commute to get work, because there is no work in the area as well; or Mum and Dad are fly-in fly-out or not working themselves. So I think there is a massive challenge in those disadvantaged suburbs, the regional areas and some of those growth corridors. The growth corridors are great and they are getting further and further out, but the access to work, and sustainable work, and to all those supports to get young people to work is really extraordinarily hard. And then ... next minute they are one year, two years out of work, they are bored, they are hanging around. Then things start to perpetuate into all the other issues, and it just becomes a very difficult situation for these young people, who had the best intent right the way back.<sup>679</sup>

Mr Noel Harvey, Chief Administrator of Central Goldfields Shire Council, added that some smaller places fall through the gaps of government initiatives to improve economic development and jobs growth in regional Victoria, stating:

the regional development model that we have here in Victoria has been highly successful for many, many years and has rolled out some really good initiatives and seen great economic development right across the state, but there are some pockets within the state that have missed that boat. There are the highways and the spines,

<sup>677</sup> Australian Bureau of Statistics, Table 2, Census of population and housing: Socio-Economic Indexes for Areas (SEIFA),

Australia, 2016, cat. no. 2033.0.55.001, 2018, <a href="https://www.abs.gov.au/AUSSTATS/abs@.nsf/DetailsPage/2033.0.55.0012016">https://www.abs.gov.au/AUSSTATS/abs@.nsf/DetailsPage/2033.0.55.0012016</a> accessed 20 April 2020.

<sup>678</sup> City of Greater Bendigo, Submission 43, p. 4.

<sup>679</sup> Ms Nicole Steers, Acting Chief Operating Officer, Jobs Australia, public hearing, Melbourne, 3 September 2019, *Transcript of evidence*, p. 39.

I suppose, that have been done really well. In between there are some real pockets—and Maryborough is one of those—that have just fallen through the gaps.<sup>680</sup>

He argued that the approach taken by Regional Development Victoria should allow different communities to develop and implement 'a local place-based solution' that is tailored to their circumstances.<sup>681</sup> Place-based approaches are discussed further in Section 4.2.1.

#### Fewer education and training opportunities

Low unemployment rates in larger regions can also disguise pockets of high unemployment among certain cohorts such as young people. For example, Greater Bendigo has one of the highest regional employment growth rates in Australia but its youth unemployment rate is also one of the highest. Mr Trevor Budge, Manager, Regional Sustainable Development at the City of Greater Bendigo, noted this was due to a mismatch between the skills employers are seeking and the skills young people have, stating:

We have actually got low levels of unemployment across the board, except the youth unemployment, but we have got a massive skill shortage. So how are we fixing that? We are importing skills. So there is a gap between a large pool of young unemployed, unskilled people and a need for skilled employment, and that is coming through.<sup>682</sup>

Not only does this mismatch place young people in Greater Bendigo at immediate economic disadvantage, it can also have long-term effects on their career prospects, health and wellbeing. Research suggests that this skills mismatch is occurring in regional areas across Australia and according to the National Centre for Vocational Education Research, this is likely due to a lack of education and training opportunities in the regions. Health and the regions.

The City of Greater Bendigo agreed that there are fewer education opportunities in regional areas, stating:

If any person in rural and regional communities aspires to undertake the highest levels of education and training in Australia they are virtually always required to relocate to metropolitan areas and live in the most sought after highest cost locations. Opportunities to undertake programs in rural and regional areas are simply denied by the current arrangements.<sup>685</sup>

Bass Coast Shire Council also stated that while over 60% of young people in its region aspire to attend university, an 'immediate barrier ... is the lack of tertiary education

**<sup>680</sup>** Mr Noel Harvey, Chief Administrator, Central Goldfields Shire Council, public hearing, Bendigo, 22 October 2019, *Transcript of evidence*, p. 39.

<sup>681</sup> Ibid.

**<sup>682</sup>** Mr Trevor Budge, Manager, Regional Sustainable Development, City of Greater Bendigo, public hearing, Bendigo, 22 October 2019, *Transcript of evidence*, p. 1.

**<sup>683</sup>** City of Greater Bendigo, *Submission 43*, p. 12.

<sup>684</sup> National Centre for Vocational Education Research, *Submission 53*, p. 3.

<sup>685</sup> City of Greater Bendigo, Submission 43, p. 4.

and training opportunities available in the local area.'686 This had implications for local employment because without a local education pathway, fewer students complete Year 12, apply for university and gain a degree, creating local skill shortages. Retention of skilled workers is also an issue in areas lacking educational opportunities, which further harms the local economy. Relocating for further education is expensive and difficult for young people who want to stay connected with their family and local community. 688

Gippsland East LLEN explained that the geography and demographic profile of the region made it unviable for TAFE Gippsland to offer many courses beyond its main campuses. It noted 68% of the Victorian Government's free TAFE courses were either not delivered by TAFE Gippsland or within Gippsland East. It said the main barriers to offering a broader range of courses in regional locations were achieving scale in student numbers, recruiting qualified trainers and the costs of maintaining infrastructure and administrating services across locations.<sup>689</sup>

#### Limited access to services

In addition to fewer education and employment opportunities, regional areas might also lack easy and timely access to support services that are necessary to help jobseekers facing disadvantage find and retain work. Referral services to treat mental and physical ill-health may be available sporadically in remote areas and in some towns might only be accessible once per month. Waiting times to assess students in regional areas who need tailored support to remain engaged with school can be many months long and there might also be a shortage of qualified professionals, such as speech therapists, to provide services. Page 1911

Ms O'Brien from GROW stated that the way some service systems are designed 'is quite Melbourne-centric' and their funding does not suit service provision in regional areas. For example, smaller regional areas may lack economies of scale for service providers to meet key performance indicators (KPIs) in their contract. In these situations:

because of how some of the services are funded and the nature of the way you can deliver that funding, you [an individual jobseeker] will have to go to Geelong to get that [service] or a Geelong service will have to outreach to Colac, and so therefore they will be there on a Thursday—those kinds of things ...

I guess the other thing, when you fund a[n employment] service like, say, Jobs Victoria in Colac, is you have to realise that the framework or the structure within which it operates will require more resources. For example, our work mentor ends up being chief cook, bottle washer and shoeshiner, whereas in Melbourne you have got other people you can call in.<sup>692</sup>

**<sup>686</sup>** Bass Coast Shire Council, *Submission 39*, p. 3.

<sup>687</sup> Ibid., p. 5.

<sup>688</sup> Cr Samantha McIntosh, Mayor, City of Ballarat, public hearing, Ballarat, 23 October 2019, Transcript of evidence, p. 2.

<sup>689</sup> Gippsland East LLEN, Submission 84, p. 6.

**<sup>690</sup>** Victorian TAFE Association, *Submission 79*, p. 5.

<sup>691</sup> Mr Ben Dennis, Submission 10, p. 1.

<sup>692</sup> Ms Anne O'Brien, Transcript of evidence, p. 13.

She added that employment services providers in Melbourne may be able to achieve outcomes for all their clients using one or two employers, whereas in Colac each employer may only be able to offer one job, requiring providers to engage with many more employers in regions with smaller economies.<sup>693</sup>

A similar situation is occurring in Maryborough according to Mr Martin Collins, General Manager, Community Wellbeing at Central Goldfields Shire Council, who stated:

We have had in the last couple of years 18 separate federal or state-funded employment providers for a population where we have about 800 people unemployed. None of those providers have a place in the town ... so you have this really fragmented service. <sup>694</sup>

Mr Noel Harvey, Chief Administrator of the Council, added:

If you get a multiplicity of service providers, as we do, none of them provide a full-time service. Their workers come in from Bendigo or from Ballarat. Every week you are there you have got a different staff member there, so if I go into there as an unemployed person, every time I am in there I see someone different and start all over again. None of them are full time, so I am limited in the days. If we simply had one service that was open five days a week and had consistent staffing, I could see the same people regularly and build that relationship. It is a no-brainer really.<sup>695</sup>

Other stakeholders noted that it is not only employment and support services that regional jobseekers might have limited access to, but also internet services and connectivity, which can hinder jobseekers' ability to access online education and training, connect with support services, search for employment opportunities and apply for jobs. <sup>696</sup> Gippsland East LLEN stated:

Although the NBN is being rolled out across the Region, the digital divide remains a significant barrier to participation in tertiary education and training – and to new industry creation and associated jobs growth. The Digital Inclusion Index measures affordability and digital ability indicators as well as access and identifies Victoria's eastern region as being almost 11.8% under levels of digital inclusion of Melbourne and well under statewide and national rates.<sup>697</sup>

The Mayor of the City of Greater Bendigo, Cr Margaret O'Rourke, stated that some regions still have poor connectivity despite the NBN rollout:

I think the NBN has been promised to us all to be the panacea, and it is not. I would have to say, for us in a city like Bendigo, we are absolutely still lacking in services in some parts of our community ...

**<sup>693</sup>** Ibid

<sup>694</sup> Mr Martin Collins, Transcript of evidence, p. 37.

<sup>695</sup> Mr Noel Harvey, Transcript of evidence, p. 39.

<sup>696</sup> Mr David Richardson, Transcript of evidence, pp. 50–51; Mission Australia, Submission 64, p. 15.

<sup>697</sup> Gippsland East LLEN, Submission 84, p. 3.

We would love to see Bendigo as a gig city. We would love to see Bendigo absolutely connected. If we look at places like Dunedin, where we have been, and other locations where you have great connectivity, that drives education, drives employment, brings start-ups to town—the list goes on. It is an equal barrier to what transport is ...

when people ask about going to a rural or regional community they say, 'What is the connectivity like, and is there a job?' People will not move without a job and if they do not feel connected, they will not move either. Then real estate is the third question, but I can tell you now, connectivity and jobs are the first two questions that people ask.<sup>698</sup>

Even in regions that have good internet connectivity, the cost of connecting can be too expensive for some jobseekers facing disadvantage. Affordability of internet connection is discussed in more detail in Chapter 2.

#### Lack of transport options

Stakeholders from regional areas identified limited transport options as a major factor preventing local jobseekers from undertaking education and/or accessing employment.<sup>700</sup> For example, Ms Jane Oakley, Chief Executive Officer of the Committee for Gippsland, which represents local industry, business and community organisations, stated:

if you do not have a car in regional areas, you are pretty well snookered. So you are relying on other people to get around. It is probably fair to say our public transport is pretty fragmented and disconnected. For instance, if you are successful enough to get a place at the university in Churchill, you might live here [Warragul] but you have to jump on a train, get to Traralgon and then you have to try and line up bus schedules to get out to the campus. That is a real inhibitor for our area.<sup>701</sup>

Similar situations were described in Bass Coast:

where public transport timetables and routes often do not facilitate someone getting to work or training at the appropriate time. In Bass Coast's case there is no train, so public transport is limited to the public and private bus network and volunteer drivers.<sup>702</sup>

#### In Mildura:

The lack of public transport is the major disadvantage for jobseekers in the region as a majority of our disadvantaged jobseekers do not have driver's licences, or vehicles to get to work and rely on the public transport. Our region is based on horticulture and exporting of fruits/vegetables from the region. The majority of our larger farms are outside public transport areas up to 50–60 kilometres from the town centre.<sup>703</sup>

<sup>698</sup> Cr Margaret O'Rourke, Mayor, City of Greater Bendigo, public hearing, Bendigo, 22 October 2019, Transcript of evidence, p. 6.

**<sup>699</sup>** Ms Jane Oakley, Chief Executive Officer, Committee for Gippsland, public hearing, Warragul, 11 December 2019, *Transcript of evidence*, p. 13.

<sup>700</sup> For example, Alpine Shire Council, Submission 13, p. 1; Bass Coast Shire Council, Submission 39, p. 3; Cr Samantha McIntosh, Transcript of evidence, p. 3.

<sup>701</sup> Ms Jane Oakley, *Transcript of evidence*, p. 13.

<sup>702</sup> Bass Coast Shire Council, Submission 39, p. 3.

<sup>703</sup> Mildura Rural City Council, Submission 73, p. 2.

#### And in the Wimmera:

At the moment there are lots of disjointed versions of transport: you hop on a train and you jump off at Stawell and you change to a bus. And there are nowhere near as many services to the broader regions.<sup>704</sup>

Mr Brett Edgington, Secretary of the Ballarat Regional Trades and Labour Council, gave an example of the lengths an Ararat family went to for their son to undertake his apprenticeship training in Ballarat:

The situation was that the train from Ararat in the morning would not get him to his TAFE course on time so that he could do his apprenticeship training a couple of days a week in Ballarat. His father was driving him to Ballarat, and they were staying in their car overnight while he was doing the TAFE training—a remarkable commitment from the father towards that young person. But there are issues like that in regional Victoria that I think we need to explain that act as impediments to training and then obviously employment afterwards.<sup>705</sup>

Access to transport is not only a barrier for jobseekers facing disadvantage in regional areas but also in metropolitan areas that have poor public transport connections. Jobseekers facing disadvantage may live in areas with poor public transport services or the locations of jobs, especially manufacturing and warehousing jobs in industrial areas, are not serviced. One submission gave examples of the poor bus service levels in Doveton and Campbellfield, both suburbs with high unemployment, where bus routes run every 30–60 minutes in weekday peak times and do not run after 3 pm on Saturdays and not at all on Sundays.

Jobs that require evening work such as retail and hospitality are also not suited to jobseekers living in suburbs that are only serviced by bus due to limited schedules after 7 pm. Some people may feel unsafe walking or cycling at night and other options such as a taxi or Uber may cost up to one or two hours' pay, making them unfeasible for low-paid workers.<sup>709</sup> As discussed in Chapter 2, having a driver licence and owning a car can help to overcome the barrier of limited public transport to access employment opportunities. However, car ownership is expensive and beyond the reach of many jobseekers facing disadvantage. As explained by the Public Transport Users Association:

The 2019 RACV car running costs calculator shows that an average small car costs \$160 per week to own and operate. This represents nearly 60% of the weekly Newstart [unemployment] allowance for a single jobseeker with no children, leaving little money

<sup>704</sup> Cr Samantha McIntosh, Transcript of evidence, p. 3.

<sup>705</sup> Mr Brett Edgington, Secretary, Ballarat Regional Trades and Labour Council, public hearing, Ballarat, 23 October 2019, Transcript of evidence, p. 26.

<sup>706</sup> Ms Robyn Stevens, Director, Community Life, City of Greater Geelong, public hearing, Geelong, 24 October 2019, *Transcript of evidence*, p. 4; Mr Peter Parker, *Submission 6*, p. 8.

<sup>707</sup> Mr Peter Parker, Submission 6, pp. 6, 11.

<sup>708</sup> Ibid., pp. 6-7.

**<sup>709</sup>** Ibid., pp. 3, 6, 8.

for essentials such as housing, food and utilities. While an old car would have lower upfront and financing costs than the RACV figures indicate, this may also come with higher repairs and maintenance costs and reduced reliability.<sup>710</sup>

It argued that upfront costs for a vehicle and large unexpected maintenance costs can be a significant barrier for jobseekers facing disadvantage and without public transport services they will struggle to find and retain employment.<sup>711</sup>

**FINDING 42:** Limited education and employment opportunities and poor access to public transport and support services in some areas of regional Victoria and outer suburban Melbourne are a significant employment barrier for jobseekers facing disadvantage.

# **4.1.3** Most employment services are not meeting the needs of jobseekers

A common theme in the evidence provided to the Committee was the ineffectiveness of government employment services for highly disadvantaged jobseekers. The Australian Government's jobactive, which provides employment assistance to income support recipients who must meet mutual obligation requirements to continue receiving payments, was considered to perform especially poorly in this regard. Stakeholders viewed the Victorian Government's program, Jobs Victoria Employment Network (JVEN), more favourably. However, they wanted some aspects of JVEN, which is targeted to long-term jobseekers with multiple employment barriers, improved.

The overall consensus was that the traditional, transactional model of employment services involving résumé and interview assistance and the linking of a jobseeker with an available job is inadequate. This approach does not take into account individual jobseekers' needs and the support services they require and often results in jobseekers churning through jobs and cycling between periods of employment and unemployment.<sup>712</sup> This churning harms jobseekers' prospects of finding sustainable employment and increases pressure on the welfare system and other public services.<sup>713</sup>

This model also ignores employers' needs and their dissatisfaction is evident in data showing their use of Australian Government employment services has fallen from 18% in 2007 to 4% in 2018.<sup>714</sup> Some stakeholders added that jobseekers facing disadvantage are also disengaging from employment services because they are either hesitant to

**<sup>710</sup>** Public Transport Users Association, *Submission 67*, p. 2.

**<sup>711</sup>** Ibid.

<sup>712</sup> Public Service Research Group, Submission 77, p. 2; Mr Martin Collins, Transcript of evidence, p. 38; Ms Deborah Fewster, Manager, Advocacy and Engagement, Victorian Council of Social Service, public hearing, Melbourne, 3 September 2019, Transcript of evidence, p. 57; Ms Annabel Brown, Program Director, Centre for Policy Development, public hearing, Melbourne, 3 September 2019, Transcript of evidence, p. 16.

<sup>713</sup> Public Service Research Group, Submission 77, p. 2.

<sup>714</sup> Employment Services Expert Advisory Panel, *I want to work: employment services 2020*, report for Department of Jobs and Small Business, Australian Government, Canberra, 2018, p. 8.

register with a government agency in the first instance or they are so distressed by how the system treats them they prefer to withdraw from employment services and income support.<sup>715</sup>

This section outlines stakeholders' concerns about the effectiveness and operation of government employment services, specifically jobactive, Disability Employment Services (DES) and JVEN as well as identifying broader issues that apply across these services.

#### jobactive is failing highly disadvantaged jobseekers

Every jobseeker who is receiving income support payments through the Australian Government's JobSeeker Payment (for unemployed people aged 22 to Age Pension age) or Youth Allowance (for unemployed people aged 16–21) must participate in jobactive, the Australian Government's mainstream employment services program. Prior to 20 March 2020, and while this Inquiry was receiving evidence, the JobSeeker Payment was known as Newstart Allowance.

As explained in Chapter 1, jobactive participants must meet mutual obligation requirements to continue receiving income support, which involves applying for up to 20 jobs each month, undertaking activities to improve work readiness (such as Work for the Dole, training or volunteering) and attending appointments with an employment services provider. Failure to meet these requirements is regulated by the employment services provider and results in accrual of demerit points and payment suspensions as outlined in the Australian Government's Targeted Compliance Framework.

When jobseekers first engage with jobactive, they are allocated to one of three streams that reflects their support needs. This is determined by either Centrelink, the social security program of Services Australia (formerly the Australian Department of Human Services), or the employment services provider using the Job Seeker Classification Instrument (JSCI). The streams range from Stream A participants, who are the most work ready and require minimal support, to Stream C participants, who have multiple personal and work-related employment barriers.

The evidence indicated that jobactive has poor outcomes for jobseekers facing high levels of disadvantage, that is, those in Stream C.<sup>716</sup> The Brotherhood of St Laurence (BSL) noted that the average time Stream C participants remain with jobactive is five years, compared with over one year for two-thirds of all participants and over two years

<sup>715</sup> Inner Northern LLEN, Submission 50, pp. 5–6; Brotherhood of St Laurence, Submission 96, p. 13; Ms Deborah Fewster, Transcript of evidence, p. 57.

<sup>716</sup> For example, Inner Eastern LLEN, Submission 21, p. 4; Yarrawonga Neighbourhood House, Submission 29, p. 3; McAuley Community Services for Women, Submission 52, p. 18; Jobs Australia, Submission 90, p. 8; Brotherhood of St Laurence, Submission 96, p. 12; Anglicare Australia, Jobs availability snapshot 2019, p. 14; Mark Considine, et al., Improving outcomes for disadvantaged jobseekers: the next generation of employment services—response to discussion paper, The Policy Lab, University of Melbourne, Melbourne, 2018, p. 4.

for about half of all participants.<sup>717</sup> Employment Services Outcome data from 2016–17 showed about one-quarter of Stream C participants were placed in a job but of these, only one in five stayed in that job for 26 weeks or more.<sup>718</sup>

According to the Public Service Research Group at UNSW Canberra:

the Australian Government is attempting to move *discouraged* jobseekers (those needing encouragement and help to find a job), *disadvantaged* jobseekers (those needing help to overcome barriers to work outside their control), and *reluctant* jobseekers (those whose motivation to work might be weakened by benefit incentives) from welfare to work with the same governing instrument.<sup>719</sup>

It added that currently there is no requirement or incentive for service providers 'to consider the consequences of their interaction with unemployed people beyond their individual key performance indicators'.<sup>720</sup>

Surveys of jobactive participants indicate their high levels of dissatisfaction with the program. For example, a survey by the Australian Council of Social Service, the peak body for the community services sector in Australia, found 73% of jobactive participants were 'overwhelmingly dissatisfied' with the service provided. Respondents also reported feeling anxious or bullied, not having their caring responsibilities taken into account, and feeling that the focus was on compliance rather than help to find work. Another survey in 2017 showed only 38% of respondents were satisfied or very satisfied with the help they received in finding a job, and 37% with the help they received in gaining skills for work.

Other stakeholders noted that employment services providers have high caseloads, are under-resourced and their staff are underqualified and poorly remunerated, leading to high staff turnover and poor service quality.<sup>723</sup> In its 2018 response to an Australian Government discussion paper on employment services, The Policy Lab at the University of Melbourne reported frontline employment services staff had an average caseload of 148 clients per consultant in 2016, up from 114 in 2012 and 94 in 2008.<sup>724</sup> Jobs Australia added that the program is inflexible for service providers:

jobactive is also over regulated and has too many administrative requirements and complex rules that providers must follow, which stifle innovation and distract providers from focusing on individualised service delivery.<sup>725</sup>

<sup>717</sup> Brotherhood of St Laurence, Submission 96, p. 12.

<sup>718</sup> Considine, et al., Improving outcomes for disadvantaged jobseekers, p. 4.

**<sup>719</sup>** Public Service Research Group, *Submission 77*, p. 5.

**<sup>720</sup>** Ibid.

<sup>721</sup> McAuley Community Services for Women, Submission 52, p. 18.

<sup>722</sup> Rob Sturrock, 'Big, impersonal and opaque: how jobactive is failing jobseekers', *Inside Story*, 1 February 2018, <a href="https://insidestory.org.au/big-impersonal-and-opaque-how-jobactive-is-failing-jobseekers">https://insidestory.org.au/big-impersonal-and-opaque-how-jobactive-is-failing-jobseekers</a> accessed 29 August 2019.

<sup>723</sup> Inner Eastern LLEN, Submission 21, p. 4; Jobs Australia, Submission 90, p. 8; Orygen, The National Centre of Excellence in Youth Mental Health, Submission 86, p. 4.

<sup>724</sup> Considine, et al., *Improving outcomes for disadvantaged jobseekers*, p. 5.

<sup>725</sup> Jobs Australia, Submission 90, p. 8.

Service providers are also spending little time engaging with employers and support services according to The Policy Lab, which found frontline staff spent less than 5% of their time each week working with other service providers and 10% of their time contacting employers.<sup>726</sup>

Ms Leanne Hulm, Program Manager at GROW (Growing Regional Opportunities for Work) Greater Shepparton, a collaboration of local business, government and community organisations, said employers are reporting that jobactive is not working for them because it:

will deliver them people who will arrive for an interview not even understanding their [the employers'] industry and not necessarily actually wanting a full-time job. They are there to tick a box to potentially keep their Centrelink payments going. So they [employers] do not see or want to interact any more with the jobactives, because they are delivering people who, one, are not job ready; two, are not literally looking for a job. So they are more inclined to go through a friend of a friend's son who wants a job. They prefer to roll the dice and employ that person because they see it as there is a willingness to actually turn up five days a week, and they genuinely want a job and they have genuinely researched and understood the industry that they are going into, whether it is manufacturing, civil, or whatever it might be.<sup>727</sup>

Stakeholders identified the following shortcomings of jobactive:

- The jobactive funding model is based on achieving placements and 26-week outcomes, which incentivises providers to focus on clients with fewer barriers who are easier to place and on finding any placement for a client regardless of how sustainable it is.<sup>728</sup>
- Multiple jobactive providers create a competitive service environment, which frustrates employers, erodes trust between providers and discourages collaboration and innovation.<sup>729</sup>
- The punitive nature of ensuring compliance with mutual obligation requirements ignores individual employment barriers, creates anxiety among participants and undermines the program's objective of providing meaningful assistance to help jobseekers secure sustainable employment.<sup>730</sup> Case study 4.1 provides an example.

<sup>726</sup> Considine, et al., Improving outcomes for disadvantaged jobseekers, p. 6.

<sup>727</sup> Ms Leanne Hulm, Program Manager, GROW Greater Shepparton, public hearing, Shepparton, 20 November 2019, *Transcript of evidence*, p. 31.

<sup>728</sup> Sacred Heart Mission, Submission 27, p. 1; AMES Australia, Submission 34, p. 10; Ethnic Communities' Council of Victoria, Submission 58, p. 9; Mildura Rural City Council, Submission 73, p. 3; Victorian Council of Social Service, Submission 95, p. 14; Ms Annabel Brown, Transcript of evidence, p. 16; Mr Ray Blessing, Chief Executive Officer, TaskForce, public hearing, Melbourne, 19 November 2019, Transcript of evidence, p. 9.

<sup>729</sup> Greater Dandenong Regional Employment Taskforce, Submission 54, p. 3; Brotherhood of St Laurence, Submission 96, p. 13.

<sup>730</sup> Wyndham Community & Education Centre, Submission 20, p. 3; Yarrawonga Neighbourhood House, Submission 29, p. 3; Capital City LLEN, Submission 51, p. 4; National Social Security Rights Network, Submission 92, p. 3; Victorian Council of Social Service, Submission 95, p. 14; Brotherhood of St Laurence, Submission 96, p. 12; Ms Emma King, Chief Executive Officer, Victorian Council of Social Service, public hearing, Melbourne, 3 September 2019, Transcript of evidence, p. 57; Dr Sue Olney, Research Fellow, Public Service Research Group, UNSW Canberra, public hearing, Melbourne, 3 September 2019, Transcript of evidence, p. 16.

- The JSCI assessment is too generic and sometimes results in jobseekers with multiple employment barriers being allocated to Stream A rather than Stream C, which provides them with less employment assistance.<sup>731</sup>
- The jobactive service model is too restrictive to provide individualised support to jobseekers, including referral to support services, and jobactive providers lack the expertise to support jobseekers facing particular types of disadvantage, such as disability, mature age or mental ill-health.<sup>732</sup> Case study 4.2 gives an example.
- The proposed move towards digital servicing for most participants in 2022 will reduce face-to-face support and disadvantage those jobseekers with poor digital literacy and/or those who do not have access to, or cannot afford, internet connection.<sup>733</sup>

A review of jobactive in 2018 by a government-appointed advisory panel identified similar failings and resulted in the Australian Government announcing an overhaul of jobactive in March 2019.<sup>734</sup> The new model, which is currently being trialled and will be rolled out nationally from July 2022, will largely rely on a digital platform and will give participants more flexibility to choose how they meet their mutual obligation requirements. There will be greater focus on the quality rather than quantity of jobs applied for and a points-based system will be used to assess activities, with more intensive activities attracting more points.<sup>735</sup> As before, participants will be allocated to one of three streams:

- Digital First, for jobseekers who are work ready, who will self-manage online
- Digital Plus, for jobseekers who need extra support, who will also access most services online but can receive face-to-face support as needed
- Enhanced Services, for the most disadvantaged jobseekers, who will receive face-to-face individualised support from employment services providers.

The aim is to provide a better service to jobseekers and employers, and to reduce the caseloads of employment services providers by allowing them to focus on jobseekers needing the most support.<sup>736</sup> However, the timing of the trials is now problematic as

<sup>731</sup> Wyndham Community & Education Centre, Submission 20, p. 3; AMES Australia, Submission 34, p. 11; yourtown, Submission 74, p. 8; National Employment Services Association, Submission 87, p. 11; Ms Annette Gill, Principal Policy Advisor, National Employment Services Association, public hearing, Melbourne, 3 September 2019, Transcript of evidence, pp. 40–41.

<sup>732</sup> Wyndham Community & Education Centre, Submission 20, p. 3; Foundation House-The Victorian Foundation for Survivors of Torture, Submission 45, p. 1; Council on the Ageing Victoria, Submission 55, p. 17; Aspergers Victoria, Submission 71, p. 8; Orygen, Submission 86, p. 4; National Social Security Rights Network, Submission 92, p. 2; Mr Josef Szwarc, General Manager, Community and Sector Development, Foundation House-The Victorian Foundation for Survivors of Torture, public hearing, Melbourne, 4 September 2019, Transcript of evidence, p. 29.

<sup>733</sup> Jobs Australia, Submission 90, p. 9; National Social Security Rights Network, Submission 92, pp. 4–5; Mr David Taylor, Policy Analyst and Media Liaison, Jobs Australia, public hearing, Melbourne, 3 September 2019, Transcript of evidence, p. 41; Ms Annette Gill, Transcript of evidence, pp. 40–41; Ms Leanne Ho, Executive Officer, National Social Security Rights Network, public hearing, Melbourne, 19 November 2019, Transcript of evidence, p. 27.

<sup>734</sup> Employment Services Expert Advisory Panel, I want to work, p. 4.

<sup>735</sup> Department of Employment, Skills, Small and Family Business, New employment services model: more flexibility for job seekers, factsheet, Australian Government, Canberra, 2019.

<sup>736</sup> Department of Employment, Skills, Small and Family Business, New employment services model, 2020, <a href="https://www.employment.gov.au/new-employment-services-model">https://www.employment.gov.au/new-employment-services-model</a> accessed 24 April 2020.

the impact of the COVID-19 pandemic on employment, especially for jobseekers facing disadvantage, will hinder assessment of the model's effectiveness.<sup>737</sup>

# **CASE STUDY 4.1:** 'Client with schizophrenia moved from DSP to NSA after 15 years'

'Mick lives with schizophrenia and has been in receipt of Disability Support Pension (DSP) since 2004. Centrelink recently reviewed Mick's file and determined that he does not meet the required 20 point impairment under the new tables.

Mick has now been put on Newstart Allowance as he is no longer eligible for DSP. After he pays rent, utilities and food, Mick now has under \$10 per fortnight for all other expenses.

Unfortunately, Mick also has out-of-pocket medication costs of \$60 per fortnight and can no longer afford his schizophrenia medication.

Mick also has participation requirements to attend Centrelink and Job Services Australia appointments, look for work and/or study to increase his skills. Mick cannot afford the public transport and is struggling to cope with day-to-day tasks and activities without his medications and he starts to miss appointments.

Centrelink stops paying Mick as he missed the appointments. Mick also has no money for his prepaid phone to contact Centrelink.

Mick's New Start Allowance is cancelled and he is not receiving any money at all. He has not been able to pay his rent and as a result he has been evicted.

Mick becomes homeless, enters short term crisis housing, has no income and has increased medical needs. Due to lack of medication and the increased stress, Mick's mental health has deteriorated.

Mick's case worker contacts the Barwon Community Legal Service (BCLS) for assistance for Mick ...

BCLS advise Mick to lodge appeals with Centrelink for the decision to cancel DSP and the decisions resulting in cancellation of Newstart Allowance ...

BCLS lodge the appeals on Mick's behalf and requests that Mick continue to receive Newstart Allowance until the review is completed. Mick will now receive his Centrelink payment during the appeal ...

BCLS will assist with appeals to internal Centrelink Authorised Review Officer and if unsuccessful then to Social Security Appeals Tribunal. This can be a lengthy process.'

Source: National Social Security Rights Network, Submission 92, pp. 5-6.

<sup>737</sup> Simone Casey and Abigail Lewis, Redesigning employment services after COVID-19, Per Capita, Melbourne, 2020, p. 18.

# **CASE STUDY 4.2:** 'Michael struggles to succeed in an environment that is not culturally safe'

'Michael is a 35 year old male. He has had multiple short term and casual jobs in recent years, and is keen to work to better his situation.

However Michael has suffered past trauma and is a long way from his own Country, so he lacks the close family supports he could normally rely on.

As a result, Michael struggles to succeed in an environment that is not culturally safe, especially when he is the only blackfella on staff.

Michael has had at least two different job network members and is seeking another due to dissatisfaction. He says they do very little for him and that all the suitable work he gets is through word-of-mouth. On one occasion they did arrange a warehouse job but Michael doesn't cope well with indoor work. Additionally, there were no other Aboriginal people employed at this workplace, which also had no policies, supports or cultural understanding around Aboriginal employees. Further, the provider did not follow up with Michael or the employer to help the placement succeed, hence it was always going to fail.

Michael has previously missed out on work as he doesn't have a driver licence. Michael's job network member is prepared to at least partly fund this but whenever he raises it they state he must pay for getting his learner permit and they will reimburse him. Currently on Newstart Allowance, Michael is unable to cover the costs, so the offer of reimbursement is useless to him. He recently had a very good job offer from a municipal council but driving was part of the role ... Michael had to turn the job down.

Michael's provider has bought him work gear and boots. They also occasionally top up his phone credit or Myki card by \$20, but usually tell him there are no funds available. When Michael recently broke his phone they purchased him a new one. However, the phone is poor quality and he cannot access Centrelink via MyGov and he cannot apply for online jobs via the phone.

Michael used to be employed by Wathaurong until the program funding ended: had the funding not ended, he would still be employed. Michael enjoyed this work and has identified a course that will further his opportunities in the field. However it costs \$500 and his provider has declined to fund it.'

Source: Wathaurong Aboriginal Co-operative, supplementary evidence received 24 October 2019, p. 6.

## For those who can access Disability Employment Services, there is a low success rate

Disability Employment Services (DES) is the Australian Government's specialised employment services program for people with disability, illness or injury. Centrelink assesses if jobseekers are eligible for DES based on their medical conditions and employment barriers, and if they are eligible, refers them to a DES provider. DES services are available to Australian citizens and permanent residents aged between 14 and Age Pension age who have the capacity to work at least eight hours per week.

Most DES participants also have mutual obligation requirements, for example, DES participants receiving JobSeeker Payment and Youth Allowance. The DES provider determines the requirements the participant must meet based on the participant's abilities. Recipients of the Disability Support Pension (DSP), an income support payment for people with a permanent physical, intellectual or psychiatric impairment who are unable to support themselves through work, also must undertake compulsory activities to continue to receive the DSP if they are aged under 35 and have at least eight hours of work capacity. These activities are outlined in their Job Plan and may include work experience, education and training, or rehabilitation. If a compulsory activity is participation in DES, DSP recipients must attend participation interviews with Services Australia, meet with their DES provider and undertake the activities in their Job Plan. DSP recipients can also participate in DES voluntarily, which does not involve mutual obligation requirements.

The Australian Network on Disability (AND), a national organisation that supports employers to be actively inclusive of customers and employees with disability, noted more than 300,000 jobseekers with disability are participating in either jobactive or DES. It also cited statistics showing the low success rates of DES; at September 2016, 32% of DES participants placed in a job had stayed for at least three months, a fall from 38% in 2013.<sup>740</sup> In 2016 consultations, AND members reported that some DES providers lack credibility and service can be 'patchy'. They added that some providers do not take the time to understand the employer's business and they often do not deliver suitable candidates for the roles available.<sup>741</sup>

Ms Mary Sayers, Chief Executive Officer of Children and Young People with Disability Australia, the national peak body representing children and young people with disability aged up to 25 years, stated:

The jobactive network as well as the Disability Employment Services run by the Commonwealth have been well proven not to be effective on the whole for working with children and young people with disability.<sup>742</sup>

<sup>738</sup> Australian Government, Managing and monitoring Mutual Obligation Requirements guidelines: Disability Employment Services, Australian Government, Canberra, 2018, p. 5.

<sup>739</sup> Australian Government, *Disability Support Pension recipients under 35 years guidelines: Disability Employment Services*, Australian Government, Canberra, 2018, pp. 3–4.

**<sup>740</sup>** Australian Network on Disability, *Submission 88*, p. 2.

**<sup>741</sup>** Ibid.

<sup>742</sup> Ms Mary Sayers, Chief Executive Officer, Children and Young People with Disability Australia, public hearing, Melbourne, 4 September 2019. *Transcript of evidence*. p. 43.

Some DES participants are also critical of the services provided. Aspergers Victoria, a not-for-profit organisation that provides services, support and advocacy for people with Asperger syndrome, argued that some DES providers do not understand participants' strengths and the barriers they face, upsetting participants (see Case study 4.3).<sup>743</sup> It also noted that staff turnover can affect service delivery and success rates, providing the example of:

George A 39 years of age, who has 2 engineering degrees but who has limited social and interpersonal skills has now been to 5 DES providers because of the constantly changing personnel has now applied for over 200 jobs in conjunction with his various providers [and] has been only able to secure car cleaning employment and was recently unsuccessful in his application for chemist delivery person. George has lost hope in finding a job that can match his skill set.<sup>744</sup>

# **CASE STUDY 4.3:** 'The service provider didn't understand her sensory or auditory challenges'

'Anna G commented at a recent AV [Aspergers Victoria] meeting "I am never going back to a DES provider again because I was so traumatised after my last visits that it took days before I could function properly again". Anna then went on to explain that the service provider didn't understand her sensory or auditory challenges, or listen to what she required to be successful in a job and that she suggested that she apply for retail jobs in one of the big shopping [centres] ... She said that she was treated as if she was totally unskilled even though she had 2 degrees in Commerce and Business Management. This is a very common story experienced by the majority of our Aspie jobseekers and that is communicated regularly at AV's meet-ups groups and at the weekly Jobseekers Drop-in-Centre.'

Source: Aspergers Victoria, Submission 71, p. 2.

Jobs Australia noted the increase in engagement with DES from 193,441 participants in June 2018 to 238,327 in June 2019 due to changes allowing for voluntary participation by DSP recipients.<sup>745</sup> While acknowledging increased engagement has not led to a similar rise in employment outcomes, it added this is understandable due to the employment barriers faced by jobseekers with disability:

Early results of employment outcomes have not yet netted a commensurate increase in employment although the increasing complexity evident with presenting jobseekers create[s] additional challenges in achieving positive employment outcomes.<sup>746</sup>

<sup>743</sup> Aspergers Victoria, Submission 71, p. 2.

**<sup>744</sup>** Ibid., p. 5.

<sup>745</sup> Jobs Australia, Submission 90, p. 7.

**<sup>746</sup>** Ibid., p. 9.

Despite increased engagement with DES, some jobseekers with disability are unable to access it following Centrelink assessments that have classified them as not having the necessary level of impairment resulting in a shift from the DSP to the JobSeeker Payment. According to Anglicare:

Tens of thousands of people with disability are stranded on Newstart. This is forcing them to look for jobs without proper support. Restoring access to the Disability Support Pension, and giving automatic access to specialist Disability Employment Services, would help them look for work.<sup>747</sup>

The National Social Security Rights Network, a peak body representing community legal services, noted many people with disability who no longer meet the criteria to receive the DSP:

have multiple serious conditions but do not reach the 20 points required under the impairment tables, and yet are too impaired to meet the job seeking requirements for Newstart Allowance (NSA). This cohort is therefore left in limbo, not able to meet requirements for either payments as their disabilities clearly render them unable to work, however, there is no allowance for this in the income support payment scheme.<sup>748</sup>

It added that this is a particular problem for older people with disability who 'are too impaired to comply with their obligations, but their conditions are not severe enough to successfully claim DSP.'<sup>749</sup> Case study 4.4 gives an example. Impairment tables were significantly revised in 2012. In 2012, 32% of income support recipients were receiving the DSP compared with 30% in 2018.<sup>750</sup>

**FINDING 43:** Australian Government employment services such as jobactive and Disability Employment Services are not meeting the needs of highly disadvantaged jobseekers resulting in poor employment outcomes.

<sup>747</sup> Anglicare Australia, Jobs availability snapshot 2019, p. 5.

<sup>748</sup> National Social Security Rights Network, Submission 92, p. 1.

<sup>749</sup> Ibid., p. 2.

<sup>750</sup> Australian Institute of Health and Welfare, *People with disability in Australia: online report*, 2019, <a href="https://www.aihw.gov.au/reports/disability/people-with-disability-in-australia/income-and-finance/income-support/changes-over-time-in-dsp">https://www.aihw.gov.au/reports/disability/people-with-disability-in-australia/income-and-finance/income-support/changes-over-time-in-dsp</a> accessed 27 April 2020.

### **CASE STUDY 4.4:** 'Collapsed at work after unsuccessfully trying to claim DSP'

'James, a 58 year old man with chronic renal failure, back pain, osteoarthritis and anxiety and depression, first applied for the DSP in March 2017, though it was only 6 months later that he was told he was unsuccessful. He immediately applied for a review of the decision, as he had medical evidence that he was unable to work. While waiting for the review, James was required to participate in the Program of Support with a Job Network provider, which he commenced in October 2017. The Job Network provider placed James in a part time job that required him to undertake manual labour including moving relatively heavy objects and physical exertion. James attempted the job as asked and collapsed while at work and was hospitalised for 2 weeks with chronic renal failure. James then had increased kidney damage and his treating physicians are currently considering his need for dialysis.

In October 2018, more than 18 months since first applying, Centrelink contacted James and told him he was unsuccessful, in part because his medical evidence was no longer current, and that he would need to reapply for DSP. James has been unable to meet the criteria for participating in a Program of Support due to his poor health, yet also unable to get the DSP for this same reason. James is continuing to live on the Newstart Allowance, has difficulty affording medication and has been forced [to] take early release of his superannuation to meet medical expenses. He is also behind on his mortgage payments and has no employment prospects due to his medical conditions. We [Barwon Community Legal Service] continue to support James [with] his new application for the DSP.'

Source: National Social Security Rights Network, Submission 92, p. 7.

# JVEN is achieving results for disadvantaged jobseekers but can be improved

As explained in Chapter 1, JVEN is the main program of Jobs Victoria, the Victorian Government's employment service. It was designed specifically for long-term jobseekers with multiple employment barriers in response to the service gaps evident in Australian Government employment services. The average duration of JVEN participants' unemployment when they first register is over two years and almost half of them are also registered with jobactive.<sup>751</sup>

A network of over 50 JVEN providers work across Melbourne and regional Victoria. Providers have the flexibility to tailor services to the needs of individual jobseekers and work closely with employers to identify suitable employment opportunities and job placements.<sup>752</sup> Participation in JVEN is voluntary so there are no mutual obligation requirements for jobseekers.

<sup>751</sup> Department of Jobs, Precincts and Regions, Submission 99, p. 13.

**<sup>752</sup>** Ibid., p. 25.

There was broad consensus among stakeholders that JVEN, which started in 2016, is working well and is providing tailored and holistic support to jobseekers facing disadvantage.<sup>753</sup> Stakeholders identified the following strengths of JVEN:

- JVEN providers, who are largely community service organisations experienced in working with jobseekers facing disadvantage, have the time and resources to provide wraparound support to individual jobseekers to build their work readiness and assist them to secure and maintain employment.<sup>754</sup>
- With voluntary participation and no mandatory activities, JVEN providers are not focused on monitoring compliance and are able to provide more positive, strengths-based support to jobseekers.<sup>755</sup>
- JVEN services respond to local challenges and opportunities, which links jobseekers
  with genuine jobs and career pathways and helps employers to address skill and
  labour shortfalls, boosting productivity.<sup>756</sup>
- The Victorian Government and its departments are committed to the success of Jobs Victoria, which provides a platform for high-level strategic and policy work as well as 'on the ground' work with jobseekers, employers and support services.<sup>757</sup>

A 2019 program evaluation of JVEN by the South Australian Centre for Economic Studies has collected information from employers and participants, with participant outcome data broken down by demographic and personal characteristics. However, the evaluation reports have not yet been made public. At a public hearing for the Inquiry, Mr David Clements, Deputy Secretary, Inclusion at the Department of Jobs, Precincts and Regions (DJPR), which oversees JVEN, reported positive findings from the evaluation so far:

in terms of it's filling gaps; it's delivering good-quality service; it's targeting the right people, people who are facing real barriers to employment; and that overall the model itself—whilst as with all programs, it is fair to say, some providers will be doing a better job than other providers—has some real strengths to it, built around those elements of things like flexibility and the targeting and the tailoring of supports for people.<sup>758</sup>

He added the evaluators had received positive feedback from employers and that going forward, he would like to maintain the flexible approach to service provision and strong employer engagement while developing new ways to support employers to provide opportunities to jobseekers who are missing out in the current model.<sup>759</sup>

<sup>753</sup> For example, Sacred Heart Mission, *Submission 27*, p. 2; AMES Australia, *Submission 34*, p. 23; Jesuit Social Services, *Submission 83*, p. 8; Victorian Council of Social Service, *Submission 95*, p. 12; Victorian Multicultural Commission, *Submission 97*, p. 6.

<sup>754</sup> Jesuit Social Services, Submission 83, p. 8; Sacred Heart Mission, Submission 27, p. 2; Victorian Council of Social Service, Submission 95, p. 12.

<sup>755</sup> Ethnic Communities' Council of Victoria, Submission 58, p. 9; Victorian Council of Social Service, Submission 95, p. 12.

<sup>756</sup> Brotherhood of St Laurence, Submission 96, p. 5; Victorian Council of Social Service, Submission 95, p. 12.

<sup>757</sup> Ms Emma King, Transcript of evidence, p. 56; Ms Deborah Fewster, Transcript of evidence, p. 56.

<sup>758</sup> Mr David Clements, Deputy Secretary, Inclusion, Department of Jobs, Precincts and Regions, public hearing, Melbourne, 3 September 2019, *Transcript of evidence*, p. 2.

**<sup>759</sup>** Ibid., pp. 3, 9.

According to DJPR, almost 9,700 JVEN participants have gained employment since the program began, and 55% of them had stayed in that placement for 26 weeks or longer.<sup>760</sup> This is a better result than jobactive, where 42% of Victorian job placements had reached the 26-week milestone by 31 May 2019.<sup>761</sup> Mr Clements added:

given the complexity of the people that the Jobs Victoria services deal with, the fairly high rate of 26-week outcomes at the very least is very positive in comparison to a similar cohort maybe through the jobactive service, reflecting the model and reflecting the level of support.<sup>762</sup>

Stakeholders also reported positive results. For example, Loddon Campaspe Multicultural Services, a not-for-profit organisation that assists people from migrant and refugee backgrounds, worked with 101 JVEN clients between November 2016 and November 2019. Of these, 73 had gained and maintained employment for 26 weeks, and most of them (68) are still employed and have been for between six months and three years.<sup>763</sup>

More detailed outcomes data would enable better evaluation of JVEN's effectiveness and would help to identify if any jobseeker cohorts are benefitting more than others. As Ms Jannine Bennett, Executive Officer of Highlands LLEN, which works with young people across the City of Ballarat and the Pyrenees, Moorabool, Hepburn and Golden Plains shires, stated:

I think that what has been happening so far has been really good. What I would like to see is some evaluation of the programs that have been delivered to measure their effectiveness and then consideration through consultation with young people what they feel should be, I suppose, introduced going forward. Or should JVEN services be continued, should they be modified, should we look at something new?<sup>764</sup>

The proportion of different cohorts of JVEN participants achieving a job placement, and of those, the proportion who stayed employed for at least 26 weeks would be valuable data to assess effectiveness. Some stakeholders provided glimpses of that information. For example, Ms Tina Hosseini, a Victorian Multicultural Commission Commissioner, stated that out of 693 youth justice clients from culturally and linguistically diverse backgrounds registering with JVEN, 66 have gained employment. And Ms Sayers noted there had been 139 job placements out of 334 young people with disability registered with JVEN. Such information on each cohort would enable the government and service providers to identify areas for improvement and track progress over time.

<sup>760</sup> Department of Jobs, Precincts and Regions, Submission 99, p. 13.

<sup>761</sup> Australian Government Department of Employment, Skills, Small and Family Business, Submission 57, p. 4.

<sup>762</sup> Mr David Clements, Transcript of evidence, p. 6.

<sup>763</sup> Loddon Campaspe Multicultural Services, Inquiry into sustainable employment for disadvantaged jobseekers hearing, response to questions on notice received 20 November 2019, p. 1.

<sup>764</sup> Ms Jannine Bennett, Executive Officer, Highlands LLEN, public hearing, Ballarat, 23 October 2019, Transcript of evidence, p. 8.

<sup>765</sup> Ms Tina Hosseini, Commissioner, Victorian Multicultural Commission, public hearing, Melbourne, 4 September 2019, *Transcript of evidence*, p. 31.

<sup>766</sup> Ms Mary Sayers, Transcript of evidence, p. 43.

In addition, DJPR admitted there is no comprehensive data collection on JVEN participants or employers beyond the 26-week mark of a work placement. Ms Kathryn McAnalley, Manager of Employment Policy at DJPR stated:

we try to survey everybody. I have to say it is quite difficult to get jobseekers to respond. In the past, pre-mobile phones, you could ring people on their home phone and somebody would pick up the phone and say, 'Yeah, yeah, they're still working'. It does not happen that well anymore. We use an SMS thing which is three questions that say: 'Are you working?', 'Are you studying?', 'Are you something else?', 'Are you still working where you are?' ...

Whether or not they respond at that point I guess is up to them ... it is difficult to collect, that is for sure.<sup>767</sup>

She added that while there is 'very robust evidence collection of that person [a JVEN participant] being in a job with a bona fide employer' at the 26-week mark for an outcome payment, there is no communication with employers beyond that point. In addition, the voluntary nature of JVEN makes it harder to collect data because participants may choose to disengage from the service at any time since it does not affect their social security benefits.

Data collection and public reporting of the results achieved by JVEN is lacking and compromises the evaluation of the program's effectiveness and progress over time. The Victorian Government should make public the 2019 evaluation of JVEN conducted by the South Australian Centre for Economic Studies. While acknowledging the complexity of data collection, the Government should also regularly report JVEN's outcomes by cohort to identify whether particular groups of disadvantaged jobseekers need more support.

Some stakeholders maintained there is poor awareness of JVEN among groups of jobseekers and case managers.<sup>770</sup> Publication of JVEN outcomes data will also help to raise awareness of the program among jobseekers, support services and the wider community.

**FINDING 44:** Data analysis of Jobs Victoria Employment Network's effectiveness at placing and retaining participants in employment has not yet been published to enable assessment of the program.

<sup>767</sup> Ms Kathryn McAnalley, Manager, Employment Policy, Employment, Department of Jobs, Precincts and Regions, public hearing, Melbourne, 3 September 2019, *Transcript of evidence*, pp. 5–6.

<sup>768</sup> Ibid., p. 7

<sup>769</sup> Mr David Clements, Transcript of evidence, p. 6.

<sup>770</sup> Ms Jenny Smith, Chief Executive Officer, Council to Homeless Persons, public hearing, Melbourne, 4 September 2019, Transcript of evidence, p. 58; Aspergers Victoria, Inquiry into sustainable employment for disadvantaged jobseekers: public hearing presentation, supplementary evidence received 4 September 2019, p. 9.

**RECOMMENDATION 52:** That the Victorian Government make public the South Australian Centre for Economic Studies' 2019 program evaluation of the Jobs Victoria Employment Network.

**RECOMMENDATION 53:** That the Victorian Government regularly publish data on the number and percentage of participants, placements and outcomes achieved through the Jobs Victoria Employment Network by cohort to enable assessment of the program's outcomes and progress over time.

Other concerns were raised about JVEN. Some stakeholders suggested there was service duplication with jobactive.<sup>771</sup> For example, Hume City Council stated:

anecdotal evidence suggests that there is sector duplication and the incidence of double dipping as jobseekers are receiving support from both the jobactive and the Victorian Government's JVEN. There have been incidents where JVEN providers are reliant on the Employment Pathway Fund and Wage Subsidies attached to jobseekers who are also receiving support [from] Commonwealth funded service contracts to secure employment for their jobseekers.<sup>772</sup>

However, as BSL explained, 'Many clients are co-registered with jobactives to mutually support clients and tap into different supports each provider can access.' Mr Clements added:

Part of the way we prevent duplication is by simply making JVEN a voluntary participation thing. Typically if a jobseeker is involved heavily with their Jobs Victoria worker, almost by definition they will have detached a little bit from any engagement with the jobactive-type function. So to an extent it is the voluntary nature of the model that supports that absence of duplication.<sup>774</sup>

He stated JVEN and jobactive providers work closely in some locations and are happy to provide different supports to achieve success for these jobseekers who, if they are eligible for JVEN, will be long-term unemployed.<sup>775</sup>

#### The JVEN funding model sometimes falls short

While JVEN providers appreciated the time and resources they had to provide tailored services to jobseekers facing disadvantage, some stated they did not have enough funding to provide the level of service they wanted and found it difficult to 'manage

<sup>771</sup> Mr Ray Blessing, Transcript of evidence, p. 8; Victorian Multicultural Commission, Submission 97, p. 6.

<sup>772</sup> Hume City Council, Submission 61, p. 8.

<sup>773</sup> Brotherhood of St Laurence, Submission 96, p. 45.

<sup>774</sup> Mr David Clements. *Transcript of evidence*, p. 10.

<sup>775</sup> Ibid.

financially under the contractual payment patterns.'776 For example, Wyndham Community & Education Centre, a JVEN provider located in Werribee, stated:

Programs such as Jobs Victoria have positive effects on achieving good outcomes through one-to-one case management of 'disadvantaged' jobseekers including a capacity to also work with potential employers. It is however, labour intensive resulting in not enough funds to cover need. Funding has been limited and cycles of funding rounds have made it hard to plan for future service delivery.<sup>777</sup>

Ms Kate McInnes, Executive Officer of Loddon Campaspe Multicultural Services, added that despite placing over 70 JVEN participants in work that has lasted for at least 26 weeks they:

have only been able to claim 37 as paid outcomes, and we have met all our outcomes now. So we are in a position where we still have jobseekers coming to us looking for jobs and we still have employers calling us, but we just do not have the human resources to continue that work. That contract finishes in June next year, so for that period we do not have funding to continue that work.<sup>778</sup>

Similarly, Mr Khaled Abdulwahab, Community Engagement Officer at Flemington Works, a DJPR-funded program delivered by Moonee Valley City Council that provides employment opportunities to women and young residents of the Flemington Housing Estate, was also concerned about funding ending. He said:

with Flemington Works we have hired over 107 people over the year, so we feel like it is a very successful program. We have met with several ministers. They all thought the program that we are actually running is one of the best employment programs in Victoria ... but unfortunately now because there is no funding and we have not been promised any funding we are kind of wrapping up the program ... A lot of people spoke highly of it, but unfortunately that is the situation. There is no continuation of it, when the program is actually going really well.<sup>779</sup>

Several providers mentioned that funding cycles were too short, which limited the services they could deliver to JVEN participants, most of whom had multiple and complex employment barriers.<sup>780</sup> For example, Mr Ray Blessing, Chief Executive Officer of TaskForce, a not-for-profit organisation that provides employment services for the Victorian Alcohol and Drug Association, stated:

When you are working with people with drug and alcohol issues, you are not going to get an immediate turnaround. Sometimes government programs are designed in a way to get a very quick turnaround, and what happens is if you are working with somebody

<sup>776</sup> Capital City LLEN, Submission 51, p. 5.

<sup>777</sup> Wyndham Community & Education Centre, Submission 20, p. 3.

<sup>778</sup> Ms Kate McInnes, Executive Officer, Loddon Campaspe Multicultural Services, public hearing, Bendigo, 22 October 2019, Transcript of evidence, p. 43.

<sup>779</sup> Mr Khaled Abdulwahab, Community Engagement Officer, Flemington Works, Moonee Valley City Council, public hearing, Melbourne, 19 November 2019, *Transcript of evidence*, p. 30.

<sup>780</sup> McAuley Community Services for Women, Submission 52, p. 21; Mr Bill Mithen, Chief Executive Officer, Give Where You Live Foundation, public hearing, Geelong, 24 October 2019, Transcript of evidence, p. 16; Ms Lyn Morgan, Executive Officer, Northern Futures, public hearing, Geelong, 24 October 2019, Transcript of evidence, pp. 19–20.

with substance use and you try and push them into a full-time job after three months rehabilitation, they are going to fail. So for us we try to streamline them in—10 hours, that type of stuff. And I feel like there is a real lack of connection with those programs and a lack of understanding. So what happens is the program is often designed to fit the easy outcomes.<sup>781</sup>

Ms Gina Chinnery, National Vocational Services Manager at Orygen, The National Centre of Excellence in Youth Mental Health, added her organisation's JVEN contract does not pay for supporting young people into courses. She said normally:

you would focus on education and employment, but the way the funding is structured in that Jobs Victoria program, it is all about placing people into employment. So for this cohort, where it is that transitional sort of age group, we are kind of missing part of the package there.<sup>782</sup>

JVEN was originally funded until 2020 and an announcement on future funding was expected in the 2020–21 State Budget, which was delayed due to the COVID-19 pandemic. In Chapter 2, the Committee recommended the Victorian Government continue funding JVEN for another five years to enable providers to continue delivering services. Further recommendations on funding contracts are outlined in Section 4.2.7.

Another concern with JVEN was the adequacy of the employment milestone of at least 15 hours each week for 26 weeks to measure outcomes and determine funding for providers. The Ethnic Communities' Council of Victoria (ECCV), the peak policy advocacy body for regional ethnic community councils across Victoria, argued the 26-week milestone did not always equate to sustainable employment and future JVEN contracts should extend payments beyond 26 weeks to encourage longer job placements.<sup>783</sup>

Ms Robyn Stevens, Director, Community Life at the City of Greater Geelong, added the threshold of 15 hours per week was too low, stating:

in reality they need to be ongoing jobs for people. The 15 hours is good for people transitioning into work.

But what we know are not seen in the unemployment stats are people who are underemployed. We know that one of the issues in those communities that we are talking about is that people do not have full-time work. So it is about, if it is a 15-hour job, how does it transition to a full-time opportunity? And if it is only a 15-hour job, how do we support that person into securing either an additional job that has got 15 hours or some other mechanism to give them a living wage, essentially—because if you are the primary breadwinner, 15 hours is not enough to support a family or probably yourself, really, if you are looking at the costs of rent and the like.<sup>784</sup>

<sup>781</sup> Mr Ray Blessing, Transcript of evidence, p. 9.

<sup>782</sup> Ms Gina Chinnery, National Vocational Services Manager, Orygen, The National Centre for Excellence in Youth Mental Health, public hearing, Melbourne, 4 September 2019, *Transcript of evidence*, p. 25.

<sup>783</sup> Ethnic Communities' Council of Victoria, Submission 58, pp. 9-10.

<sup>784</sup> Ms Robyn Stevens, Transcript of evidence, p. 3.

On the other hand, Ms McInnes from Loddon Campaspe Multicultural Services said:

at the moment you are not paid unless it is a 26-week outcome. I think that is a reasonable amount of time. We find that once people are in work for six months they will tend to continue. We do still provide post-employment support after six months, but I think in general that model works well.<sup>785</sup>

Ms McAnalley from DJPR agreed while also recognising some people facing disadvantage might not be able to stay working for 26 weeks due to reasons beyond their control:

the indications are that the majority of people are sustaining employment for beyond 26 weeks, that they are still in employment at the point at which we are surveying them. Not all of them, and the more disadvantaged cohorts you are working with the more likely something will go wrong—someone who has got family violence happening in their life, for example, and we have had lots of instances where people start a job, sustain it and then something goes wrong. What I guess we hope is that they have now got work experience on their CV and that they have had the experience of going about finding a job and they have got that employer who can vouch for them.<sup>786</sup>

She also noted the 26-week milestone is a balancing act between achieving sustainable employment and the timely remuneration of service providers:

Because the payments are also linked to the achievement of that 26 weeks you have got to balance out how long you make a service provider wait for a reward, and the feeling was that if you get to 26 weeks, it is a pretty high benchmark, and then to ask a provider to wait—they get payments to let them get on with doing the support and then they get payments when someone starts a job, but to wait for a percentage of that funding for 26 weeks is quite a long way ... There is nothing magic about 26 weeks in a way, but it is about as far as you can stretch a benchmark to be fair to the service providers while also giving the jobseekers the maximum chance of ongoing employment.<sup>787</sup>

Mr Clements added that service providers have asked for a milestone shorter than 26 weeks due to the complexity of barriers faced by some jobseekers. He said:

In fact in some instances we have been a little bit flexible with some providers dealing with particularly difficult cohorts of people. So for some of them, given the barriers this individual is facing, to even be employed for 16 weeks is a major achievement and should be reflected in some way.<sup>788</sup>

Similarly, 15 hours of work might be 'quite a remarkable change' for people with mental ill-health or who have been unemployed for many years.<sup>789</sup> Orygen argued the requirement of 15 hours per week was too restrictive for young people participating

<sup>785</sup> Ms Kate McInnes, Transcript of evidence, p. 46.

<sup>786</sup> Ms Kathryn McAnalley, Transcript of evidence, p. 5.

**<sup>787</sup>** Ibio

<sup>788</sup> Mr David Clements, Transcript of evidence, p. 6.

**<sup>789</sup>** Ibid., p. 7.

in their JVEN employment support program, which is designed for young people experiencing mental health issues. It stated:

While this works for some in the program, many of the more disadvantaged young people ... need a graded entry to work or want to study and work at the same time.<sup>790</sup>

McAuley Community Services for Women, a charity that provides services for women and their children who are escaping family violence, also raised concerns about the restrictiveness of JVEN's outcomes payment model, especially when its clients may need to leave their job before the 26-week mark through no fault of their own. It explained:

A break of no more than four weeks is allowed for the outcome to be counted and the payment to proceed. McAuley's experience has been that some participants have been found (by a violent perpetrator), or otherwise left their job, eg: been made redundant, sometimes up to the 25 week mark – not completing the required 26 weeks to outcome. In such circumstances, McAuley can appeal the non payment, and has been successful in some cases. However, we are operating with tightly managed staffing resources and every appeal takes time and attention away from the task of assisting women into work. Appeals that are unsuccessful mean that McAuley is subsidising many months of work with women who are keen to participate. The majority of McAuley Works participants are working toward securing permanent employment and all are participating on a voluntary basis. We would prefer to be paid on outcomes secured by our clients, rather than the 26 week milestones that do not take into consideration the way that family violence impacts disadvantaged job seekers.<sup>791</sup>

McAuley added that its JVEN contract only allows for one payable placement outcome for each client per year. So if a client must leave her job and then seeks assistance for another placement, McAuley would not receive a payment for the second placement. As Ms Jo Turner, an Employment Case Worker at McAuley, explained:

If we need to place the client again, we have to wait another 12 months before doing so to claim that placement but we are not going to wait to place that woman again, because she needs work. She needs that for her wellbeing as well as to build networks.<sup>792</sup>

When asked how the payment model could be improved, Ms Turner responded:

It would be nice if it was aligned more towards a mainstream [jobactive or DES] provider, where they get a four-week outcome, they will get a 12-week outcome, 26, and then I know they have extended now to a 52 [for DES]. I know that within the DES system they can get four four-week placements within a client service period, where we can only get one in a 12-month period. If we have placed that woman into a job and for

<sup>790</sup> Orygen, Submission 86, p. 5.

**<sup>791</sup>** McAuley Community Services for Women, *Submission 52A*, p. 1.

<sup>792</sup> Ms Jo Turner, Employment Case Worker, McAuley Community Services for Women, public hearing, Ballarat, 23 October 2019, Transcript of evidence, p. 50.

some reason that job did not work out—which by no means is her fault due to significant barriers—we then could work with her for another 12 months until we place her. So it would be good if we could be a little bit more on par ... and have a little bit more flexibility around that, then we would have more money to then put back in.<sup>793</sup>

In Chapter 3, the Committee recommended the Victorian Government consider lump sum payments for employers when an employee hired through JVEN remains employed for 12 and 24 months, to encourage more sustainable employment opportunities. However, some jobseekers, such as those who are experiencing family violence or mental ill-health, face complex employment barriers, which may sometimes warrant flexibility around outcomes measures. The Victorian Government should review JVEN's outcome payment model to determine the appropriateness of hours worked and employment duration thresholds for each cohort of disadvantaged jobseekers.

**FINDING 45:** While in some cases the Jobs Victoria Employment Network outcomes payment model based on at least 15 hours per week for 26 weeks is not sufficient to ensure sustainable employment, for some jobseekers facing disadvantage these thresholds are high and not always achievable.

**RECOMMENDATION 54:** That the Department of Jobs, Precincts and Regions review its outcomes payment model for Jobs Victoria Employment Network providers in terms of the appropriateness of employment thresholds for specific jobseeker cohorts, especially jobseekers experiencing family violence or mental ill-health, and develop strategies to accommodate cases where the thresholds may be too high.

### Some jobseekers facing disadvantage are ineligible for employment services

Several stakeholders pointed out how eligibility criteria for employment services were inconsistent and restrictive creating confusion and preventing access to assistance. This was a particular concern for young people who had disengaged from education, training or employment because Victorian and Australian Government re-engagement programs had differing eligibility criteria based on age, need and level of disengagement.<sup>794</sup> Mr Simmons from the Greater Dandenong Regional Employment Taskforce said:

jobseekers do not actually know where to go because the eligibility criteria is all different, the cohorts that they [programs] might be dealing with or the industries that they are addressing are all different. So to get to the right service is actually step one, and quite often we do not get past that step.<sup>795</sup>

**<sup>793</sup>** Ibid

<sup>794</sup> Inner Eastern LLEN, Submission 21, p. 5; City of Stonnington, Submission 48, p. 2.

<sup>795</sup> Mr Andrew Simmons, Transcript of evidence, p. 18.

Highlands LLEN developed a resource called Jumpstart to overcome this issue, as Ms Bennett explained:

the reason for developing it for young people was that Ballarat was really fortunate that the Federal Government and the State Government have given us a lot of different programs, and it became confusing for parents, educators and young people—'What are they? How do I access them? What are the criteria?'—so this is why this was developed. It has a front sheet that covers all of the government, state and federal, programs ...

Each of the sheets is a single sheet. It means that educators or whatever can hand this out to young people and they can choof off to the various services and access it. That has been really well received. As I said, it is also on the website.<sup>796</sup>

There was also frustration that some jobseekers are ineligible for certain employment services programs due their education history, especially if they had completed Year 12 or its equivalent.<sup>797</sup> As explained by Outer Eastern LLEN, which works with young people across Knox, Maroondah and Yarra Ranges:

the eligibility requirements to access some of these programs has reduced the potential impact on labour participation. Completion of a Year 12 certificate or equivalent is not, in itself, a guarantee of employability or employment.<sup>798</sup>

Yarrawonga Neighbourhood House added the eligibility criteria for the Victorian Government's Skills First Reconnect program, which aims to help people facing barriers into training and employment, is too restrictive. The program is available to high needs individuals aged 17–19 who have not completed Year 12 and are not in education, training or full-time employment, as well as people aged 20–64 who have not completed Year 12 and are long-term unemployed, but:

a person who is enrolled in accredited training is ineligible for assistance even if some life event occurs during their studies which means that they need additional support to continue. It seems incredible that even though this program is there to assist people to re-engage with education, those at risk of disengaging, are not considered. As a Registered Training Organisation we are obliged to try to provide that support but as a Not for Profit, Community Education Provider, we are not appropriately resourced to do that and therefore we cannot always provide the diverse supports that might be required. And so the person ends up right back where they started.<sup>799</sup>

Inner Eastern LLEN, which works across Boroondara, Stonnington and Port Phillip councils, argued for abolishing the exclusion of young people from government programs if they had completed Year 12. It added young people with a Victorian Certificate of Applied Learning (VCAL) qualification or a very low Australian Tertiary Admission Rank (ATAR) are also ineligible for support from these programs if they

<sup>796</sup> Ms Jannine Bennett, Transcript of evidence, p. 7.

<sup>797</sup> Inner Eastern LLEN, Submission 21, p. 14.

<sup>798</sup> Outer Eastern LLEN. Submission 40, p. 3.

<sup>799</sup> Yarrawonga Neighbourhood House, Submission 29, p. 2.

need it.<sup>800</sup> Other stakeholders noted young people are 'falling through the gaps' because of restrictive eligibility criteria and that absence of support at this stage of life 'can manifest in increasing disadvantage as they reach into early adulthood.'<sup>801</sup>

A similar concern was raised regarding retrenched workers' ineligibility for support to undertake a Certificate II qualification if they had previously attained a Certificate III qualification. For example, Mr Edgington from Ballarat Regional Trades and Labour Council stated:

one of the great difficulties in that is the rules that were brought in around, you know, if you have a Certificate III you cannot go back and do a Certificate II, otherwise you have to pay for it. There are a lot of older workers that would have qualifications that would prevent them from having a funded position in a lower qualification that they might really need to be able to transition.<sup>802</sup>

Executive Officer of the Yarrawonga Neighbourhood House, Ms Pauline Wilson, pointed out the Skills First program also restricts funding for accredited training if people already have a Certificate III. She said:

We get an eligibility exemption for some of our students so they do not have to be upskilling, but that has just recently been dropped from 20% to 10%. That was such a good innovation, that ability to enrol someone who 20 years ago had done a hairdressing Certificate III and then, because they could not get work in that particular area, wanted to do an aged-care course, where we know there is a huge possibility of them getting work. They have to pay fee-for-service for that. But with these eligibility exemptions we were able to give a number of our students that exemption, and therefore they were funded. It is a pity that has been cut by half this year.<sup>803</sup>

To be eligible for JVEN services, jobseekers must be unemployed for at least six months or at risk of long-term unemployment, not eligible for other services, or not receiving support that meets their needs, and assessed as likely to benefit from participation in JVEN.<sup>804</sup> Ms Erika Jones, Employment Case Coordinator, National Immigration Support Scheme at Life Without Barriers, a social purpose organisation that assists asylum seekers to find work, noted some JVEN providers restricted assistance to particular jobseekers. For example, some providers will not work with clients who have had some employment within the last six months, who are working 12 hours or more per week or who have poor English proficiency. She added others will only work with particular cultural groups, age groups or cohorts such as youth justice clients, creating gaps for other jobseekers facing disadvantage.<sup>805</sup>

<sup>800</sup> Inner Eastern LLEN, Submission 21, pp. 11, 14.

<sup>801</sup> City of Stonnington, Submission 48, p. 3; Mr David Taylor, Transcript of evidence, p. 39.

<sup>802</sup> Mr Brett Edgington, Transcript of evidence, p. 30.

<sup>803</sup> Ms Pauline Wilson, Executive Officer, Yarrawonga Neighbourhood House, public hearing, Shepparton, 20 November 2019, Transcript of evidence, p. 25.

<sup>804</sup> Jobs Victoria, Jobs Victoria referral policy, 2018, <a href="https://jobs.vic.gov.au/about-jobs-victoria/jobs-victoria-referral-policy">https://jobs.vic.gov.au/about-jobs-victoria/jobs-victoria-referral-policy</a> accessed 29 April 2020.

**<sup>805</sup>** Ms Erika Jones, Employment Case Coordinator, National Immigration Support Scheme, Life Without Barriers, public hearing, Melbourne, 4 September 2019, *Transcript of evidence*, p. 30.

Ms Tracey Fenton, Projects Manager at Inner Eastern LLEN, also raised the concern that underemployed young people are unable to access government supports because they have a job. She said:

as soon as you say, 'I've got a job, I hour a week', well, you are no longer eligible for a whole range of things. Young people who come from generational unemployment, we have pockets of that around the state. They are very much either not employed or underemployed because they do not have anyone to learn about full-time work from.<sup>806</sup>

#### Inner Eastern LLEN called for:

a loosening of eligibility criteria for government funded programs so that young clients can be easily transferred from one to another, or where appropriate, benefit from dual servicing.<sup>807</sup>

It added that there should be stronger communication and cooperation between government departments to enable knowledge to be shared between programs and flexibility to relax program guidelines where needed, such as for underemployed young people. 808

Jobseekers facing disadvantage who are in need of support from government-funded employment and reengagement programs should not be restricted from accessing this support. The Victorian Government should review its eligibility criteria for these programs and introduce more flexibility so that jobseekers with multiple employment barriers are able to access the support they need.

**FINDING 46:** Eligibility criteria for some state and federal employment services are too restrictive resulting in some jobseekers facing disadvantage missing out on assistance to secure sustainable employment.

**RECOMMENDATION 55:** That the Victorian Government expand the eligibility criteria for its employment and reengagement programs to enable more jobseekers to access services, including removing restrictions against unemployed people who have completed Year 12 or who have previously attained a Certificate III.

# Multiple employment services providers create confusion and competition

Several stakeholders mentioned the large number of employment services providers across each level of government operating within the same region. They said jobseekers and employers find this confusing and difficult to navigate. For example,

<sup>806</sup> Ms Tracey Fenton, Projects Manager, Inner Eastern LLEN, public hearing, Melbourne, 3 September 2019, *Transcript of evidence*, p. 24.

<sup>807</sup> Inner Eastern LLEN, Submission 21, p. 10.

<sup>808</sup> Ibid.

Mr Cameron Spence, Program Manager at GROW Gippsland, a collaboration of local businesses working to strengthen jobs growth in the region, stated:

You have got Jobs Victoria, you have got jobactive, you have got Disability Employment Services. You have got this range of models, you have got this range of funding that is available under them. No-one really gets it.<sup>809</sup>

The Greater Dandenong Regional Employment Taskforce concurred:

There are a plethora of employment services provided by federal, state and localised programs, resulting in an over-representation of services, without any clear guide of client targeting, suitability or eligibility criteria. Vulnerable communities do not know which service to access, and often get the run around ...

Equally, employers are approached by many services asking the same questions. Feedback from both jobseekers and employers indicates that the current system is neither efficient nor effective.<sup>810</sup>

Employment services providers also wanted more collaboration between state and federal programs. Ms Sally Sinclair, Chief Executive Officer of the peak body of the Australian employment services sector, National Employment Services Association (NESA), stated:

With the best will in the world, with a focus on collaboration, invariably the silos work against one another. The levers intersect in an inconvenient way. The incentives are often not aligned. So one of the things that the Government could do would be to focus on getting rid of those intersections that work against the objective.

I think it is enormously frustrating for the employers, it is enormously frustrating for the intermediaries and it must be a minefield for the jobseeker.<sup>811</sup>

BSL added there were too many services within JVEN, which resulted in fragmented service provision and competition between providers:

While Jobs Victoria has provided an important umbrella for alignment of state employment initiatives, employment support delivered throughout the JVEN network remains fragmented, with myriad services delivering a multitude of models. Some locations have multiple state-funded services, sometimes operating in competition, while other locations of need have none.<sup>812</sup>

**<sup>809</sup>** Mr Cameron Spence, Program Manager, GROW Gippsland, public hearing, Warragul, 11 December 2019, *Transcript of evidence*, p. 29.

<sup>810</sup> Greater Dandenong Regional Employment Taskforce, Submission 54, p. 5.

<sup>811</sup> Ms Sally Sinclair, Chief Executive Officer, National Employment Services Association, public hearing, Melbourne, 3 September 2019, *Transcript of evidence*, p. 38.

<sup>812</sup> Brotherhood of St Laurence, Submission 96, p. 19.

Ms George from the Greater Dandenong Regional Employment Taskforce gave a local example:

we have got 61 agencies across 81 contracts in our area all chasing employers, and employers put the wall up, and that is why we do not believe the current system is working to its total effectiveness. I know this is a difficult thing, but removing competitiveness would be ... wonderful ...<sup>813</sup>

She and other stakeholders believed there should be greater collaboration between Victorian and Australian government employment services.<sup>814</sup> Mr Clements from DJPR stated the Victorian Government is keen 'to be engaging with the Commonwealth on how we make sure that the Victorian programs are as effective and complementary as they can be' and will monitor the trials of the Australian Government's new employment service model.<sup>815</sup> It is likely that the jobseekers Jobs Victoria works with will not be suited to digital service delivery so there will be a need to continue refining Victorian programs so they complement the new model.<sup>816</sup>

According to Ms Annabel Brown, Program Director at the Centre for Policy Development (CPD), an independent institute for long-term policy development, reform of the Australian Government's employment services is a good opportunity to see how the two systems could better integrate with one another to fill gaps in service delivery.<sup>817</sup> DJPR agreed, stating:

More effective Commonwealth services provides the opportunity for the Victorian Government to re-examine its role in providing employment assistance through Jobs Victoria. This could include considering how Commonwealth employment services can be better integrated with state services (e.g. housing, corrections, family support, TAFE and training services) and how the Commonwealth and State Governments could collaborate to provide more effective and joined up employment services in areas with high concentrations of disadvantage. The new model also offers an opportunity for Victoria to use its industry/employer relationships to facilitate better connections between Commonwealth employment services and Victorian employers to meet skills/labour needs and achieve better outcomes for Victorian jobseekers.<sup>818</sup>

Stakeholders also considered JVEN's interaction with employers an important aspect of collaboration between the two systems because JVEN has a better understanding of the local landscape and has gained the trust of employers.<sup>819</sup> At the same time, the flexible and voluntary nature of JVEN has been central to its success and should be maintained.<sup>820</sup>

<sup>813</sup> Ms Sandra George, *Transcript of evidence*, p. 17.

<sup>814</sup> Ibid., p. 20; Mr Andrew Simmons, *Transcript of evidence*, p. 20; Wyndham Community & Education Centre, *Submission 20*, p. 3; Brotherhood of St Laurence, *Submission 96*, p. 19.

<sup>815</sup> Mr David Clements, Transcript of evidence, p. 3.

<sup>816</sup> Ibid., p. 10.

<sup>817</sup> Ms Annabel Brown, Transcript of evidence, p. 14.

<sup>818</sup> Department of Jobs, Precincts and Regions, Submission 99, p. 24.

<sup>819</sup> Ms Annabel Brown, *Transcript of evidence*, p. 17; Ms Michelle Wakeford, National Ticket to Work Manager, National Disability Services, public hearing, Melbourne, 4 September 2019, *Transcript of evidence*, p. 43.

<sup>820</sup> Jobs Victoria, Response to the Australian Government discussion paper: the next generation of employment services, submission to Employment Services Expert Advisory Panel, Consultation to inform the new employment services, 2018, p. 8.

Multiple service providers working in the same area can compete with one another creating frustration for both employers and jobseekers and compromising collaboration. The Victorian Government should investigate ways of reducing the number of JVEN providers contracted within a region to streamline service delivery for employers and jobseekers.

**FINDING 47:** There are too many state and federal employment services providers working under different government programs within the same region creating competition between providers and confusion for jobseekers and employers.

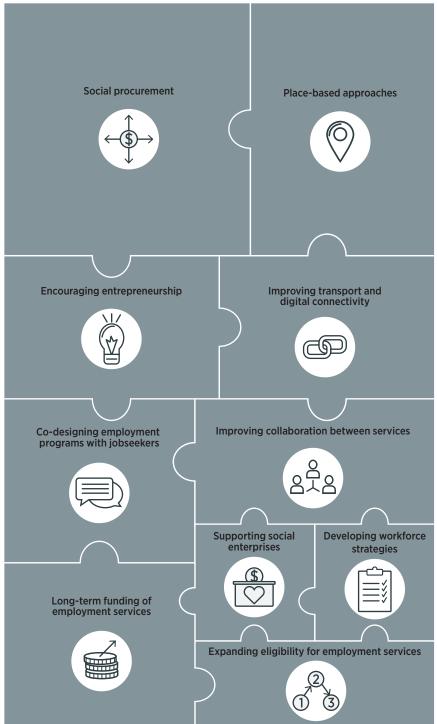
**RECOMMENDATION 56:** That the Department of Jobs, Precincts and Regions review the number of employment services providers awarded contracts within a region to simplify the process for employers and jobseekers.

# 4.2 Flexible and collaborative approaches are best to reduce structural barriers

Regardless of the effort made by jobseekers and employers, sustainable employment outcomes are not achievable without addressing structural barriers. Service providers can build jobseekers' work readiness and gain commitment from employers but if the labour market is weak or there is no public transport to a workplace or local service provision is fragmented, meaningful change for jobseekers facing disadvantage will not occur and the social and economic benefits of sustainable employment will not follow.

Addressing structural barriers to employment requires input from all levels of government, employment services providers, industry and education and training providers. The actions of each sector should mutually reinforce one another to strengthen outcomes. According to stakeholders, greater collaboration and flexible approaches targeted to the needs of local jobseekers and employers have proven essential for addressing joblessness among people facing disadvantage. This section presents strategies to alleviate the impact of structural barriers on achieving sustainable employment, which are summarised in Figure 4.2.

Figure 4.2 Strategies to address structural barriers to employment



# **4.2.1** Place-based approaches provide customised and more effective responses

As shown in Section 4.1.2, certain locations in Victoria have high levels of unemployment and even areas with overall positive jobs growth can have pockets of disadvantage within them. For this reason, a 'one-size-fits-all' approach to joblessness is not effective across the board, especially for highly disadvantaged jobseekers with multiple employment barriers. Stakeholders noted place-based approaches that provide local solutions for local problems are proving to be effective at addressing place-based disadvantage and achieving better social and economic outcomes for jobseekers facing disadvantage.<sup>821</sup>

A place-based approach involves communities developing and delivering solutions to local problems such as unemployment. Local people, who are best placed to understand their community's particular circumstances and causes of disadvantage, can develop an employment program that is tailored to the needs of local jobseekers, considers the local labour market and available job opportunities, and links to local support services. Place-based approaches to address disadvantage bring together community members, businesses, community organisations, government, education providers and support services to 'design and implement innovative solutions to complex social issues specific to their community, drawing on local strengths, opportunities and goals.'823 This process builds resilience within communities and empowers them to develop their own solutions to overcome local disadvantage, which may have become entrenched over generations.824

It is easier to link jobseekers with employers at a local level through partnerships and networks of community organisations, support services and businesses than at a state or national level where there is less familiarity with a community's specific circumstances.<sup>825</sup> As explained by BSL:

Providers that are embedded in their local community are best placed to deliver employment support to jobseekers experiencing labour market disadvantage. Leveraging their local relationships, they can connect jobseekers with other services and supports; apply their understanding of local labour market constraints and opportunities; and engage with local training providers and employers. Local providers can rally a network of community support to help disadvantaged jobseekers find and sustain work.<sup>826</sup>

<sup>821</sup> Jesuit Social Services, Submission 83, p. 2; City of Greater Geelong, Submission 85, p. 4; Centre for Policy Development, Submission 93, pp. 2–3; Victorian Council of Social Service, Submission 95, p. 8; Brotherhood of St Laurence, Submission 96, p. 25.

<sup>822</sup> Jesuit Social Services, *Submission 83*, p. 2; Victorian Council of Social Service, *Submission 95*, p. 8; Department of Jobs, Precincts and Regions, *Submission 99*, p. 12; Jeff Borland, et al., *What are best-practice programs for jobseekers facing high barriers to employment?*, policy brief, no. 4/16, Melbourne Institute, Melbourne, June 2016, p. 11.

<sup>823</sup> Jesuit Social Services, Submission 83, p. 2.

<sup>824</sup> Victorian Council of Social Service, Submission 95, p. 8.

<sup>825</sup> Centre for Policy Development, Submission 93, p. 2; Borland, et al., What are best-practice programs for jobseekers facing high barriers to employment?, p. 11.

<sup>826</sup> Brotherhood of St Laurence, Submission 96A, p. 2.

Place-based approaches to addressing unemployment require either state or federal government funding of a local backbone organisation to lead service coordination and network building. According to Ms Brown from CPD:

fundamental to the success [of a place-based approach] is the backbone organisation or anchor organisation. So ideally that organisation is truly local. They are respected, they are relatively neutral in terms of service provision, they have connections to community and they have connections to industry.<sup>827</sup>

The backbone organisation could be local government, a government agency, an education provider, an established service provider or community organisation.<sup>828</sup> CPD gave the example of its employment trial for refugees and humanitarian migrants in the City of Wyndham, which it has developed with Wyndham City Council. The Council acts as the backbone organisation, and it works:

very closely alongside WCEC [Wyndham Community and Education Centre], which is a local service provider, but they also of course have links to industry and to community. They have got the motivation for a bigger social and economic inclusion framework and piece, so that makes them really ideal. For that local actor to have the authority and the ability to coordinate between other providers and support services is really important, and ideally you would have some sort of governance over those local consortia which allows them to adapt any national programming or perhaps even state programming to the local context. Then pooled funding from different funding sources is ideal, but it is not absolutely a necessary prerequisite as long as there is one single reporting and accountability system so those consortia or those providers are not spending all of their time meeting multiple accountability demands.<sup>829</sup>

CPD supports a tight-loose-tight framework for place-based solutions. This framework requires tightness around program objectives and outcome measurement but allows for looseness in how providers go about delivering those outcomes.<sup>830</sup> Ms Deb Carr, Learning Coordinator at Brimbank City Council, which operates the Brimbank Learning Futures learning hub, finds this framework:

very helpful ... To have the outcomes tight but the process be flexible—it is not a programmatic approach; it is individualised, it is strength-based—we have been able to engage multilingual outreach officers to reach those hard-to-reach people in communities and be able to do innovative ways and out-of-the-box thinking with that loose component of funding in a place-based co-located hub.<sup>831</sup>

<sup>827</sup> Ms Annabel Brown, Transcript of evidence, p. 15.

<sup>828</sup> Centre for Policy Development, Submission 93, p. 3.

<sup>829</sup> Ms Annabel Brown, Transcript of evidence, p. 15.

**<sup>830</sup>** Ibid

<sup>831</sup> Ms Deb Carr, Learning Coordinator, Brimbank City Council, public hearing, Melbourne, 3 September 2019, Transcript of evidence, p. 30.

Mr Bill Mithen, Chief Executive Officer of the Give Where You Live Foundation, an organisation that delivers programs to address the effects of disadvantage in Geelong, supports a place-based approach because it has:

the flexibility and agility to be handled differently in places because of the context of that place ... [With government programs] you have got the large populace in the large area naturally the program drifts towards servicing that, but then you have got a lot of other places that that service will not work for. So it needs to be agile enough and flexible enough to be delivered differently.<sup>832</sup>

Jobs Victoria supports place-based approaches and Mr Clements acknowledged that it can be challenging to apply this approach in areas with few employment and training opportunities:

It is obviously challenging when you are working in those areas. I think the key to that is actually tapping into and really mining what are those opportunities that exist and to be really realistic in partnering up with industries and in partnering up with training bodies and in partnering up with other support services that are in the local area to get as much wraparound support for the jobseekers as you possibly can. Now, there are some parts of the state where things like transport can be a big barrier—even places on the urban fringe where transport is a big barrier. So I think there is often a role that Jobs Victoria plays also in advocacy with other government departments, with other levels of government around how we start to fill some of those gaps in this local area, for example.<sup>833</sup>

He added there were innovative programs occurring in some Victorian regions where several organisations have banded together to develop new ways to improve employment outcomes, such as:

in the Latrobe Valley, there is some fantastic work happening down there with incredibly strong networks between employment agencies and other social service organisations that have really formed very strong partnerships.<sup>834</sup>

GROW Gippsland is an example of a place-based approach to improve employment outcomes in the Latrobe Valley. It is one of several GROW initiatives across the state as explained in Case study 4.5.

Other examples of place-based approaches include:

Local Jobs for Local People

Hume City Council's Local Jobs for Local People program was developed from the Joblink3064 project in partnership with Stockland Australia, which linked local jobseekers with employment opportunities from the opening of Highlands Shopping Centre in Craigieburn in 2011. The Hume Jobs and Skills Task Force was established consisting of representatives from each tier of government, industry,

<sup>832</sup> Mr Bill Mithen, Transcript of evidence, p. 14.

<sup>833</sup> Mr David Clements, Transcript of evidence, p. 9.

<sup>834</sup> Ibid.

the community sector, secondary and higher education providers, and unions. It works with employment service providers, Centrelink, Services Australia, Hume Whittlesea LLEN and training providers to identify emerging job opportunities and training requirements, then trains and places local jobseekers in these roles. This approach was used to unlock opportunities from the opening of Craigieburn Central with Lendlease and for jobs growth predicted at Melbourne Airport over the next decade with Australian Pacific Airport Corporation Limited.<sup>835</sup>

#### Flemington Works

Moonee Valley City Council's Flemington Works aims to place women and young residents of the Flemington public housing estate in meaningful employment and establish new resident-owned and operated businesses. The Council works with the Flemington Community Centre and BSL and has in two years achieved:

- over 60 employment outcomes for housing estate residents, mostly young residents
- the establishment of microenterprise catering businesses for women
- a 20-week paid internship program and short-term full-time labour hire for young people from African backgrounds at the Council (see Case study 4.6)
- social procurement policies requiring suppliers to create jobs for social housing residents in order to win Council tenders, which has created 35 employment outcomes over three years through the Councils' cleaning contract.<sup>836</sup>

#### Whittington Works

The Whittington Works Alliance under the auspices of the City of Greater Geelong is a partnership of Whittington residents, businesses, government, registered training organisations and community service organisations that aims to create local employment outcomes by addressing education and employment barriers. Whittington Works currently consists of two initiatives, JVEN and Skilling the Bay.

Skilling the Bay, which is delivered by The Gordon in partnership with Deakin University and the Victorian Government, was created to address predicted joblessness caused by the loss of large-scale manufacturing in Geelong. It funds the education to employment project called Opportunity East, which is delivered by Whittington Works in partnership with The Gordon's Skills and Jobs Centre, Brotherhood of St Laurence and Encompass Community Services. Opportunity East helps Whittington residents reskill, retrain and build confidence for work. Of the 134 residents who enrolled in a training program between 2014 and 2017, 72% completed their training and 46% transitioned into employment.<sup>837</sup>

<sup>835</sup> Hume City Council, Submission 61, pp. 8-10.

<sup>836</sup> Moonee Valley City Council, Submission 69, pp. 3-4; Centre for Multicultural Youth, Submission 89, pp. 23-24.

<sup>837</sup> City of Greater Geelong, Submission 85, p. 5.

#### Work and Learning Centres

BSL's Work and Learning Centres are a place-based approach to assist public housing tenants and other jobseekers facing disadvantage into employment. Funded by the Victorian Government, the Centres are located in Ballarat, Fitzroy, Geelong, Moe and Sheppartonment services. Jobseekers receive one-on-one support, training, pre-employment skills development, post placement support and continued assistance if needed. The Centres also connect jobseekers to local employers or employers offering traineeships and apprenticeships (see Case study 4.7). A 2019 independent evaluation found a high conversion rate of 35% of registrants transitioning into sustained employment (26 weeks or more) and the place-based delivery model was considered to be a key factor for its success. Over 120 employers were connected with the Centres.<sup>838</sup>

# **CASE STUDY 4.5:** The GROW initiative—a place-based approach to addressing unemployment

The GROW initiative began in 2013 as G21 Region Opportunities for Work. Its aim was to address joblessness in disadvantaged locations in the Geelong region by using a place-based approach to create new jobs and investment opportunities. It is a joint initiative of the Give Where You Live Foundation, an organisation that delivers programs to address the effects of disadvantage in Geelong, and the G21–Geelong Region Alliance, an alliance of government, business and community organisations across the Colac Otway, Golden Plains, Greater Geelong, Queenscliffe and Surf Coast municipalities.

According to GROW (G21 Region Opportunities for Work)'s Director, Ms Anne O'Brien:

GROW is very much a place-based approach. The region is the G21 region, but we are aligning government, businesses of all sizes, community organisations and influential individuals to what we call a common agenda, which is really about addressing place-based disadvantage here in this region ... The beauty of a place-based approach is that in this region you can bring people together, people know each other like any other regional centre, and ... we are saying, 'All of us—all levels of government, business, philanthropy and community organisations—what are the things we can do in our locus of control, if we focus on this problem of entrenched disadvantage differently, that might have an impact?'.

Really that is the GROW strategy. It uses social procurement and impact investment as job creation levers, but most importantly ... in this region we have had an umbrella over certain places, and our job is to poke holes in that umbrella and make sure that the economic prosperity coming to this region trickles down. We do that in a whole range of ways. We have over 130, what we call compact signatories. That is an organisation signing on, committing to the principles of GROW and joining our network to work collectively to create place-based change. Really the change we are making is creating as many opportunities as possible for people from Corio, Norlane, Whittington and Colac.

#### (continued)

<sup>838</sup> Brotherhood of St Laurence, Submission 96, pp. 37-38.

#### **CASE STUDY 4.5** (continued)

Each compact signatory develops an Action Plan outlining how it will support the employment and recruitment of targeted cohorts such as long-term unemployed and young people living in the 3219, 3214 and 3250 postcodes. In the three years to May 2019, GROW had created 247 jobs and 39 employment pathways for disadvantaged jobseekers in these regions.

As explained by Mr Cameron Spence, Program Manager of GROW Gippsland:

GROW Gippsland was the second GROW program to kick off. They started early last year—February 2018. It really came on the back of, I guess, the establishment of the LVA [Latrobe Valley Authority], and I am sure everyone is familiar with the reasons and the background behind the LVA, with Hazelwood [power station] and Carter Holt Harvey [timber mill] closing, obviously transitioning the workforce in the valley particularly, and also the broader social and economic challenges across Gippsland ...

The LVA had feedback from the community, particularly around: how do we ensure that money spent in the region stays in the region? So the LVA looked to programs that were available and existing in other areas and looked to GROW as a good conduit to deliver those outcomes. That is why GROW was put in place in Gippsland. So the LVA is the backbone organisation for the program ...

We spent the first six months or so really looking at what the challenges were in the region and putting together a regional plan identifying a number of key areas that we wanted to focus on. The areas that we identified—and there is a whole range of actions that fell under these—were leadership and commitment so really getting organisations involved in the program; inspiring local action, I guess the principle that everyone can have an impact on local employment and social outcomes; and fostering collaboration, which is a really big part of what we do. I think GROW is really a connector.

The GROW initiative has expanded to other regions of Victoria. GROW Greater Shepparton, led by the Committee for Greater Shepparton, started operating in the Goulburn Valley in 2018 and both GROW Ballarat, led by Highlands LLEN, and GROW Bendigo, led by peak body for business Be.Bendigo, were launched in 2019.

Sources: Ms Anne O'Brien, Director, G21 Region Opportunities for Work (GROW), public hearing, Geelong, 24 October 2019, *Transcript of evidence*, p. 9; Mr Cameron Spence, Program Manager, GROW Gippsland, public hearing, Warragul, 11 December 2019, *Transcript of evidence*, p. 26; Committee for Greater Shepparton, GROW Greater Shepparton, <a href="http://www.c4gs.com.au/growgs">http://www.c4gs.com.au/growgs</a> accessed 1 May 2020.

# **CASE STUDY 4.6:** '[T]he Flemington Works program just seemed to work really well with me'

'After I graduated from high school in 2017 I went to university studying architecture, which I am still studying at the moment. Previously I had a casual job at McDonald's just as a teenager, and during my time at university I managed to score an internship with the Level Crossing Removal Project. That was a three-month summer internship, and I managed to get my hands on that due to another—I guess you could call it—not-for-profit organisation that just basically tried to help youth score mentors. After that I did not really have any form of employment. I was just going through university until I came across Flemington Works. I grew up on the Flemington estate, and the Flemington Works program just seemed to work really well with me. It was very flexible. I went through the interview process. I met Khaled [the Community Engagement Officer at Flemington Works] as well. Yes, I have been doing that internship for the past three months ...'

#### **Mariam Geme**

Source: Ms Mariam Geme, Intern, Flemington Works, Moonee Valley City Council, public hearing, Melbourne, 19 November 2019, *Transcript of evidence*, p. 33.

When considering the place-based employment programs running in her region, Ms Stevens from the City of Greater Geelong pointed out:

Many of these programs have the capacity to be adapted across locations and sectors, and benefit more Victorians. What is needed to successfully achieve this is long-term integrated funding; a culture of educational attainment and lifelong learning with a focus on school completion, local delivery, employment readiness and job preparation; and the ability to address the needs of the local industry through employer engagement and demand-led employment models.<sup>839</sup>

The Victorian Council of Social Service and Ms Brown from CPD also supported continued investment in place-based approaches for both current programs and new programs in other areas 'building on what Jobs Victoria has already learned'. Victorian Government funding contracts for Flemington Works, Whittington Works and Work and Learning Centres are due to end in 2020. The success and potential future outcomes of these projects and other place-based approaches warrants continuation of funding beyond 2020.

<sup>839</sup> Ms Robyn Stevens, *Transcript of evidence*, pp. 1–2.

<sup>840</sup> Ms Annabel Brown, Transcript of evidence, p. 17; Victorian Council of Social Service, Submission 95, p. 8.

# **CASE STUDY 4.7:** 'I really appreciate the Brotherhood of St Laurence for helping me'

In my country I studied at high school, and then I came here in 2007. When I came here I could not speak English. It was very hard to communicate with people. Then I went to [settlement agency and English language program provider] AMES. I finished my 510 hours, and then I went to NMIT [now Melbourne Polytechnic]. I studied English for six months, and I did my PSA [Patient Services Assistant] Certificate III. Then I applied for a job with an agency. I have been working for the Northern Hospital and the Austin Hospital. Finally, I met the Brotherhood of St Laurence, and they helped me to apply for a permanent job. Then I got casual and permanent jobs through the Brotherhood of St Laurence [Work and Learning Centre]. Now I have been working at the Eye and Ear Hospital for almost nine years in different departments: patient transport, ordering the linen and the stuff for nursing.

At this stage I really appreciate the Brotherhood of St Laurence for helping me—not only me; they are helping all our community ... When I came here I finished my PSA Certificate III, and Centrelink is sending me to the job network. The way the job network is helping the immigrant is different to the Brotherhood of St Laurence. When I went to the job network, they are just printing the job plan, you sign it and you go home. The Brotherhood of St Laurence are sitting with you, they are helping you with how to use the computer and how to apply. If the word is very hard for you, slowly they explain it for you. I really appreciate them at this stage, yes.'

#### **Aman Bushe**

Source: Mr Aman Bushe, program participant, Brotherhood of St Laurence Work and Learning Centre, public hearing, Melbourne, 19 November 2019, *Transcript of evidence*, pp. 33–34.

**FINDING 48:** Place-based approaches to address local unemployment in disadvantaged areas enable the development and delivery of programs by community members and organisations that best understand the local context and have strong links to local employers and support services.

**RECOMMENDATION 57:** That the Victorian Government prioritise and fund place-based employment programs that target local jobseekers facing disadvantage.

#### **4.2.2** Social procurement is an effective employment lever

The Committee heard social procurement has great potential to increase employment rates among jobseekers facing disadvantage and early reporting on the impact of the Victorian Government's Social Procurement Framework (SPF) has provided evidence of that. Social procurement is when organisations use their purchasing power to generate social benefits, such as the employment of jobseekers facing disadvantage.

Social procurement can be direct, for example, an organisation may choose to purchase goods and services from a social enterprise or an Aboriginal-owned and operated business. It can also be indirect, whereby organisations purchase goods and services from a mainstream supplier and the tendering process and contract impose requirements on the supplier to deliver social outcomes, such as ensuring a percentage of its workforce is sourced from jobseekers facing disadvantage.

Victoria's SPF, released in 2018, aims to leverage off the billions of dollars of annual Government spending on goods and services and public construction and infrastructure to achieve ten objectives, including opportunities for Victorian Aboriginal people, opportunities for Victorians with disability, women's equality and safety, and opportunities for disadvantaged Victorians. <sup>841</sup> Some of the outcomes it is aiming for include purchasing from Victorian social enterprises and Aboriginal businesses, adoption of family violence leave by Victorian Government suppliers, and job readiness and employment of jobseekers facing disadvantage by suppliers to the Victorian Government. The SPF specifically targets the following jobseeker cohorts: Victorians with disability, Victorian Aboriginal people, long-term unemployed people, disengaged youth, single parents, migrants and refugees, workers in transition and residents of regions with entrenched disadvantage. <sup>842</sup>

As part of the SPF, each government department and agency must develop a social procurement strategy that includes a plan for supplier development and education, and a reporting and management framework to measure supplier performance, combined outputs and social benefits. The Victorian Government will publish aggregated outputs and benefits annually.<sup>843</sup> The following outputs were recorded in the Victorian Government's 2018–19 SPF annual report:

- seven out of 13 active Major Transport Infrastructure Authority projects had met or exceeded their target of 2.5% Aboriginal employment hours as a proportion of total hours worked
- major road and rail projects recorded 415,392 Aboriginal employment hours, 15,204 employment hours for refugees, 36,413 hours for long-term unemployed people, 6,432 hours for disengaged young people and 4,000 hours for people with disability in 2018–19

<sup>841</sup> Victorian Government, Victoria's Social Procurement Framework: building a fair, inclusive and sustainable Victoria through procurement, Victorian Government, Melbourne, 2018, pp. 3, 7.

<sup>842</sup> Victorian Government, Whole of Victorian Government Social Procurement Framework: annual report 2018–19, Victorian Government, Melbourne, 2019, pp. 2–3.

<sup>843</sup> Victorian Government, Victoria's Social Procurement Framework, pp. 20, 36.

Government departments and core agencies spent \$11.1 million with 53 verified
 Victorian Aboriginal businesses, \$7.3 million with 70 certified social enterprises and over \$63 million with businesses in the most disadvantaged regions of Victoria.

According to Mr Clements from DJPR:

Victoria is, if not the only, certainly one of very, very few jurisdictions around the world that have brought in a framework of that nature that is quite so clear about the stated intent behind it, and it is an incredibly powerful lever.<sup>845</sup>

These views on the impact and innovation of Victoria's SPF were corroborated with stakeholders claiming it was 'a game-changer' and 'a great lever', although some stakeholders agreed it was too early to assess its ongoing effectiveness.<sup>846</sup> For example, Ms Sinclair from NESA stated:

certainly the feedback we have—and we have had approaches from some of the major construction companies as the peak body for the employment services to be engaged and to get on board—is that they are clearly taking it very seriously. They are embedding it both in their bids and in their ongoing delivery of projects. I think it is probably early days, but all the signs are, I would say, very positive ... So I think that that is a bit of a game changer, but again I would say at the moment our feedback is it is perhaps a bit too early to say how well or how effective it is actually being.<sup>847</sup>

Feedback from employers and community service organisations suggested social procurement is creating new opportunities for jobseekers facing disadvantage. BSL has found 'significant opportunities for refugees' created from major construction contractors searching for engineers, especially for refugees who are able to have their overseas qualifications recognised or can be supported to upskill.<sup>848</sup> Ms Melinda Moore, Head of Work, Economic Security and Social Inclusion at BSL, added:

it has allowed us to have conversations at a really high level with some of those consortiums about what part we can play, and that has not been possible before. So I see it as a really positive framework but we are at the beginning of the road ...<sup>849</sup>

Feedback from suppliers to the Victorian Government has also been positive, according to Mr Clements:

Increasingly those organisations that contract from government are very aware of the social procurement requirements, and I have to say as well that the feedback we get is

<sup>844</sup> Victorian Government, Whole of Victorian Government Social Procurement Framework, pp. 5, 8, 11, 7.

<sup>845</sup> Mr David Clements, *Transcript of evidence*, p. 5.

<sup>846</sup> Ethnic Communities' Council of Victoria, Submission 58, p. 10; Brotherhood of St Laurence, Submission 96, pp. 15, 32;
Mr Cameron Spence, Transcript of evidence, pp. 27–28; Mr Troy Crellin, Program Manager, Social Enterprise Programs Victoria, Mission Australia, public hearing, Melbourne, 4 September 2019, Transcript of evidence, p. 10; Mr Stephen Ward, Transcript of evidence, p. 11; Ms Mary Sayers, Transcript of evidence, p. 46; Ms Melinda Moore, Head of Work, Economic Security and Social Inclusion, Brotherhood of St Laurence, public hearing, Melbourne, 4 September 2019, Transcript of evidence, p. 10; Victorian Government, Whole of Victorian Government Social Procurement Framework, p. 3.

<sup>847</sup> Ms Sally Sinclair, *Transcript of evidence*, pp. 36–37.

<sup>848</sup> Brotherhood of St Laurence, Submission 96, p. 33.

<sup>849</sup> Ms Melinda Moore, *Transcript of evidence*, p. 11.

not that they feel that is an impost on them; most organisations are embracing that, and again—a bit like what I said before about the example of giving a person an employment opportunity—they are actually seeing the value in their own organisations of ensuring that the work they do brings a social benefit. Many organisations are motivated by that beyond the desire to get a contract.<sup>850</sup>

While much can be achieved through social procurement, Mr Matthew Inkster, who is Manager, People, Capability and Inclusion at the Metro Roads Program Alliance and is responsible for Alliance's social procurement, told the Committee it can be hard work:

I have to say that over the past 18 months it has been pretty amazing, some of the things that we have been able to do. It is very hard though. It is very hard the amount of support, training, ongoing support that is required to employ certain cohorts. Certainly for recent migrants, refugees and things like that, who have been through some pretty incredible stories to get here, it does take a lot of effort and a lot of work.<sup>851</sup>

When asked if the private sector would employ jobseekers facing disadvantage of their own volition, he replied:

truthfully, no, I do not think they would ...

It was hard enough building the job in the first place, truth be known, with the way the Government is trying to roll them out and do 75 [level crossing removals] by 2025. I mean, that is great—do not get me wrong; I work in the infrastructure game, so the more the merrier—but it is hard, and it is a dangerous environment. There are a lot of time constraints, budget, quality, things like that.<sup>852</sup>

He added that the whole construction sector needs to get on board:

it is not just the contractors—your tier 1s and tier 2s—it is the whole supply chain. The expectations are that the supply chain is lifting and doing the same amount of work ... [but] we are required and we are expected to not only lead the charge in the development of the candidates, the employees and the people we bring into the business but also upskill our subcontractor base and our supply chain and all that sort of stuff. And there is a long way to go in that sense, because we just cannot do it all; there is a bigger picture that needs to be incorporated for the smaller companies and the supply chains, and it needs to be spread throughout the construction industry infrastructure ...<sup>853</sup>

He believed this could be achieved by informing the sector about the employment programs run by community service organisations, whose support he considers vital, and sharing the positive stories of social procurement with employers along the supply chain.<sup>854</sup>

<sup>850</sup> Mr David Clements, Transcript of evidence, pp. 4-5.

<sup>851</sup> Mr Matthew Inkster, Manager, People, Capability and Inclusion, Metro Roads Program Alliance, Fulton Hogan, public hearing, Melbourne, 19 November 2019, *Transcript of evidence*, p. 31.

<sup>852</sup> Ibid., p. 34.

**<sup>853</sup>** Ibid., p. 32.

<sup>854</sup> Ibid.

Case study 4.8 presents the story of Jasmine, who works with Mr Inkster's company, Fulton Hogan, on the Evans Road level crossing removal project in Lyndhurst.

## **CASE STUDY 4.8:** 'I work with Fulton Hogan on the Evans Road project ... It is really cool'

Jasmine has gained employment with Fulton Hogan, the principal contractor on the Metro Roads Program Alliance, which has social procurement targets in its contract with the Victorian Government. She shared her story with the Committee:

I work with Fulton Hogan on the Evans Road project. I have been there for four months. I started in a new position. It is really cool ...

I grew up in the country with just my mum, brother and sister. It was hard on our family. I turned 18 and did not want to live there anymore. There were no opportunities. I moved down here [from East Gippsland] and heard about a program going on for a week ...

I did a five-day program with LXRP [Level Crossing Removal Project]. I got my white card [occupational health and safety training needed for construction work] out of that and met a lot of people from different companies. After that, I heard about McConnell Dowell. They had a traineeship coming up, so I sat down with them and told them my background and my story. A week later they said, 'Can you come in and check out the site?'. I went in and liked it. I had never had a job before that; I had only ever just worked with family and community. I started there. I spent, I think, about nine months there and finished the project. Because I was not employed permanently—I was just casual—after they moved I was just left behind, so that was a bit depressing. I had nowhere to go and did not know what to do. And then about a year later I met with Paula from the Brotherhood [of St Laurence]. She was like, 'We'll get you set up and send your résumé out'. She gave me a call about a week later saying Matt was going to come in. 'Can you do an interview?'. I was like, 'Yes, sure'. I went in and talked with Matt about what I did before ...

[Since starting on the job] I have had Paula with the Brotherhood; she gets in contact with me a lot just to see how I am going, if I need anything. I hear from Matt a lot, seeing if I am going okay. I have got a lot of people at the project helping me and showing me. They are just there if I need. It is going really good.

Mr Matthew Inkster, who works for Fulton Hogan and manages social procurement for the Metro Roads Program Alliance, noted that companies like his would not be able to meet their targets without external support:

without people like the Brotherhood of St Laurence and programs like that, we would not be able to do it. It would be impossible. The amount of support and post-placement support they provide—the awareness, the training and stuff, and also just the avenue to attract the right people and the right candidates ...

(continued)

#### **CASE STUDY 4.8** (continued)

I contacted the Brotherhood out of the blue, to be honest. I went down and met with them and had a chat to them about some of the stuff we were looking to do, and they were really good. They provided me with a steady stream of capable, qualified and really keen and eager people to come and get employment, including Jasmine, who has been fantastic. There are varying levels of experience and that sort of stuff. Jasmine has obviously worked in the industry before, so she was prepped and ready to go, to a degree; hence why we put her straight into a traineeship ... But a lot of the other candidates require a bit more hands-on, which is fine. But it is, when you think about it, a big reliance on that. The sheer numbers that we are required to employ to meet our targets, it takes a lot of resources to help manage that process.

Sources: Jasmine, program participant, Fulton Hogan, public hearing, Melbourne, 19 November 2019, *Transcript of evidence*, pp. 29, 32–34; Mr Matthew Inkster, Manager, People, Capability and Inclusion, Metro Roads Program Alliance, Fulton Hogan, public hearing, Melbourne, 19 November 2019, *Transcript of evidence*, pp. 31, 34.

#### Local government can play a greater role in social procurement

During the Inquiry, the Committee found inconsistent commitment to social procurement between councils. Some councils had developed and implemented their own social procurement framework, whereas others had not and their representatives were unsure to what extent social benefits were included in their broader procurement policies. In its submission, Melton City Council outlined its Social Procurement Framework and commitment to purchasing from local businesses and local social benefit suppliers, engaging social enterprises to deliver Council services and including social benefit clauses in tenders and contracts to provide employment and training opportunities for jobseekers facing disadvantage. BSL also noted local government's growing interest in social procurement and gave examples of employment opportunities its social enterprise, Given the Chance, had achieved through partnership with Melton City Council, Melbourne City Council, Yarra City Council and Moonee Valley City Council.

Ms Stevens from the City of Greater Geelong explained her Council's policy:

We are a signatory to the GROW Compact, so as part of that there is social procurement around purchasing local products as far as is possible and also local employment opportunities, particularly with a focus on people from disadvantaged communities ... We are also reviewing our broader procurement policies and programs to make sure that social procurement initiatives are included as part of the criteria for our tenders and any contracts that we let to ensure that people who need more support to participate in

<sup>855</sup> Melton City Council, Submission 30, p. 10.

<sup>856</sup> Brotherhood of St Laurence, Submission 96A, p. 1.

employment are there. It also increases the focus more on social outcomes rather than the contract being around the cost, so broader factors than just 'Is this the cheapest contract provider?'—as opposed to what are the outcomes for the community that may mean that the contract is let for a slightly higher rate because of the benefits that that will drive in our local economy.<sup>857</sup>

Other councils are taking their first steps with social procurement and are finding some challenges. For example, Mr Budge from the City of Greater Bendigo stated:

It is something that bedevils council a little bit. We get a lot of pressure on the council: 'Why can't you favour local business?'. Well, we do have a slight weighting [about 15%] if we are issuing a contract, but obviously at the end of the day the council is managing ratepayers' money and we have got to show value for money ...

But there is no doubt that in the last few years I think this has become more and more evident to council. There is the idea of a circular economy, how you can buy, and of course we are now part of the GROW program ... Council has actually put a staff member in there two days a week to help that program, again, around social procurement, but also around targeting disadvantaged people in terms of if we grow jobs, first of all we seek jobs from the disadvantaged sector ...<sup>858</sup>

For Ms Lauren Kerr, Senior Project Officer, Flemington Revitalisation Project at Moonee Valley City Council, the concern is ensuring the employment provided through social procurement is sustainable. She explained:

we have just developed draft social and sustainable procurement policy and guidelines, and I think we could say pretty confidently that we are really learning how to walk. We understand it has the potential to unlock a range of up to maybe 80 jobs ... but the sustainability element of those jobs is really questionable—we do not know. What it can do is support people to generate those first experiences with the labour market—that for our residents on Flemington housing estate they do not have. So we are excited about that, but the engagement with those jobseekers and those candidates needs to exist beyond the scope of that contract.<sup>859</sup>

She acknowledged that this could be somewhat remedied if councils' social procurement policies:

preference local businesses, then there is that potential that those opportunities extend, where local businesses begin to employ local people, because they typically do in our local municipality anyway. So if we start to advantage that local economic development, then we could potentially see outcomes that exist beyond contract.<sup>860</sup>

<sup>857</sup> Ms Robyn Stevens, Transcript of evidence, p. 2.

<sup>858</sup> Mr Trevor Budge, Transcript of evidence, pp. 4-5.

**<sup>859</sup>** Ms Lauren Kerr, Senior Project Officer, Flemington Revitalisation Project, Moonee Valley City Council, public hearing, Melbourne, 3 September 2019, *Transcript of evidence*, p. 28.

<sup>860</sup> Ibid.

The concern about sustainable employment was shared by Mr Troy Edwards, Director, Policy and Advocacy at the Municipal Association of Victoria (MAV), the peak body for local government in Victoria, who said:

councils often grapple with, 'How do we retain disadvantaged jobseekers that have perhaps been on traineeship programs with councils?'. Councils work very hard to try and retain them. It is not always easy, so that is something worth exploring. Particularly in my recent role in Yarra Ranges with the Indigenous community about how we retain Indigenous trainees that we have good access to from the Healesville community, often they are looking for different things in the next phase of their career and we cannot hang on to them. It is not for want of trying or desire, it is just that there are other opportunities they have. So there is something there for how the sector might be able to work with state and other levels of government to try and do a bit more there.<sup>861</sup>

Councils can also struggle to access local jobs for their residents that become available through social procurement such as on major construction projects, according to Ms Kerr:

We have probably, candidly, had struggles trying to access the jobs that are being unlocked through the social procurement frameworks. We have had far more leverage developing our own with contracts that we have access over. For those larger builds, John Holland will have a pre-existing relationship with Jesuit Social Services, the Brotherhood of St Laurence, the jobactive system, so as a local government provider you are sort of at the end of the queue. Those jobs are already targeted to parts of the employment support system. From a local government perspective we have far greater leverage over our own contracts where we know that the supply is going to be made locally, so it starts to remove some of those barriers that maybe women and young people might experience—whether they have got a driver licence. We have seen more success from local contracts.<sup>862</sup>

She added that local governments should consider modifying their own recruitment practices to create employment opportunities for jobseekers facing disadvantage. She gave the example of Council's Crown Street Stables café, which provides training and employment pathways for people with disability through a social enterprise model, and suggested local government could offer short temp work opportunities, of which it has many, to jobseekers with disability.<sup>863</sup>

However, some councils such as Greater Shepparton City Council, Latrobe City Council and the City of Ballarat did not have specific social procurement policies they could refer the Committee to.<sup>864</sup> According to Mr Spence from GROW Gippsland:

**<sup>861</sup>** Mr Troy Edwards, Director, Policy and Advocacy, Municipal Association of Victoria, public hearing, Melbourne, 3 September 2019, *Transcript of evidence*, p. 31.

<sup>862</sup> Ms Lauren Kerr, Transcript of evidence, p. 29.

<sup>863</sup> Ibid., pp. 30-31.

<sup>864</sup> Mr Michael Carrafa, Team Leader, Business and Industry Development, Greater Shepparton City Council, public hearing, Shepparton, 20 November 2019, *Transcript of evidence*, pp. 5–6; Latrobe City Council, Inquiry into sustainable employment for disadvantaged jobseekers hearing, response to questions on notice received 8 January 2020, p. 1; Ms Siobhan Dent, Economic Development Projects Officer, City of Ballarat, public hearing, Ballarat, 23 October 2019, *Transcript of evidence*, p. 5.

Local government can certainly do it better. I do not want to contradict what you heard earlier. My background was at the MAV, the peak body for local government, until February last year so I have got pretty significant experience in local government. The Victorian Government Social Procurement Framework is really the leading piece of policy in Australia around social procurement, so we are coming from a fairly high bar I guess. Local government does not have any specific consistent policy. Individual councils will develop their own policy. It tends to sit within their procurement policy. It is not particularly well defined. Do not get me wrong, there are some councils that do this better than others. But I actually think that social procurement is a huge opportunity for local government. If you look at the political nature of local government, it is the closest connection to the local community ... Local government is harder, because unless it is in the Act, it is kind of hard to regulate like a framework because it does sit at an individual council level. But there is a significant opportunity ...

It is really an untapped opportunity, I think, in local government.865

MAV acknowledged that local government is well placed to purchase goods and services from social enterprises and support local businesses that train and/or employ jobseekers facing disadvantage. It added that it had developed, along with Yarra Ranges Shire, City of Greater Dandenong and Cardinia Shire, the second edition of *Beyond value for money: social procurement for Victorian local government*, a guide to assist councils to embed social procurement into their everyday practices.<sup>866</sup>

However, it is clear that not all councils have a social procurement policy and the level of commitment to social procurement varies across the state. Local government is ideally suited to supporting local businesses and social enterprises through its purchasing power and close connection with the community. All Victorian councils should incorporate social procurement in their policies and practices to improve employment outcomes for jobseekers facing disadvantage. This is especially important in LGAs with high levels of socioeconomic disadvantage where social procurement can have the greatest impact on local employment.

**FINDING 49:** There is inconsistent adoption of social procurement policies and processes across local government resulting in a failure to improve the employment outcomes of jobseekers facing disadvantage.

**RECOMMENDATION 58:** That the Victorian Government strongly encourage all councils, and require councils that govern a Local Government Area ranked in the three lowest quintiles of the Index of Relative Socio-economic Disadvantage, to develop and implement a social procurement policy and a framework to achieve the policy's objectives within five years.

<sup>865</sup> Mr Cameron Spence. Transcript of evidence. pp. 27–28.

**<sup>866</sup>** Municipal Association of Victoria, *Submission 33*, pp. 3, 4.

#### Potential pitfalls of social procurement need to be avoided

While there was strong support of social procurement among stakeholders and optimism about its potential in Victoria, several risks to achieving improved employment outcomes for disadvantaged jobseekers were identified. These include loose definitions of target populations in tender documentation and contracts, the use of subcontractors, poor understanding of social procurement among employers and the adequacy of ongoing monitoring and evaluation.

Several stakeholders raised the need for more explicit targets in tender documentation and contracts to ensure the intended employment outcomes are achieved and not met through tokenistic strategies instead.<sup>867</sup> For example, some stakeholders asked for more specific conditions around local jobseekers because in some contracts the definition of local is 'Australia and New Zealand', which enables contractors to bring in workers from outside the project's location and can result in jobseekers living in areas of entrenched disadvantage missing out.<sup>868</sup>

Similarly, Ms Melanie Field-Pimm, Manager, Development at the Victorian Association for the Care and Resettlement of Offenders, an organisation that supports remandees, offenders and their families, stated if the contract targets:

are generic in terms of, 'You need to have a certain percentage of disadvantaged jobseekers', people coming out of prison are still going to be at the bottom of that pile. They are going to select migrants, veterans. So it would have to be a targeted [category].<sup>869</sup>

Other stakeholders requested that prescribed targets be variable to reflect local conditions and demographics. As BSL explained:

There has been difficulty in meeting prescribed targets (particularly mandated Aboriginal and Torres Strait Islander targets) in some locations. A variable target, reflecting the demographics of location, might be more effective. Research from overseas has found more targeted, place-based, and context-specific procurement approaches have the best chance of success.<sup>870</sup>

Ms Moore from BSL said this should apply to all regions, for example, the tender for a construction project in the western suburbs of Melbourne should be tailored to meet the needs of jobseekers in that region rather than it being too general and missing the intended employment outcome.<sup>871</sup> Ms Angela Dapcevic, Head of Employment Services at Uniting Vic.Tas, the community service organisation of the Uniting Church in

<sup>867</sup> For example, Jesuit Social Services, Submission 83, p. 3; National Employment Services Association, Submission 87, p. 12; Ms Angela Dapcevic, Head, Employment Services, Uniting Vic.Tas, public hearing, Melbourne, 4 September 2019, Transcript of evidence, p. 11.

<sup>868</sup> Mr Dallian D'Cruz, Transcript of evidence, p. 21; Mr Sam Birrell, Transcript of evidence, p. 19.

**<sup>869</sup>** Ms Melanie Field-Pimm, Manager, Development, Victorian Association for the Care and Resettlement of Offenders, public hearing, Melbourne, 19 November 2019, *Transcript of evidence*, p. 20.

<sup>870</sup> Brotherhood of St Laurence. Submission 96. p. 33.

<sup>871</sup> Ms Melinda Moore, Transcript of evidence, p. 11.

Victoria and Tasmania, added that clearer targets would also help employment services providers better match jobseekers with employers and prepare employers for working with that target group.<sup>872</sup>

**FINDING 50:** Contracts with unclear definitions of the target jobseeker population in their social procurement clauses can result in inferior employment outcomes for jobseekers facing disadvantage.

**RECOMMENDATION 59:** That the Victorian Government ensure its contracts stipulate explicit employment targets in their social procurement clauses that reflect the circumstances and demographics of jobseekers in that workplace's location.

The Committee heard of instances where companies that have successfully bid for a tender do not have a long-term employment strategy to reach the prescribed targets. ECCV had received reports that community service organisations 'are often contacted at very short notice by contractors [seeking help to source workers], and that this makes it hard to act in the best interests of their clients.'873 As Mr D'Cruz from WynBay LLEN explained:

So they pick up a tender, and the tender says '10% community benefit—you have got to procure X number of Indigenous staff or trainees and X number of female staff and trainees'. Then the bells go off, and some of our partners get a call saying, 'Quick, quick, quick—we need to find 200 people. Can you send them over?'. There is no 5, 10 or 15-year plan in these companies as to how they are going to address skill shortage.<sup>874</sup>

Mr Ward from Jesuit Social Services agreed:

Yes, we have had that sort of response on occasion and that still happens on occasion because they ring up and they are seeking a particular person. That is fine. We like to put people into jobs so that works well. But the conversation we would like to have with companies is about that lead time, that pipeline, because then we can develop people.<sup>875</sup>

Ms Annette Gill, Principal Policy Advisor at NESA, also supported a demand-led approach to social procurement to enable enough time to train jobseekers facing disadvantage 'for the jobs you know that are coming up.' 876 Otherwise the skills gap is too large when employment services providers are trying to meet the immediate labour demands of employers.

<sup>872</sup> Ms Angela Dapcevic, Transcript of evidence, p. 11.

<sup>873</sup> Ethnic Communities' Council of Victoria, Submission 58, p. 10.

<sup>874</sup> Mr Dallian D'Cruz, *Transcript of evidence*, p. 20.

<sup>875</sup> Mr Stephen Ward. Transcript of evidence, p. 11.

<sup>876</sup> Ms Annette Gill, Transcript of evidence, p. 38.

Employers would also benefit from more strategic planning and coordination between the relevant parties. Ms Alison Leighton, Chief Executive Officer from Baw Baw Shire Council, explained that from the perspective of council as an employer:

it feels to me like it is a bit of a crowded space and it is a little reactive and not necessarily strategic. So what will happen is we might receive approaches from social procurement organisations or not for profits who are looking to place their clients with us for a period of time. It is very sort of, 'We want to do this now. Are you positioned to be able to accommodate this request?', and often it is a bit difficult to do that in the short term. Whereas what I see as an opportunity is a sort of local area round table where all of those players can come together and plan a bit more strategically, so plan in the medium to long term around how we could engage with and provide support to those organisations ...

rather than everyone kind of operating in a crowded space and then risking duplication.<sup>877</sup>

Another concern of stakeholders was whether multiple subcontractors and smaller businesses at the end of the supply chain can achieve the employment targets or have the same commitment to do so as the company that won the contract. As explained by Mr Abdulwahab from Flemington Works:

What happens with procurement at the moment: for example, a big company will get the procurement contract and then it gets subcontracted and subcontracted and subcontracted because it is not regulated enough. So the people that actually have to hire the people [jobseekers] are not hiring them because there is not much regulation when it comes to social procurement.<sup>878</sup>

#### Mr Inkster added:

it is probably not the key contractors and the authorities and things that you need to be targeting; it is the smaller supply chain sort of companies ... They need to come to the party and help out as well ... We have to educate the subcontractors on what social enterprise is. They have got no idea, so we need to sit down with them and say, 'Did you know you can buy your goods and services through these companies?'. No idea. It is that educational piece which would help greatly, because then everybody is pulling in the same direction and you can effect bigger change in that sense ...

And more opportunities for all of these kids coming through these programs to work with not just the big contractors but with the whole supply chain, the whole procurement chain. That would open a lot of doors.<sup>879</sup>

<sup>877</sup> Ms Alison Leighton, Chief Executive Officer, Baw Baw Shire Council, public hearing, Warragul, 11 December 2019, *Transcript of evidence*, pp. 10–11.

<sup>878</sup> Mr Khaled Abdulwahab. Transcript of evidence. p. 35.

<sup>879</sup> Mr Matthew Inkster, *Transcript of evidence*, pp. 34–35.

Several other stakeholders shared the view that there was poor understanding of what social procurement means among employers and suppliers. Chief Executive Officer of Be.Bendigo, the peak body for business in Greater Bendigo, Mr Dennis Bice, said social procurement is one of the most misunderstood things that I have come across and that businesses need to be educated about how it works. Mr Spence from GROW Gippsland has also found that local suppliers in regional Victoria do not understand and cannot respond to social procurement targets:

So you have this unintended consequence of losing local suppliers who employ local people and support the local economy because they cannot understand and fulfil the myriad government requirements that have been put into procurement processes. So I think that is something to be really cautious of.<sup>882</sup>

In other cases, large companies that have won contracts in regional areas may not have enough knowledge of the area to fulfil their social procurement requirements using local labour. This is where having an intermediary in regional areas can help according to Mr Sam Birrell, Chief Executive Officer of the Committee for Greater Shepparton, a group of business and community leaders working to improve the regional economy:

What you need is the link between the two, and that is what we have tried to turn the GROW project into here—having someone join the dots between the person who wants to find some social procurement but does not know how, and the social procurement, who is ready to go but does not know how to approach that person ...

For example ... [at] the Shepparton Art Museum worksite, Kane [Constructions] know that they have got to find some social procurement, and they want to. They genuinely want to. But they do not understand perhaps Shepparton; they do not understand the landscape, the map of where things are. If [GROW Manager] Leanne can put them in touch and join those things together, then that is a really good outcome.<sup>883</sup>

Another potential risk is that social procurement does not yield the intended employment outcomes. As Ms Sinclair from NESA explained, social procurement has the ability to get jobseekers facing disadvantage employed and keep them employed, but 'ongoing measurement and monitoring of the performance' of the Victorian Government's SPF is an important element:

So it is not just having the targets in there, but how are we going to ensure that the targets are not only met but that people are getting sustainable employment out of it?<sup>884</sup>

<sup>880</sup> For example, Wathaurong Aboriginal Co-operative, supplementary evidence received 24 October 2019, p. 7; Ms Anne O'Brien, Transcript of evidence, p. 10.

<sup>881</sup> Mr Dennis Bice, Chief Executive Officer, Be.Bendigo, public hearing, Bendigo, 22 October 2019, Transcript of evidence, p. 9.

**<sup>882</sup>** Mr Cameron Spence, *Transcript of evidence*, p. 28.

<sup>883</sup> Mr Sam Birrell, Transcript of evidence, p. 19.

<sup>884</sup> Ms Sally Sinclair, Transcript of evidence, pp. 36–37.

Ms O'Brien from GROW (G21 Region Opportunities for Work) shared this concern about sustainable employment, stating:

We have taken an approach where we are talking about sustaining and sustainable employment. When we say that, we are talking about a quality career pathway, a job that actually will mean that the person, for example, if they are coming off welfare, is better off, not worse off. Therefore, counting labouring hours onsite at Chisholm Road [Prison Project] as a KPI towards a social procurement outcome for a person who might have barriers to work, for us when you think about that, could be problematic ...

some of the offers on the job might be just short-term, like a labouring position; they might come in and out of work. It is not a permanent position, it is not an ongoing job. But if the KPIs are just measuring hours of work—do you see what I am saying? Whereas what we are saying is if you are an employer ... who has been working on being an inclusive employer and has employed 15 people from Corio and Norlane, so from engaging them and partnering with someone like [social inclusion program] Northern Futures, for example, to make sure that the person is supported to become job ready, is then supported at work and trained and has a feeling of belonging within that employer's business, then actually buying from that business means that they can continue to employ those 15 people who have been trained and kept in work but also new people.<sup>885</sup>

Other stakeholders added that performance measurement and monitoring is important to ensure employers across the supply chain are making changes to their recruitment. For example, Ms Moore from BSL said:

We are just starting this process and so I think it is a culture change for employers. I think that there are still some employers who are thinking, 'How can I get out of it? How could I shift the targets for disadvantaged people to subcontractors or across tender partners in other ways', so I think there is an opportunity to actually put in place some sort of regulatory authority or committee that is actually looking at how we are actually measuring those targets and achievements properly so that they do not get lost.<sup>886</sup>

Mr Mithen from the Give Where You Live Foundation also called for closer measurement and monitoring across the labour supply chain, stating:

how it could be done better is, for me, measuring and monitoring it. The large contracts that happen, and the State Government is obviously the largest contract holder in lots of ways, there is a commitment at the top, but the reality is that you need the commitment at the bottom because the contracts flow down through contract holders, you know, through builders and developers and then subcontractors, and then subcontractors of subcontractors, and then you finally get to the people who are employing people. If it is not flowing all the way through and those subcontractors do not have the same levels of commitment as, say, the person or the entity that is providing the funding—the Government—then you just get a disconnect and you do not actually achieve the results.

<sup>885</sup> Ms Anne O'Brien, Transcript of evidence, p. 11.

<sup>886</sup> Ms Melinda Moore, *Transcript of evidence*, pp. 10–11.

So monitoring it all the way through and pushing that intent all the way through all of those contracts to the point where you have got the plasterer, who is employing five people, saying, 'I'm going to put on an apprentice from Norlane', that is kind of the trick, but hard work.<sup>887</sup>

In addition to ensuring the commitment to employing jobseekers facing disadvantage is present throughout the supply chain, Mr Ricky Kildea, Director of Wan-Yaari Aboriginal Consultancy Services, an Aboriginal-owned and operated business providing employment services in the Geelong region, said more scrutiny is needed of the outcomes reported and their overall impact. As well as increasing understanding and awareness among employers, his suggestion on how to improve social procurement was:

to have some accountability as well. We did a review as part of the initial Geelong Aboriginal Employment Agreement, and some of our feedback in that review was that there needed to be more accountability to those organisations. It is one thing to have really good intentions and sign up and commit to something, but to have as one of the outcomes 'to increase Aboriginal employment in your organisation'—it is really not good enough for those organisations to come and at the review say, 'Yes, we're doing that; we've ticked that box. We've gone from one staff member to two' in a workforce that is a couple of hundred, maybe 1,000 strong.<sup>888</sup>

The potential of social procurement to improve employment outcomes for jobseekers facing disadvantage is clear and promising. However, there are risks to it achieving the objectives in the Victorian Government's SPF if contract clauses are not explicit and not all links in the labour supply chain are committed to employing jobseekers facing disadvantage.

There is a need for further education of employers so they understand how social procurement works and how they can get involved, which is being partly fulfilled by intermediary organisations such as GROW, BSL and Jesuit Social Services among others. The social procurement landscape would benefit from the Department of Treasury and Finance providing information to employers as well as measuring and monitoring the performance of social procurement contracts to ensure they are meeting their intended outcomes.

**FINDING 51:** There are risks that social procurement will not achieve the intended outcome of employing jobseekers facing disadvantage if targets are unclear, commitment does not flow down the labour supply chain and employers do not understand how social procurement works.

<sup>887</sup> Mr Bill Mithen, Transcript of evidence, p. 10.

<sup>888</sup> Mr Ricky Kildea, Director, Wan-Yaari Aboriginal Consultancy Services, public hearing, Geelong, 24 October 2019, *Transcript of evidence*, p. 41.

**RECOMMENDATION 60:** That the Department of Treasury and Finance provide information on, review compliance with, and evaluate the effectiveness of, the Victorian Government's Social Procurement Framework.

# 4.2.3 Social enterprises provide genuine training and employment opportunities to jobseekers with significant employment barriers

Social enterprises are businesses that trade to achieve social benefits. They use their income to sustain the business and support their social purpose. Those that offer pathways into mainstream employment for jobseekers facing disadvantage are an important element of social procurement because purchasing goods and services from these businesses improves outcomes for people with significant employment barriers. As explained by Hume City Council, social enterprises can:

provide the opportunity for jobseekers with significant barriers to employment to access pathways that enable them to build work readiness skills, confidence, work routines and gain valuable work experience, all whilst being supported to transition to mainstream employment.<sup>889</sup>

The social enterprises sector contributes \$5.2 billion to the Victorian economy and employs over 60,000 people, including over 10,000 people with disability and nearly 4,000 people who have been long-term unemployed. Be Donna de Zwart, Chief Executive Officer of Fitted for Work, a not-for-profit organisation that supports women to gain financial independence through securing employment, said:

we run a social enterprise called SheWorks. That is where we connect women directly with employers as a placement service. The push from Government around procurement and being able to work with social enterprises has made a big difference for us. We are starting to see lots of Government departments wanting to employ from our bank thousands of women who are ready to work ...<sup>891</sup>

In 2017, the Victorian Government launched its Social Enterprise Strategy, which was the first such strategy released in Australia. It advocates for greater coordination across government to support the sector and aims to build the sector through three action areas: increasing impact and innovation, building business capacity and skills, and improving market access.<sup>892</sup> Over 200 social enterprises had received support to grow their businesses by August 2019 and the number of certified social enterprises in Victoria grew from 97 to 166 in 2018–19.<sup>893</sup>

<sup>889</sup> Hume City Council, Submission 61, p. 16.

<sup>890</sup> Department of Jobs, Precincts and Regions, Submission 99, p. 22.

**<sup>891</sup>** Ms Donna de Zwart, Chief Executive Officer, Fitted for Work, public hearing, Melbourne, 4 September 2019, *Transcript of evidence*, pp. 39–40.

**<sup>892</sup>** Victorian Government. *Victoria's Social Procurement Framework*. p. 39.

<sup>893</sup> Victorian Government, Whole of Victorian Government Social Procurement Framework, p. 8; Department of Jobs, Precincts and Regions, Submission 99, p. 22.

The Department of Justice and Community Safety gave an example of a social enterprise it works with to support ex-offenders into employment. Fruit2Work delivers fruit and milk to workplaces around Melbourne and its employees are ex-offenders who gain experience and skills, including assistance to gain truck licences, to improve their employment prospects. Fruit2Work will also begin a mentoring program at the Marngoneet Correctional Centre to assist prisoners to prepare for life after release.<sup>894</sup>

Ms Tracy Adams, Chief Executive Officer of yourtown, a charity supporting young people to find jobs, learn skills and live safer, happier lives, explained the benefits of using social enterprises to fulfil social procurement requirements:

By quarantining an element of that funding to social enterprises, you are genuinely providing paid work, where young people can learn, be supported through a multidisciplinary team, but where they are actually achieving something: they are learning, they are being mentored by trainers, they can still continue to access the non-vocational supports. And at the end of it the skill that they have learned, the capacity to engage in real work, allows them to be competitive when they are going for different roles. So I think we can see mentoring in the one-to-one basis but also in the role that social enterprises play—that allows them to experience a work environment and the collective, and often major projects are wonderful opportunities. We have seen a lot of success through programs that we have been able to secure with governments in that space, where the outcomes for the young people then and their long-term employment are far higher because they actually have done real work and they can show people: 'I was involved in that project'. I think that really elevates the capacity of young people to see what they can achieve.<sup>895</sup>

Working at a social enterprise increases jobseekers' confidence, according to Ms Jan Simmons, Team Leader of Work and Learning Advisors at Ballarat Neighbourhood Centre, which also runs a catering social enterprise called Our Kitchen.<sup>896</sup> This view was shared by Brandi and Riley, who work at Mission Australia's social enterprise Charcoal Lane, which is a restaurant specialising in native Australian flavours that runs a training program for Aboriginal and Torres Strait Islander young people with employment barriers. Brandi told the Committee:

Charcoal Lane ... gives emotional support. I would go in the office and I would say, 'Look, I'm struggling with this, this and this' and it was like, 'Well, we can help you with this, this and this. Plus, here's a job and here's money so you can live', and all that kind of stuff. And you are working and you are building up that confidence in yourself to believe in yourself that you can work, even though you have had this hard life and you have probably got it ingrained in your mind that you cannot.<sup>897</sup>

<sup>894</sup> Hon. Jill Hennessy, Acting Minister for Corrections, correspondence, 29 January 2020, p. 4.

**<sup>895</sup>** Ms Tracy Adams, Chief Executive Officer, yourtown, public hearing, Melbourne, 4 September 2019, *Transcript of evidence*, p. 25.

<sup>896</sup> Ms Jan Simmons, Team Leader, Work and Learning Advisors, Ballarat Neighbourhood Centre, public hearing, Ballarat, 23 October 2019, *Transcript of evidence*, p. 46.

<sup>897</sup> Brandi, Trainee, Charcoal Lane, public hearing, Melbourne, 19 November 2019, Transcript of evidence, p. 50.

She believed there should be something similar to Charcoal Lane for non-Indigenous young people, as did Riley, who said:

there need to be more places like Charcoal Lane, not just for Indigenous but for non-Indigenous alike, asylum seekers, anyone. There are plenty of different groups of people that need a safe place like Charcoal Lane, because a lot of people find themselves in tough situations. It is good to have a place like Charcoal Lane to fall back on. So I am lucky that Charcoal Lane exists, but some people are not as lucky.<sup>898</sup>

Ms Simmons explained how the Ballarat Neighbourhood Centre set up Our Kitchen to provide opportunities for jobseekers who might otherwise struggle to gain mainstream employment:

We ... set up the social enterprise because we became well aware that a lot of the traditional workplace areas just did not seem to fit our people. That gave them an opportunity to learn skills and demonstrate skills without being in a classroom. It has been very successful. I have worked with a lot of social enterprises in my life and I truly believe it is the way of the future for people who are unemployed. 899

Enable Social Enterprises, a not-for-profit organisation that provides employability programs to help improve job prospects for jobseekers with disability, also identified the need for a workplace where jobseekers can gain genuine experience before entering mainstream employment. Enable's business model is presented in Case study 4.9.

While social enterprises are providing employment opportunities for jobseekers facing disadvantage, Mr Spence from GROW Gippsland mentioned that regional areas do not have many examples, creating a challenge for social procurement:

There is not a lot of social enterprise in regional Victoria as a whole, which is a bit of a challenge, I think, with the Social Procurement Framework. So we have done a lot of work identifying Aboriginal businesses, with some of them getting them classified as an Aboriginal business under the Framework, so it is through [Aboriginal business certifiers] Kinaway or Supply Nation, and then measuring the impact of the program 900

Ms Briggs from Wathaurong Aboriginal Co-operative also asked for support to help expand their social enterprise arm, Wathaurong Glass, stating:

We may need to partner with other people that have that infrastructure already in place, or know-how, because largely ours is around on-the-ground service delivery—not so much social enterprise business.<sup>901</sup>

The Victorian Government should continue supporting the creation of new social enterprises and build the capacity and skills of existing ones, particularly in regional areas, through its Social Enterprise Strategy.

<sup>898</sup> Riley, Trainee, Charcoal Lane, public hearing, Melbourne, 19 November 2019, Transcript of evidence, pp. 49, 50.

**<sup>899</sup>** Ms Jan Simmons. *Transcript of evidence*, p. 39.

<sup>900</sup> Mr Cameron Spence, Transcript of evidence, p. 27.

<sup>901</sup> Ms Lisa Briggs, Transcript of evidence, p. 33.

### **CASE STUDY 4.9:** '[H]aving identified those gaps, Enable have emerged with a 'collaborate, not duplicate' business model'

Enable Social Enterprises is a not-for-profit organisation that runs an IT equipment recycling service and provides employability programs for jobseekers with disability to help improve their employment prospects. It won the Premier's Recognition Award at the 2019 Premier's Sustainability Awards for its innovative e-waste business that delivers work and learning opportunities for those in need. Its Founder and Managing Director, Ms Julie McKay, explained Enable's business model:

We acknowledge the work of the many Victorian and federally funded employment services, such as NDIS [National Disability Insurance Scheme], training, community and social services, currently in place to support disadvantaged jobseekers ... it is this very ecosystem that Enable supports and our business model is built on. We have a very good understanding of the many programs on offer, and by mapping these many programs and stakeholders we were able to join the dots and identify two main gaps, which became our primary focus, the first being what the employers want—employability skills, technical skills and also a place where we can practice that before the employers take on that challenge; and secondly, the gap of the lack of supported work experience opportunities for disadvantaged or those at risk to support their career goals and aspirations ... and having identified those gaps Enable have emerged with a 'collaborate, not duplicate' business model. In effect we are operating as an industry host for people of all abilities, teaming up with the many government-provided services to help improve their prospects of getting a job ...

We chose the industries that we operate in quite specifically, one, because we knew that they were robust—they were either stable or growing, which means there are jobs for the future, particularly with the e-waste sector and particularly with tech. Testing computers, anything with computers—young people like them and young people with a disability like them as well. There is a level of interest, so you are getting that engagement straightaway with the guys who are interested in that sector because it is cool, it is something they want to do. You then can overlay that with the fact that the industry is growing. We are accredited, as in e-waste accreditation. The guys are learning in an accredited environment, and you can see the follow-on from that in industries like the one that we operate in: we are a perfect opportunity to have industry-type-based referrals from what we do to other e-waste accredited for-profit businesses. We have just got to turn the key to make that happen.

Source: Ms Julie McKay, Founder and Managing Director, Enable Social Enterprises, public hearing, Melbourne, 19 November 2019, *Transcript of evidence*, pp. 36, 38.

**FINDING 52:** Social enterprises that employ jobseekers facing disadvantage provide an important stepping stone for these jobseekers to move into mainstream employment.

**RECOMMENDATION 61:** That the Victorian Government continue to support the creation and capacity building of social enterprises through its Social Enterprise Strategy with a stronger focus on regional social enterprises.

### **4.2.4** Co-designing employment programs with jobseekers improves outcomes

Several stakeholders supported the co-design of employment programs with jobseekers facing disadvantage because their lived experience of unemployment and employment services can help identify areas for improvement. <sup>902</sup> As explained by NESA:

The aim of consultation should be to gather perspectives as a basis for robust investigation and analysis. Such investigation should build understanding of how policy, program design and the broader employment services framework individually and their interactions affect service delivery and job seekers' service experience. Without such investigation, program design is compromised and often address[es] symptoms rather than actual underlying causes having little prospect of achieving intended service improvement objectives and potentially resulting in unintended negative consequences. 903

At the same time, employment programs co-designed and co-developed with jobseekers are likely to foster a sense of ownership and get greater buy-in from participants. 904 Ms Sayers from Children and Young People with Disability Australia suggested the Victorian Government adopt a similar approach with jobseekers as it did with people experiencing family violence:

One of the things that the Victorian Government has done very well in things like their family violence reform has been co-design, so co-design with young people with disability to be able to help design the solutions. I think we have learned a lot from other co-design work, and I think that that could be really critical in thinking about what the Victorian Government could do. 905

As the City of Stonnington explained, 'Young people and other service recipients are the experts in their situation and [it] is important their experiences are captured.'906

<sup>902</sup> For example, City of Stonnington, *Submission 48*, p. 3; Mission Australia, *Submission 64*, pp. 2–3; National Social Security Rights Network, *Submission 92*, p. 5.

<sup>903</sup> National Employment Services Association, Submission 87, p. 8.

<sup>904</sup> Candice St Aubin, 'Indigenous Skills and Employment Training (ISET) program: co-development of implementation', paper presented at Working Communities Congress Indigenous Employment Forum, Sydney, 2–3 October 2019, p. 3.

<sup>905</sup> Ms Mary Sayers, Transcript of evidence, p. 48.

<sup>906</sup> City of Stonnington, Submission 48, p. 3.

Representatives of Victorian Aboriginal communities were also strong supporters of including Aboriginal people in the design of government programs rather than have government bodies making decisions for them. For example, Ms Cheryl Drayton, an elder of the Kurnai community, stated:

if you look at the [Victorian Aboriginal Affairs] framework and the self-determination in itself—strategy and community-led—all those things were important to local communities to take up the mantle of being able to speak for themselves and not through the people, organisations and the committees that are handpicked by government, because they do not have our authority to speak on our behalf ... They are Melbourne-based peak bodies, whereas out here we still operate basically on our tribal grounds and as tribal people, and also it is problematic due to the colonisation that has occurred through people coming on Country and our not knowing who they are, and they are perpetrating problems around their identity versus the original inhabitants and descendants at the time. So this is problematic all across Victoria, and I hear it and see it all the time.

Aboriginal people should have input in the choice of programs that are funded for the local community according to Mr Jaiden Lillyst, Burron Guli (Boy to Man) Program Facilitator at Ballarat and District Aboriginal Co-operative:

at the moment a lot of Aboriginal organisations are funded through, 'Yes, here's a packet of money, and it will be given if you deliver this service'. I think one of the things I would really like to encourage is going back out, getting closer to community and finding out what the community need is and actually being market makers rather than market takers in a lot of ways. Rather than, 'Okay, here's the budget. You get x for family violence; you get y for family-led decision-making and so on', it is actually coming up with a couple of projects that are initiated on a specific regional needs basis that we can then apply for, and then if that gets through your finance committees and stuff, you have got something that could be really done at a local level. And if it can be done once and it works well, it can be replicated somewhere else.<sup>908</sup>

In 2015, the Government of Canada shifted its policy approach to engaging with Indigenous peoples and co-developing projects and programs that have the flexibility to meet the needs of local communities. Using this approach, it co-developed the Indigenous Skills and Employment Training (ISET) program with Indigenous leaders in 2018. The ISET program has four streams that are tailored to the needs of different Indigenous groups—First Nations, Métis, Inuit and urban/non-affiliated Indigenous people. The program provides funding to local Indigenous service delivery organisations for them to design and deliver employment services for jobseekers in their communities. Work on a performance measurement strategy to evaluate the program's effectiveness was set to begin in 2019–20.909

<sup>907</sup> Ms Cheryl Drayton, Elder, Kurnai community, public hearing, Warragul, 11 December 2019, Transcript of evidence, p. 1.

**<sup>908</sup>** Mr Jaiden Lillyst, Burron Guli Program Facilitator, Ballarat and District Aboriginal Co-operative, public hearing, Ballarat, 23 October 2019, *Transcript of evidence*, p. 38.

<sup>909</sup> St Aubin, 'Indigenous Skills and Employment Training (ISET) program', pp. 2, 6, 8, 13.

Jobseekers facing disadvantage are best placed to identify the types of support they need to find and retain employment and where existing employment services are falling short. For this reason it is important for jobseekers from a range of backgrounds to have input in the design of employment programs. The Victorian Government should ensure it engages with jobseekers facing disadvantage when seeking to improve its employment programs. Employers should also be involved so they can share their insights and at the same time gain a better understanding of jobseekers' needs and employment barriers. Small Business Victoria, which assists Victorian businesses to establish themselves and grow, could facilitate this engagement with small business employers. Where possible, co-development of employment programs with local communities should be explored to improve service delivery and employment outcomes.

**FINDING 53:** Employment program design is enhanced by collaborating with jobseekers facing disadvantage who can share their lived experience and identify areas of improvement for service delivery.

**RECOMMENDATION 62:** That the Department of Jobs, Precincts and Regions work directly with jobseekers facing disadvantage and employers to co-design improvements to employment programs so they meet jobseekers' needs.

# **4.2.5** Entrepreneurship and self-employment are effective ways to create jobs

Another way of increasing employment opportunities for jobseekers facing disadvantage is encouraging jobseekers to develop a small business that employs themselves and potentially others. Stakeholders supported initiatives to create and develop small businesses especially among people from migrant and refugee backgrounds and Aboriginal and Torres Strait Islander backgrounds as well as older people. 910 Establishing a small business not only provides employment for the owner but also has the potential to create jobs for the owner's family and friends as well as for jobseekers with a similar background to the owner, as shown in Case study 4.10.

<sup>910</sup> For example, Mr Grahame Rowland, Submission 28, p. 5; WEstjustice Community Legal Centre and Springvale Monash Legal Service, Submission 62, p. 2; National Employment Services Association, Submission 87, p. 13; Centre for Multicultural Youth, Submission 89, p. 3.

### **CASE STUDY 4.10:** There is 'a need to support African women in running businesses and supporting entrepreneurship'

'I am South Sudanese. I arrived here in 2002 as a refugee with my family. I will say my path is to a professional occupation because I am currently in a paid intern position at the Centre for Multicultural Youth. Before that I guess I did not have access to a professional occupation through the multiple applications that I had sent out. It was through actually a family friend who was self-employed. She kind of took me under her wing and she mentored me and taught me a lot about office administration and things like that. In this example of mentoring and role modelling, in addition to the community organisations that provided programs for me, I was able to gain access to other opportunities, such as what I currently have.

I guess what this highlights is a need to support African women in running businesses and supporting entrepreneurship, because they do bring other people along and do also help other people to gain the skills that they have accessed. But given the inaccessibility of jobs due to computer illiteracy and a lack of access to information, this will continue to be a challenging prospect for people from migrant and refugee backgrounds.'

#### Emmanuela Piath Noi

Source: Ms Emmanuela Piath Noi, public hearing, Melbourne, 4 September 2019, *Transcript of evidence*, pp. 18–19.

The ECCV noted about one-third of small businesses are run by people from culturally and linguistically diverse (CALD) backgrounds. <sup>911</sup> Examples of successful small businesses set up by migrants and refugees who were struggling to find work include food vans, pop-up restaurants and takeaway food businesses. <sup>912</sup> The Committee was told migrants and refugees display high levels of initiative and creativity, often bring business experience to Australia and have greater success establishing businesses than the general population. <sup>913</sup> According to the Centre for Policy Development, 'statistics show that refugees are more entrepreneurial than other migrants and that over time they can catch up with others in the job market.' <sup>914</sup> Supporting refugees to establish small businesses could result in the Australian economy gaining \$1 billion over 10 years.

<sup>911</sup> Cr Kris Pavlidis, Chair, Ethnic Communities' Council of Victoria, public hearing, Melbourne, 4 September 2019, *Transcript of evidence*, p. 33.

<sup>912</sup> Victorian Multicultural Commission, Submission 97, p. 5.

<sup>913</sup> Cr Kris Pavlidis, *Transcript of evidence*, p. 33; Ethnic Communities' Council of Victoria, *Submission 58*, p. 7; WEstjustice Community Legal Centre and Springvale Monash Legal Service, *Submission 62*, p. 11; Centre for Multicultural Youth, *Submission 89*, p. 20; Victorian Multicultural Commission, *Submission 97*, p. 8.

<sup>914</sup> Centre for Policy Development, *Settling better: reforming refugee employment and settlement services*, Centre for Policy Development, Sydney, 2017, p. 6.

<sup>915</sup> Ms Tina Hosseini, Transcript of evidence, p. 34; Centre for Policy Development, Settling better, p. 6.

Stakeholders who work with people from CALD backgrounds recommended the Victorian Government support newly arrived migrants and refugees to set up their own business by teaching them how to navigate business requirements and providing mentoring opportunities and seed funding. For example, Cr Kris Pavlidis, Chair of ECCV, stated:

They come here with skills; they come here with business experience. However, the red tape that is associated in setting up your own business, again it assumes that people know how to navigate that system ... So how do we make that a little bit more user-friendly in terms of accessibility, but also in terms of engaging and encouraging people to want to set up a business.

Another thing is: we often talk about mentoring. There are a lot of successful examples in the community. How about getting some of the more established small business people, CALD background or not, to buddy up, if you like, or to have some kind of engagement with these people, all the new and emerging communities who have an interest in setting up a business, and talking them through some of these obstacles.<sup>917</sup>

Ms Hosseini from the Victorian Multicultural Commission added:

The lack of funding, that initial start-up funding, is probably the biggest challenge that communities are facing, but also support in terms of, I guess, aid while they are trying to start. It is such a big risk, and when you are someone that has come from such a difficult circumstance, to take that initial risk is much harder. You are not sure whether it is going to be worth it in the end, so having that support initially is quite important. But they need more tools, training and opportunities to bring successful refugee entrepreneurs together under, maybe, a community of practice model to share those learnings.<sup>918</sup>

The Australian Government's New Enterprise Initiative Scheme (NEIS) provides unemployed people with accredited small business training, mentoring and support to put a business idea into practice and an allowance equivalent to the JobSeeker Payment for 39 weeks. However, stakeholders mentioned that people from non-English speaking backgrounds would struggle to complete the training due to the high level of English proficiency required. The need for highly proficient English was also raised for people wishing to undertake training offered through Small Business Victoria.

ECCV asked for the Victorian Government to collaborate with multicultural organisations to improve access for people from CALD backgrounds to the Victorian Government's online resource, Business Victoria, as well as Consumer Affairs Victoria resources. It also wanted the Australian Taxation Office and the Australian Securities and Investments Commission to make their resources more accessible, adding they

<sup>916</sup> For example, Ethnic Communities' Council of Victoria, Submission 58, p. 2; WEstjustice Community Legal Centre and Springvale Monash Legal Service, Submission 62, p. 12; Cr Kris Pavlidis, Transcript of evidence, p. 33; Ms Tina Hosseini, Transcript of evidence, p. 34.

<sup>917</sup> Cr Kris Pavlidis, Transcript of evidence, p. 33.

<sup>918</sup> Ms Tina Hosseini, *Transcript of evidence*, p. 34.

<sup>919</sup> Victorian Multicultural Commission, Submission 97, p. 5.

<sup>920</sup> Ms Tina Hosseini, Transcript of evidence, p. 34.

need to take into account '[s]ome entrepreneurs from refugee backgrounds or who have had refugee-like experiences are distrustful of government.'921 Ms Hosseini suggested Small Business Victoria run more informal information sessions for communities across the state.922 This was supported by community legal services WEstjustice and Springvale Monash Legal Service, who also suggested the Victorian Government raise awareness of suitable small business grants and assist people from CALD backgrounds to apply for them.923

Greater awareness of available assistance and incentives to establish a small business should also extend to Aboriginal jobseekers, according to Ms Rhianna Kerr, a young Aboriginal woman working as the Cultural Heritage Project Officer for Ceremony and Administration at Dja Dja Wurrung Clans Aboriginal Corporation, who said:

as an Aboriginal person it is a scary concept to start your own business and run your own business and do Traditional Owner business on Country for your own people. It is a terrifying concept ...

I know there are already a lot of incentives for small businesses, especially businesses that are starting up, but I think a lot of Aboriginal people do not know about them. So the communication of them to Indigenous organisations like Dja Dja Wurrung, like Djandak [the commercial arm of Dja Dja Wurrung], that would be very, very beneficial for their members and the community members around them as well.<sup>924</sup>

An OECD report on Indigenous employment and skills strategies in Australia found the key challenges for Indigenous entrepreneurs are that they are often younger and do not have much business expertise and collateral for loans. The report recommended the Australian Government support entrepreneurship education for Indigenous Australians through coaching, training and peer learning.<sup>925</sup>

Mr Lillyst from Ballarat and District Aboriginal Co-operative agreed that self-employed Aboriginal people who are starting out need more information about the regulatory environment they are operating in, stating:

you have got schools who want activities done, you will have a didge player come out or you will have someone come out and sing. You have got an art project and you will endorse an artist to come out and work for that ... What do they need to understand? Is that quite a BAS statement kind of level, or is this just declared? It is actually just having a general understanding of: how will they do their tax? There is probably not enough knowledge around a sole trader, which is probably what a lot of our people will exist as, being musicians, being artists, being performing artists as well—people who are doing a lot of projects in the arts realm as well. 926

<sup>921</sup> Ethnic Communities' Council of Victoria, Submission 58, pp. 2, 7.

<sup>922</sup> Ms Tina Hosseini, Transcript of evidence, p. 34.

<sup>923</sup> WEstjustice Community Legal Centre and Springvale Monash Legal Service, Submission 62, p. 12.

<sup>924</sup> Ms Rhianna Kerr, public hearing, Bendigo, 22 October 2019, Transcript of evidence, p. 25.

<sup>925</sup> Barr, 'OECD report on Indigenous employment and skills strategies in Australia', pp. 14, 19.

<sup>926</sup> Mr Jaiden Lillyst, Transcript of evidence, p. 37.

Mr Alec Carson, Workforce Development Coordinator at Ballarat and District Aboriginal Co-operative, suggested successful Aboriginal business owners could help those starting out:

you have lots of people with the skills in making the traditional Aboriginal cultural things that you do, but again it is the selling, and it is the coordination probably of individual one-off sole traders into something where you can actually leverage off that with a bit of management expertise at a top level to actually help with the marketing and stuff. But again I think it is actually somebody from within the Aboriginal community that has made a success of a business that can tell the stories as well as deliver the training. I think those are the two pointers—the knowledge is exchanged through the storytelling, and it is actually growing those skills, but success stories will do it.<sup>927</sup>

In addition to information and mentoring, Mr Kildea from Wan-Yaari Aboriginal Consultancy Services said new businesses need a sustainable client base to maintain:

cash flow. That is the biggest issue ...

there is Indigenous Business Australia that provides some business loans and things like that as well. Start-up funds are really crucial to, I guess, the set-up, but the managing [of] cash flow I think is the biggest issue. Then I think it is more broad than that. I am not saying that there needs to be funding and start-up money to Aboriginal businesses; I think if there is more accountability for bigger organisations in those regions to support those businesses and to work with them and develop longer term contracts, it is so much easier to look at the sustainability of your business rather than going from a three-month contract to a potentially 12-month to three-year contract. 928

Aboriginal businesses are effective at creating jobs for local Aboriginal people as demonstrated by The Connection, a function centre and catering business owned and operated by Ms Felicia Dean, who is also the Chief Executive Officer of Rumbalara Aboriginal Co-operative (see Case study 4.11). When asked how the Government can encourage more Aboriginal entrepreneurship, Ms Dean responded:

There are a number of statewide organisations, like Kinaway, which can help with business ideas and can help someone, but at the end of the day it is around the funding and money that you need to set a business up. I do not think there is any funding around that might help a small business initially set up, like on a loan, without going to a bank. Perhaps some support around that would be really good.

About five years ago we had a leadership program here called the Algabonyah Aboriginal leadership program, and I co-facilitated that with Professor Marcia Langton from the University of Melbourne ...

We had about 14 participants there. Of those 14 participants, seven of them identified that they would like to set up their own business, and they had a whole heap of ideas. But they were just very scared because most of these participants were, I would say,

<sup>927</sup> Mr Alec Carson, Workforce Development Coordinator, Ballarat and District Aboriginal Co-operative, public hearing, Ballarat, 23 October 2019, *Transcript of evidence*, p. 37.

<sup>928</sup> Mr Ricky Kildea, Transcript of evidence, pp. 42–43.

coming from middle management backgrounds already. They were sitting around their late 30s or 40s, so they were not younger people. But it was more around they were just scared really, and they wanted to see somebody else do it. I guess using other Aboriginal businesses that are around now as perhaps role models for them would be certainly a good support system as well.<sup>929</sup>

Older people who want to start their own business would also benefit from guidance and tools to assist them according to Ms Tina Hogarth-Clarke, Chief Executive Officer of the Council on the Ageing Victoria (COTA Vic). She said some women in their 50s who work in health and aged care want to start their own business but need assistance to understand business processes including accounting, registrations and insurance.<sup>930</sup>

Stakeholders gave examples of programs assisting jobseekers to build their capacity to start their own business, such as:

- Inner Northern LLEN's Youth Enterprise Hub, which helps to build enterprise skills and capabilities in young people
- BSL's Stepping Stones program, which develops small business and self-employment capabilities in recently arrived migrant and refugee women
- the Centre for Multicultural Youth's Enterprising Communities program, which builds
  the capacity of emerging entrepreneurs from migrant and refugee backgrounds.<sup>931</sup>

While the Victorian Government provides online resources, workshops and mentoring programs through Small Business Victoria, the evidence the Committee received suggests they are not reaching, and are not suitable for, all jobseekers facing disadvantage. This assistance should be made more accessible to CALD and Aboriginal communities.

Jobseekers facing disadvantage who are interested in starting a small business would also benefit from small amounts of seed funding. This funding could be provided via a revolving and forgivable loan model, where the Government provides loans for start-up costs that are repaid if the business is successful or forgiven if not. As a revolving loan fund, loan repayments would be reinvested into new small businesses created by jobseekers facing disadvantage.

**<sup>929</sup>** Ms Felicia Dean, Chief Executive Officer, Rumbalara Aboriginal Co-operative, public hearing, Shepparton, 20 November 2019, *Transcript of evidence*, p. 29.

<sup>930</sup> Ms Tina Hogarth-Clarke, Chief Executive Officer, Council on the Ageing Victoria, public hearing, Melbourne, 4 September 2019, Transcript of evidence, p. 53.

<sup>931</sup> Inner Northern LLEN, Submission 50, p. 8; Hume City Council, Submission 61, p. 16; Centre for Multicultural Youth, Submission 89, p. 20.

### **CASE STUDY 4.11:** '[T]hey are able to get part-time employment because of the opportunity they had here'

'I purchased this business [The Connection, a function centre and catering business] about four years ago. Aboriginal employment is really important. All my staff here are Aboriginal, and I have about 12 ...

I changed my career a few times, but what really got me interested in private business was for the last four years being involved in the national Empowered Communities model that they [Indigenous leaders] have been running. There are eight sites across Australia. The Goulburn Valley is one of them. The Empowered Communities model looks at if you are seeking and working towards parity in the Aboriginal community—and parity across the board for everything, whether it is economic development, health, justice, all of that—you have got to get involved in that sort of stuff.

I used to coach a little netball group, and this was at the Rumbalara Football Netball Club. The big company Wesfarmers were in town ... They are companies like Coles, all the ones that come under Wesfarmers—Coles, Kmart, Bunnings, all of that. They have got an Aboriginal employment strategy. We linked in with them through the Kaiela Institute and Rumbalara Football Netball Club and got them to sign up to employing young people. I had these little girls who I was coaching in netball, and they would sit on the sidelines and they would see the older ones come out and play netball ...

These two girls were working at Target, so they had their own money. On the day that they were playing netball, they came out to play and they were all dressed up like teenagers do, you know, when they play sport—girls. They had full make-up ...

Their hair was beautiful. They had foils in their hair and they had new runners on. So I had these little under-11 girls, and they were watching them and they said, 'When I grow up, I want to be like Chonoa'. And they said, 'She works at Target'. Chonoa had a job, so she had her own money. So there was this aspiration there, and it really got me going. And I thought, 'Well, what can I do to help that?'. This was probably eight years ago. What makes me feel really proud is some of those girls now work for me. And I thought, 'Well, when I was that age, I never thought that I could get a job at Target or any of the shops', and I thought, 'How can I change that?'. I wanted to have a go at doing my own business, and I thought, 'Well, if they come in here and work for me, we can teach them early learning skills, job confidence, turning up to work on time—those sorts of things'. They do not stay with me forever—they can go on—but they have got a basis for where they can work. We can write a reference for them, which is another barrier. If you do not have a reference, you do not have experience, you cannot get a job somewhere. And that is what has happened.

(continued)

#### **CASE STUDY 4.11** (continued)

I have had four trainees in the three or four years that we have been here. A number of my girls have had gap years, so they worked their gap year and they are now at university. One is doing her vet training over in Albury-Wodonga, and the other one is down in Melbourne. It was really good because I know those girls are now in those towns and they are able to get part-time employment because of the opportunity they had here. They are funding themselves while they are at university. Perhaps they would not have had that opportunity. Perhaps they would not have gone on. These are girls who have come through ASHE, which is the Academy of Sport, Health and Education, which is a partnership between the University of Melbourne and Rumbalara Football Netball Club. ASHE was established as a centre where young people, Aboriginal people, who perhaps had been disengaged from mainstream schools, would then attend this place and they would get reengaged again. That is what started me off, and that is what keeps me going, because I always think life has been good for me. I have worked at the executive level, so I have earned very good wages, and I feel it is my way of giving back to the community.'

#### Felicia Dean

Source: Ms Felicia Dean, Chief Executive Officer, Rumbalara Aboriginal Co-operative, public hearing, Shepparton, 20 November 2019, *Transcript of evidence*, pp. 26–27.

**FINDING 54:** Assisting jobseekers from disadvantaged backgrounds to start a small business helps them gain financial independence and can lead to them creating jobs and employing jobseekers from similar backgrounds.

**RECOMMENDATION 63:** That the Victorian Government introduce a revolving and forgivable loan fund to support jobseekers from disadvantaged backgrounds start a small business.

**RECOMMENDATION 64:** That the Victorian Government provide resources and mentoring and run workshops through Small Business Victoria specifically for Aboriginal and culturally and linguistically diverse people interested in starting a small business.

## 4.2.6 Improved transport and digital connectivity will reduce employment barriers

As discussed in Section 4.1.2, transport and digital infrastructure can have a significant impact on the ability of jobseekers facing disadvantage to gain and retain employment. This is especially the case for jobseekers living in outer suburban Melbourne and regional Victoria who have fewer options. This section presents stakeholders' suggestions to improve transport and digital connectivity in these areas to improve access to education, training and employment.

#### **Optimising public transport**

Jobseekers who cannot drive, either because they do not have access to a car, do not hold a driver licence or both, are at a disadvantage when searching for work, especially if they live in an area with poor public transport services. Existing public transport in Melbourne is largely designed to move workers into and out of the central business district around traditional office hours. There are fewer services in the suburbs, in terms of number and frequency, that link people with industrial zones or commercial zones across metropolitan Melbourne, especially at nights and on weekends. Jobs located in these zones, such as warehousing, manufacturing, retail and hospitality, which can require shift work, are often those that jobseekers facing disadvantage are likely to apply for.<sup>932</sup>

Several stakeholders called for improved public transport to increase the frequency of services and create new bus routes that cover areas across Melbourne where disadvantaged jobseekers live and are likely to work.<sup>933</sup> According to the Public Transport Users Association, improving the public transport network to improve employment outcomes for jobseekers facing disadvantage:

entails not only making universal access a reality, but also ensuring that services are frequent, that they operate across a wide span of hours, provide good geographical coverage and are well integrated to provide seamless connections.<sup>934</sup>

Similar calls were made in regional Victoria where public transport can be patchy. For example, Ms Wilson from Yarrawonga Neighbourhood House said:

Public transport in and out of town is pretty much non-existent. You could get a 6 o'clock-in-the-morning bus but you might not be able to get back until the next day. We did have a full bus service between our towns going out to Bundalong and across to Mulwala. That was not utilised sufficiently, so it has been cut, but there is still a taxi service that can be used for that bus service basically. But yes, getting to Wangaratta

<sup>932</sup> Mr Peter Parker, Submission 6, pp. 3, 16; Greater Dandenong Regional Employment Taskforce, Submission 54, p. 6.

<sup>933</sup> For example, Mr Peter Parker, Submission 6, p. 16; Maribyrnong and Moonee Valley LLEN, Future Connect and WynBay LLEN, Submission 46, p. 3.

<sup>934</sup> Public Transport Users Association, Submission 67, p. 2.

or Shepparton or anywhere close by where you might have to go for a job interview is pretty impossible unless you have got a driver licence ... [and if you get the job] you have got to get there every day.<sup>935</sup>

This view was echoed by Ms Amanda Tingay, Manager, Neighbourhoods at Greater Shepparton City Council, who said:

the majority of the work is in Shepparton, and in Mooroopna, so a service that is able to support getting people from outlying towns into the municipality by 8:30 am or 9 o'clock and then home on a service at 5:00 pm or 5:30 pm would certainly be advantageous for our community.

In addition to poor access to employment, poor public transport service in smaller towns restricts residents from accessing education and training opportunities.

Mr Edgington from the Ballarat Regional Trades and Labour Council said:

For Ararat and Stawell, with the Ararat rail corridor I am told that trains are not meeting requirements to be able to get to class on time and then to get home on time through that corridor. That could be a timetabling situation or issue ...

maybe [what is needed is] an earlier train coming out from some of the regional centres in Maryborough and Ararat to accommodate students.<sup>937</sup>

He added that the loss of course offerings in outer regional areas required students to travel to larger centres and for those who have a practical component such as apprentices, they may need to stay a few nights, which:

becomes a significant impediment. Certainly with free TAFE it has been fantastic. As I said, the take-up has been overwhelming and it has been a wonderful thing to watch but there are still students who have not been able to access that opportunity because it is just too difficult.<sup>938</sup>

He also suggested a program that made Federation University residences available to students from Horsham, Ararat, Stawell and Maryborough to stay at while they undertake training in Ballarat and 'there could be some sort of additional payment that they could make application for that would cover transport and accommodation costs while they were training.'939

Financial support to access transport was also suggested by other stakeholders, such as Ms Josie Rose, Project Lead, Quality Teaching and Learning at Strengthening Pathways for Adult Learners in Gippsland, a project providing place-based training opportunities for jobseekers facing disadvantage. She gave examples of jobactive providers paying

<sup>935</sup> Ms Pauline Wilson, *Transcript of evidence*, pp. 23–24.

**<sup>936</sup>** Ms Amanda Tingay, Manager, Neighbourhoods, Greater Shepparton City Council, public hearing, Shepparton, 20 November 2019, *Transcript of evidence*, p. 4.

<sup>937</sup> Mr Brett Edgington, Transcript of evidence, p. 29.

<sup>938</sup> Ibid.

<sup>939</sup> Ibid.

for taxis to enable jobseekers to attend one of the courses in Fulham, which is about 15 kilometres out of Sale, and of a teacher giving students a lift to the course, which 'is fabulous that she does that but that is not sustainable.'940

The Gordon and Whitelion, an organisation that provides support and services to young people leaving the justice system, suggested the use of pre-paid myki cards to assist jobseekers to attend employment and training programs.<sup>941</sup> Ms Rose also suggested providing transport vouchers in regional areas:

Maybe the course comes with a transport voucher if they need it—something like that, something that is easy—because if we make it too difficult or with too many forms to fill in, if they cannot fill in forms, it is not going to happen.<sup>942</sup>

Ms Rosemary Allica, Manager of Warragul Community House, added that forms for people who are facing significant disadvantage have to be accessible:

These people have low literacy and numeracy, and the first thing you ask them to do is fill in a complex form ...

It is not only hard for them; it is off-putting for them in terms of their self-confidence because they are faced with something difficult almost straightaway that is difficult for them.<sup>943</sup>

Latrobe City Council also suggested improving access to employment for jobseekers facing disadvantage, particularly young people, through better 'transport connections, adequate bus timetabling and travel subsidies (or free travel) for study and employment'.944

Adequate public transport services are essential for improving disadvantaged jobseekers' access to education, training and employment opportunities. The Victorian Government should review the adequacy of metropolitan and regional bus services to and from economic centres and industrial zones where jobseekers facing disadvantage are likely to find work, and make suitable improvements.

**RECOMMENDATION 65:** That the Department of Transport review the number and frequency of bus services to and from education centres and commercial and industrial zones in metropolitan and regional Victoria in relation to where jobseekers facing disadvantage live, and make improvements where necessary to increase access.

**<sup>940</sup>** Ms Josie Rose, Project Lead, Quality Teaching and Learning, Strengthening Pathways for Adult Learners in Gippsland, public hearing, Warragul, 11 December 2019, *Transcript of evidence*, p. 36.

<sup>941</sup> Whitelion, Submission 94, p. 9; The Gordon, Submission 100, p. 2.

<sup>942</sup> Ms Josie Rose, Transcript of evidence, p. 37.

<sup>943</sup> Ms Rosemary Allica, Manager, Warragul Community House, Strengthening Pathways for Adult Learners in Gippsland, public hearing, Warragul, 11 December 2019, *Transcript of evidence*, p. 37.

<sup>944</sup> Latrobe City Council, Speaking notes, supplementary evidence received 11 December 2019, p. 9.

#### **Higher education study hubs**

Several representatives of regional councils and organisations strongly supported the development of higher education study hubs in their region. These hubs would enable regional students to study courses locally that are delivered by distance from any university or higher education institution. The hubs would offer study spaces, computers, videoconferencing and high-speed internet access as well as administrative, academic and pastoral support services.

Mr Budge from the City of Greater Bendigo supported:

a multi-university hub in the city centre for any university that wants to offer programs. We know there is competition between universities, but the reality is that things are very different now ...

about 60% of the student body at La Trobe [University Bendigo] are not from Bendigo: they have been attracted from the wider region ... It is dangerous to generalise and stereotype, but generally for students at that campus, first of all their disadvantage is that their parents cannot afford to have them located in Melbourne. That is a huge disadvantage in itself. Clearly for some students who are shifting from the outer areas of the region shifting to Bendigo is a big step for them ...

We say that once you have got a computer in front of you the world is your oyster, but it has been a problem at La Trobe—and the Youth Mayor was very strong on this—that the increased use of online programs is turning off quite a lot of students. There is no need for them to attend the campus. So we have got millions of dollars' worth of bricks and mortar, and yet the number of students that are actually in attendance, because of online learning, is less and less. 946

Mr Richardson from the Loddon Campaspe Regional Partnership stated that young people in regional and rural areas need:

greater connectivity at a higher gig speed ... and having greater connectivity such that you can download and have faster speeds to be able to study online.

I think the universities are certainly challenged financially in sustaining campuses in regional Victoria. There is no doubt about that model. I think everyone that is out in the regions—FedUni, Deakin Uni, La Trobe Uni—is all struggling for numbers and sustainability under the Federal model, but the opportunity there for the State Government is certainly around extending the TAFE network and providing opportunities for TAFE to run satellite campuses and satellite services, working closely with the Skills Commissioner in identifying where there are real job skills needed and providing directed funding in those important areas, whether it be mining, whether it be agriculture, to make sure there is a match between capability and employers' requirements.<sup>947</sup>

**<sup>945</sup>** For example, Cr Samantha McIntosh, *Transcript of evidence*, p. 3; Mr Trevor Budge, *Transcript of evidence*, pp. 5–6; Bass Coast Shire Council, *Submission 39*, p. 5.

<sup>946</sup> Mr Trevor Budge. *Transcript of evidence*, pp. 5–6.

<sup>947</sup> Mr David Richardson, Transcript of evidence, p. 51.

In 2019, Gippsland East LLEN successfully established a higher education study hub at Bairnsdale in partnership with Federation University, East Gippsland Shire Council, TAFE Gippsland, Wellington Shire Council and Nexus Mutual credit union. The project was supported by the Australian Department of Education, Skills and Employment. As explained by the LLEN:

Although predominantly established to support off-campus study, any university student whose home is in Gippsland East and who holds a Commonwealth Supported Place—studying any course at any university ... can be supported through the Study Hub.

The Hub will provide learning and other support services to students who are dealing with factors inhibiting enrolment and completion such as: the cost of studying away from home; limited access to student support when studying online; and life-style decisions to balance study with home and work, and with community/social engagement.<sup>948</sup>

The Hub is free for students of any tertiary institution including TAFE, and its aim is to increase the number of local students completing their courses. Gippsland East LLEN also wants to develop a Digital Entrepreneurs Hub at the same base in Bairnsdale to support people working in digital jobs, such as website design, or in jobs that rely on digital platforms, such as industrial design for international clients.<sup>949</sup>

**FINDING 55:** Higher education study hubs in regional areas provide students in regional and rural Victoria with infrastructure and support services enabling them to complete university or TAFE courses locally.

**RECOMMENDATION 66:** That the Victorian Government support the creation of higher education study hubs in regional and rural areas of Victoria with poor access to tertiary education options.

# 4.2.7 Long-term funding of employment services contracts allows for more intensive support

Short-term funding of employment programs for one to three years was raised as a barrier to providing intensive support to highly disadvantaged jobseekers who might need years to overcome personal barriers and build work readiness. As explained by Ms O'Brien from GROW (G21 Region Opportunities for Work):

I can think of a person whose success was at Year 7 [of engagement]—a Northern Futures person. They had been engaged and disengaged and engaged and disengaged, and the trick is if you have a failure, it is not the end. With some of the employment

<sup>948</sup> Gippsland East LLEN, Submission 84, p. 12.

<sup>949</sup> Ibid.

service KPIs, it means you are exited, whereas the Northern Futures ethos over the years has been that it is genuine community development principles. So that is just a hiccup and when things are better ... You might have some crisis in your family, someone that you become a carer for. You will come back to this when you can. So you did not finish your training or you fell out of that job; it does not mean you will not be able to get back on the horse and continue on. Sometimes people's journeys are quite messy. I mean, that is just life. Then in the end you can meet that person and they can say, 'Yeah, yeah, I've been in this job and I love this job, and I finished that course', and it is because they had a Northern Futures to hold the space.<sup>950</sup>

Ms O'Brien said longer funding contracts of between seven to 10 years are more suitable for providers to deliver adequate services to very vulnerable jobseekers—'the quintile that actually falls through the cracks.'951

For Mr Mithen from the Give Where You Live Foundation, government funding for programs such as Northern Futures, which delivers tailored education and employment opportunities for jobseekers facing disadvantage in Geelong's northern suburbs, has been piecemeal. He said:

it has been a difficult process to get funding lined up for an extended period of time, and when I say extended, maybe three to five years. The GROW initiative is maybe a good example ... so we at the foundation made an early commitment of 10 years ... at \$2 million, because we said there is entrenched disadvantage. The word 'entrenched' gives you a bit of a sign that it is hard to move. Then the State Government has virtually matched that, with about \$1.75 million over a similar period—not quite 10 years, but over a similar period. That was a difficult negotiation with the department that we worked with because it was a hard thing to get through people's heads that we did not want all this money straightaway. We wanted bits over a long period of time, and it was going to cover election cycles ... there is a length of time to this that you do need ... It is more than 12 months. It is probably less than 10 years because that is going to be hard. So it is three to five. I would say minimum three. Five would be good. 952

He gave the example of the DES funding model, where:

there is certainly within that contract other funding to help work with some of the clients who have a disability ... there is recognition in the DES contract that this work, that working with people with a disability, takes longer and is more expensive. I think generally speaking everyone says, 'Yeah, yeah, yeah'—everyone nods ... 'Yeah, of course, it takes that'. I think what we would say with people who have got 21 barriers to work is it is more expensive and it takes longer.<sup>953</sup>

<sup>950</sup> Ms Anne O'Brien, Transcript of evidence, p. 16.

**<sup>951</sup>** Ibio

<sup>952</sup> Mr Bill Mithen, *Transcript of evidence*, p. 16.

<sup>953</sup> Ibid., p. 15.

Executive Officer of Northern Futures, Ms Lyn Morgan, said short-term and outcomes-based funding encourages providers to target 'the low-hanging fruit' so they meet their KPIs.<sup>954</sup> While Northern Futures had a reduction in funding, it was able to raise money and receive grants that enabled it to take a longer-term approach:

this integrated model where we take the time to talk to people, where we specifically guide them through their pathway, have the same mentor all the way through and we know what their aspirations are, what kind of work they are looking for—we cannot give them everything, but we do have engineering and individual support and business, which are quite different to each other and lead to something broader than it sounds. I kind of think if we are able to have funding which will enable us to grow that, to have that integrated model and grow it, I think that would be awesome, and I too agree with the five to seven years. Seven to  $10!^{955}$ 

The Canadian Government's ISET program introduced 10-year funding agreements to enable employment services providers to better support long-term intervention for Indigenous jobseekers.<sup>956</sup>

Longer funding terms of a minimum of four years where some funding can be used to offset administration and staff costs were also supported by The Gordon. It added that successful pilot programs should be funded to continue because:

The current practice of only funding new/pilot programs necessitates consistent re-invention of programs to fit the funding bucket. Successful programs such as the Returnship Program are unable to be re-funded, leading to the loss of momentum, duplication of activity and 'burning' of relationships.<sup>957</sup>

The Centre for Multicultural Youth agreed, stating:

Defunding and significant re-structuring, including regular changes in funding criteria and eligibility, result in instability within established and niche programs and lead to significant gaps in support measures for young people. While review and program improvement are essential to effective and responsive service delivery, programs funded at the state and local government with good track records are often subject to short-term funding cycles. While other services and organisations often scramble to fill the gaps left behind, placing significant pressures on their workforce and budgets, the dramatic result is that many young people who need support experience significant periods where basic help is unavailable.<sup>958</sup>

As mentioned by the Greater Dandenong Regional Employment Taskforce, the University of Melbourne's The Policy Lab supports not-for-profit organisations providing employment assistance to jobseekers facing disadvantage because these jobseekers

<sup>954</sup> Ms Lyn Morgan, Transcript of evidence, p. 19.

<sup>955</sup> Ibid., pp. 19-20.

<sup>956</sup> St Aubin, 'Indigenous Skills and Employment Training (ISET) program', p. 7.

**<sup>957</sup>** The Gordon. *Submission 100*, pp. 3–4.

<sup>958</sup> Centre for Multicultural Youth, Submission 89, p. 24.

require more intensive and longer periods of support, which for-profit providers are unable to commit to.<sup>959</sup> In its response to an Australian Government discussion paper on reviewing employment services, The Policy Lab explained:

Longer-term investments in building the employability of harder-to-help clients through, for example, housing support or drug and alcohol recovery services, carry too much financial risk for providers in cases where they cannot reliably predict that these investments will result in job outcomes within the duration of the contract.<sup>960</sup>

To provide adequate support to jobseekers facing disadvantage, The Policy Lab favoured a separate, coordinated, place-based program for these jobseekers 'organised along non-profit lines with an employer-based system for work retention and an integrated approach to rehabilitation, health support and appropriate training.'961

Jobseekers facing disadvantage who experience multiple barriers to employment require more intensive support over longer periods to achieve work readiness and then find and retain sustainable employment. The evidence received suggests this support is compromised by short-term funding contracts. The cessation of funding for employment programs and pilot projects that have been evaluated as successful creates inefficiencies as providers must spend time and resources seeking other sources of funding or 'reinventing the wheel' and in some cases, must abandon these initiatives. The Victorian Government should review its funding agreements so that it extends funding to not-for-profit providers who are willing to invest in highly disadvantaged jobseekers and continues funding for successful employment programs and pilot projects.

**FINDING 56:** Short-term government funding of employment programs is inadequate to cover the intensive and long-term support required by highly disadvantaged jobseekers to become work ready and to find and retain employment.

**RECOMMENDATION 67:** That the Victorian Government enter into five-year funding agreements with not-for-profit organisations to enable them to provide intensive wraparound employment services to jobseekers facing disadvantage.

**RECOMMENDATION 68:** That the Victorian Government improve efficiency by extending funding for pilot programs that have achieved significant improvements in employment outcomes for jobseekers facing disadvantage.

**<sup>959</sup>** Greater Dandenong Regional Employment Taskforce, *Submission 54*, p. 6.

<sup>960</sup> Considine, et al., *Improving outcomes for disadvantaged jobseekers*, pp. 10–11.

<sup>961</sup> Ibid., p. 12.

# **4.2.8** Workforce strategies are needed for regional areas and young people

Several stakeholders raised the need for broader workforce strategies to make clear the Government's commitment to improving employment outcomes for jobseekers and to coordinate responses across government departments to achieve this. In particular, there was support for a youth employment strategy and more strategic responses to skills shortages in regional areas.

For example, Mr Richardson from the Loddon Campaspe Regional Partnership, stated:

we have got these very, very sad statistics which I am sure you are aware of. In Bendigo and the broader region we have actually had the highest jobs growth in Australia in the last 12 months at nearly 15%—extraordinary. Yet juxtaposed with that we have got the highest youth unemployment in Victoria ...

The skills gap between what employers expect and what jobseekers offer seems to be getting wider. If there was ever a time for the Skills Commissioner to come to this region and conduct a comprehensive audit as to what is going on in our educational institutions, what our employers need, where the skills gap is and the pathways and opportunities for improvement, it is now.<sup>962</sup>

Victorian LLENs and Children and Young People with Disability Australia called for the Victorian Government to develop a youth employment strategy to address the structural barriers faced by young jobseekers. As explained by Ms Sayers:

What ... would be really worthwhile for the Victorian Government to do is to develop a youth employment strategy, because we know all young people, not just young people with disability, are struggling to find work—a youth employment strategy which has a particular focus on disadvantaged jobseekers, including young people with disability, and builds off existing place-based mechanisms like Local Learning and Employment Networks, like JVEN, like the education initiatives around [case management program] Navigator, but also collaborates with peak bodies, with disability representative organisations.<sup>963</sup>

Mr Trent McCarthy, Chair of Victorian LLENs, shared this view and said LLENS were not advocating for new programs or further funding, but for:

a more strategic and targeted approach that brings together that state aspiration that all young people should have a pathway into work but does so in terms of using some of the existing investments of Government.<sup>964</sup>

Victorian LLENs argued there was a need for Victoria:

to bring schools, industry and the community together to design a whole of government, statewide strategy that addresses the limitations of careers support in

<sup>962</sup> Mr David Richardson, *Transcript of evidence*, pp. 48–49.

<sup>963</sup> Ms Mary Savers. *Transcript of evidence*, p. 48.

<sup>964</sup> Mr Trent McCarthy, Chair, Victorian LLENs, public hearing, Bendigo, 22 October 2019, Transcript of evidence, p. 15.

schools, the absence of accurate labour market information in communities, and the difficulties young people face getting work experience. This strategy would ensure all young Victorians successfully take their first steps into the workforce, building a strong economy, with fewer skills shortages and less dependency on support services in adulthood.<sup>965</sup>

Their proposal for a youth employment strategy entailed the creation of a ministerial taskforce, the provision of online labour market information and the appointment of a youth employment commissioner with each LLEN acting as a branch of the commissioner.<sup>966</sup>

Representatives from regional Victoria also told the Committee their regions needed more accurate information about the current and projected skills demand and shortages in their area. For example, Mr Spence from GROW Gippsland said:

if you look at the Gippsland context, we know there is huge investment. You know, there is the infrastructure investment but there is also a lot of new energy investment. So there are proposed wind farms—there is an offshore wind farm. There are solar farms, there is an energy-from-waste facility. No-one really understands what the skills required are. I think that that is one of the issues. We need to understand what does the next 10 years look like in terms of investment in the region? What are the skills? You know, things like free TAFE are great opportunities, but is the training fitting in with what the requirements are in the region? I think if we can have everything joined up and we have people with the right skills and the right qualifications, then obviously you will deliver more employment opportunities through the delivery of those projects, because you have got people with the skills that are required. I think that is the challenge at the moment.<sup>967</sup>

When asked about the disconnect between regional skills shortages and youth unemployment, Mr Jim Dannock, Regional Manager of the Ballarat and Wimmera Region for the Australian Industry (Ai) Group, said:

a lot of it is anecdotal ... without any structured numbers around it ... So there was some survey work done, and in fact part of what I wanted to do with some funding was to help support some research to get a better idea of what that need was.<sup>968</sup>

He said there is a role for LLENs in workforce planning in the regions:

You have got the Skills Commissioner in Victoria who has got that role, but the Skills Commissioner is only tasked to do certain regions like Mallee and Gippsland, and I think there have been requests for them to do other regions, but that has not come forward at this point in time ...

<sup>965</sup> Victorian LLENs, Submission 98, p. 6.

<sup>966</sup> Ibid., p. 7.

<sup>967</sup> Mr Cameron Spence. Transcript of evidence, p. 29.

**<sup>968</sup>** Mr Jim Dannock, Regional Manager, Ballarat and Wimmera Region, Ai Group, public hearing, Ballarat, 23 October 2019, *Transcript of evidence*, p. 64.

if you had the LLENs doing some of that work and you were resourcing them to do some of that workplace leading role, I think there could be an ongoing area in which they have identified that information and they are then updating that information as they go on. So instead of just being a workforce plan that does not have any follow-up, it is ongoing in a way in which they are able [to] look at their local workforce needs, which could probably be well supported through research out of the department or out of Government, but then some local work that helps to fill in the gaps and to fill in some of those local issues.<sup>969</sup>

Developing an understanding of local skills needs 'from a strategic point of view rather than just from each individual business' would help young people, employers and the broader community prepare for future labour demand.<sup>970</sup>

The Victorian Skills Commissioner, who advises the Minister for Training and Skills on Victoria's training and workforce development needs, has undertaken regional skills demand profiles for the Mallee region in 2017, the Great South Coast region in 2018 and southeast Melbourne in 2019. These profiles are in-depth explorations of shifts in a region's industries and the skills and training needs required for the region to respond to those shifts. Similar work should be conducted across Victoria to give regions a better understanding of how they can better plan to meet labour demand. Victoria has 31 LLENs across the state covering each region, which the Victorian Skills Commissioner could utilise to develop shorter skills demand snapshots for each region, which the LLENs could update regularly.

Given the economic impact of the COVID-19 pandemic, and its effect on youth employment rates in the coming years, it is also an opportune time for the Victorian Government to develop a youth employment strategy to address the challenges young jobseekers will face through a coordinated, whole-of-government response.

**FINDING 57:** Following the impact of the COVID-19 pandemic on unemployment rates, Victoria would benefit from a greater understanding of existing skills gaps across the state and the adoption of whole-of-government workforce strategies to address these gaps.

**RECOMMENDATION 69:** That the Victorian Government develop a youth employment strategy to help young people gain the skills and experience they need to successfully transition into the workforce.

**RECOMMENDATION 70:** That the Victorian Skills Commissioner work with each of Victoria's Local Learning and Employment Networks to develop and regularly update skills demand snapshots for their regions to inform students, jobseekers, educators and the broader community of local skills shortages and future workforce training needs.

<sup>969</sup> Ibid.

<sup>970</sup> Ibid., p. 65.

### **5** Concluding remarks

The evidence presented in this Inquiry highlighted the many complex barriers jobseekers facing disadvantage experience when searching for and trying to retain sustainable employment. Since the number and types of barriers each jobseeker faces are unique, a one-size-fits-all approach to addressing joblessness is ineffective. The recommendations in this report aim to remove, or at least alleviate, these employment barriers to give jobseekers facing disadvantage a better chance to find and retain work, which will result in social and economic benefits for themselves, their families and society more broadly.

The Victorian Government's Jobs Victoria Employment Network (JVEN) acknowledges the complex nature of these employment barriers and seeks to address the shortcomings of the Australian Government's jobactive program to effectively deal with them. JVEN, which started in 2016, aims to provide wraparound support to jobseekers facing disadvantage in a flexible and collaborative way. Most stakeholders praised this approach and there was strong support for JVEN to continue, albeit with some tweaks to its funding model to improve employment outcomes. JVEN was originally funded until 2020 and the Committee recommends continuing its funding when the State Budget is delivered. Evaluation of similar employment services suggests the social return on investment could be threefold in terms of reduced spending on benefits and services and increased tax revenue.<sup>971</sup>

In addition to JVEN, the Victorian Government's Social Procurement Framework also shows great potential for improving employment outcomes for jobseekers facing disadvantage. However, both initiatives are in their early stages and they require further monitoring to evaluate how well they are achieving their stated objectives. Work is also required at the local government level to better utilise social procurement to improve employment outcomes for jobseekers facing disadvantage.

The high number of employment barriers, be they individual, employer-related or structural, indicates there are many facets of joblessness that need to be addressed and the solutions require collaboration between jobseekers, employers, employment services providers, support services, training providers and each tier of government. Greater collaboration and support will also improve the experience for employers and help them to provide sustainable employment opportunities to jobseekers facing disadvantage. This is essential in the current labour market where businesses will face challenges to re-establish themselves and their workforces in the aftermath of the Coronavirus disease (COVID-19) pandemic.

<sup>971</sup> Nicola Inge, Social return on investment of Ready for Work, Business in the Community, London, 2012, p. 3.

Jobseekers facing disadvantage require early and intensive intervention to prevent joblessness. Developing work readiness can be a difficult and lengthy process for highly disadvantaged jobseekers and the Victorian Government must ensure outcomes-based funding models for employment services do not discourage providers from working with these harder-to-place individuals. It became evident to the Committee that better support at school before students enter the workforce could help prevent some employment barriers from taking hold at such a critical point in young people's lives. The Committee supports the continuation of the Victorian Government's efforts to improve school career development and sees further opportunities to improve students' access to work experience and individualised career guidance.

In addition, a whole-of-government approach is needed to address structural barriers to employment such as public transport shortfalls, poor digital connectivity and access to training and work opportunities. While the Victorian Government has implemented substantial measures to improve employment outcomes for jobseekers facing disadvantage over the past five years, the recommendations in this report will help to refine these efforts, which have become even more essential in the current labour market.

The added hurdle of COVID-19's economic fallout will not change the type of employment barriers jobseekers facing disadvantage experience, but it will intensify them and create more competition for the fewer jobs available. That makes the Victorian Government's implementation of this report's recommendations even more urgent.

Adopted by the Legislative Assembly Economy and Infrastructure Committee Melbourne
28 July 2020

# Appendix 1

# **List of submissions**

Submission no.	Individual or organisation	Date received
1	Mr Kenneth McLeod	20 June 2019
2	Mr Wayne Thompson	20 June 2019
3	Mr Dimitri Franghis	22 June 2019
4	Associate Professor Leah Ruppanner	26 June 2019
5	Ms Anne Maxwell	3 July 2019
6	Mr Peter Parker	7 July 2019
7	Name withheld	10 July 2019
8	Confidential	11 July 2019
9	Mr Brendan Paterson	12 July 2019
10	Mr Ben Dennis	13 July 2019
11	Name withheld	19 July 2019
12	Dr Moses Abiodun	19 July 2019
13	Alpine Shire Council	20 July 2019
14	Confidential	20 July 2019
5	Name withheld	21 July 2019
6	Confidential	22 July 2019
17	Mr Rod Barton MP	25 July 2019
8	Mr Grant Leeworthy	25 July 2019
19	Apprenticeship Employment Network	25 July 2019
20	Wyndham Community & Education Centre	25 July 2019
21	Inner Eastern Local Learning and Employment Network	26 July 2019
22	Victorian Alcohol and Drug Association	26 July 2019
23	Name withheld	27 July 2019
24	Name withheld	28 July 2019
25	Volunteering Geelong	29 July 2019
26	Future Connect	29 July 2019
27	Sacred Heart Mission	29 July 2019
28	Mr Grahame Rowland	30 July 2019
29	Yarrawonga Neighbourhood House	30 July 2019
30	Melton City Council	30 July 2019
31	St Vincent de Paul Society Victoria	30 July 2019

Submission no.	Individual or organisation	Date received
32	Brimbank City Council	30 July 2019
33	Municipal Association of Victoria	30 July 2019
34	AMES Australia	30 July 2019
35	Australian Lawyers for Human Rights	30 July 2019
36	Confidential	31 July 2019
37	National Disability Services	31 July 2019
38	Sex Work Law Reform Victoria	31 July 2019
39	Bass Coast Shire Council	31 July 2019
40	Outer Eastern Local Learning and Employment Network	31 July 2019
41	Northern Futures	31 July 2019
42	Anglicare Victoria	31 July 2019
42A	Supplementary submission	9 September 2019
43	City of Greater Bendigo	31 July 2019
44	Social Research Centre	31 July 2019
45	Foundation House-The Victorian Foundation for Survivors of Torture	31 July 2019
46	Maribyrnong and Moonee Valley Local Learning and Employment Network, Future Connect and WynBay Local Learning and Employment Network	31 July 2019
47	Carlton Neighbourhood Learning Centre	31 July 2019
48	City of Stonnington	31 July 2019
49	Committee for Melbourne	31 July 2019
50	Inner Northern Local Learning and Employment Network	31 July 2019
51	Capital City Local Learning and Employment Network	31 July 2019
52	McAuley Community Services for Women	31 July 2019
52A	Supplementary submission	2 October 2019
53	National Centre for Vocational Education Research	31 July 2019
54	Greater Dandenong Regional Employment Taskforce	31 July 2019
55	Council on the Ageing Victoria	31 July 2019
56	Fitted for Work	31 July 2019
57	Australian Government Department of Employment, Skills, Small and Family Business	31 July 2019
58	Ethnic Communities' Council of Victoria	31 July 2019
59	JobWatch	31 July 2019
60	Cultural Infusion	31 July 2019
61	Hume City Council	31 July 2019
62	WEstjustice Community Legal Centre and Springvale Monash Legal Service	31 July 2019

Submission no.	Individual or organisation	Date received
63	Life Without Barriers	31 July 2019
64	Mission Australia	31 July 2019
64A	Supplementary submission	15 November 2019
65	Ms Cate Newcomen	31 July 2019
66	Djerriwarrh Community & Education Services	31 July 2019
67	Public Transport Users Association	31 July 2019
68	Dr Colin Benjamin	31 July 2019
69	Moonee Valley City Council	31 July 2019
70	Central Goldfields Shire Council	31 July 2019
71	Aspergers Victoria	1 August 2019
72	Uniting Vic.Tas	1 August 2019
73	Mildura Rural City Council	2 August 2019
74	yourtown	2 August 2019
75	Victorian Trades Hall Council and National Union of Workers	2 August 2019
76	Council to Homeless Persons	2 August 2019
77	Public Service Research Group, UNSW Canberra	5 August 2019
78	Good Shepherd Australia New Zealand	5 August 2019
79	Victorian TAFE Association	5 August 2019
80	G21-Geelong Region Alliance	6 August 2019
81	Department of Health and Human Services	7 August 2019
82	Give Where You Live Foundation and GROW G21 Region Opportunities for Work	8 August 2019
83	Jesuit Social Services	9 August 2019
84	Gippsland East Local Learning and Employment Network	9 August 2019
85	City of Greater Geelong	9 August 2019
86	Orygen, The National Centre of Excellence in Youth Mental Health	9 August 2019
87	National Employment Services Association	9 August 2019
88	Australian Network on Disability	9 August 2019
89	Centre for Multicultural Youth	9 August 2019
90	Jobs Australia	12 August 2019
91	Children and Young People with Disability Australia	13 August 2019
92	National Social Security Rights Network	13 August 2019
93	Centre for Policy Development	14 August 2019
94	Whitelion	16 August 2019
95	Victorian Council of Social Service	19 August 2019
96	Brotherhood of St Laurence	20 August 2019

Submission no.	Individual or organisation	Date received
97	Victorian Multicultural Commission	21 August 2019
98	Victorian Local Learning and Employment Networks	21 August 2019
99	Department of Jobs, Precincts and Regions	21 August 2019
100	The Gordon	18 October 2019
101	Name withheld	14 November 2019

# Appendix 2 List of witnesses

#### Melbourne, 3 September 2019

Name	Position	Organisation
Mr David Clements	Deputy Secretary, Inclusion	
Ms Kathryn McAnalley	Manager, Employment Policy, Employment	<ul> <li>Department of Jobs, Precincts and Regions</li> </ul>
Ms Annabel Brown	Program Director	Control for Delian David or mont
Ms Shivani Nadan	Engagement Manager	Centre for Policy Development
Associate Professor Leah Ruppanner	Co-Director, The Policy Lab	University of Melbourne
Dr Sue Olney	Research Fellow	Public Service Research Group, UNSW Canberra
Ms Fiona Purcell	Chief Executive Officer	Outer Eastern Local Learning and Employment Network
Ms Tracey Fenton	Projects Manager	Inner Eastern Local Learning and Employment Network
Mr Boyd Maplestone	Chief Executive Officer	Maribyrnong and Moonee Valley Local Learning and Employment Network
Ms Deirdre Hardy	Executive Officer	Future Connect
Mr Dallian D'Cruz	Chief Executive Officer	WynBay Local Learning and Employment Network
Mr Peter Kellock	Coordinator, Research Projects	Inner Northern Local Learning and Employment Network
Ms Deb Carr	Learning Coordinator	Brimbank City Council
Mr Troy Edwards	Director, Policy and Advocacy	Municipal Association of Victoria
Ms Maria Dimitriou	Coordinator, Local Employment Partnership	Hume City Council
Ms Lauren Kerr	Senior Project Officer, Flemington Revitalisation Project	Moonee Valley City Council
Ms Sally Sinclair	Chief Executive Officer	National Employment Services
Ms Annette Gill	Principal Policy Advisor	Association
Ms Nicole Steers	Acting Chief Operating Officer	laka Awakalia
Mr David Taylor	Policy Analyst and Media Liaison	– Jobs Australia
Mr Gary Workman	Executive Director	Apprenticeship Employment Network

Name	Position	Organisation	
Dr Arnaldo Barone	Director of Policy and Advocacy		
Ms Linda Kearley	Manager, Swinburne Hub, Swinburne University of Technology	_	
Ms Jennifer Gordon	Executive Director, Community and Industry Engagement, Wodonga TAFE	Victorian TAFE Association	
Mr Peter Murray	Business Development Manager, Enterprise, Box Hill Institute		
Ms Emma King	Chief Executive Officer	Vietavian Caurail of Casial Camina	
Ms Deborah Fewster	Manager, Advocacy and Engagement	— Victorian Council of Social Service	

# Melbourne, 4 September 2019

Name	Position	Organisation
Dr Carina Garland	Assistant Secretary	Victorian Trades Hall Council
Ms Leanne Lewis	General Manager, People and Strategy	Sacred Heart Mission
Ms Joannah Coetzer	HR Operations Manager	St Vincent de Paul Society Victoria
Ms Sue Sealey	Deputy Chief Executive Officer	Anglicare Victoria
Mr Troy Crellin	Program Manager, Social Enterprise Programs Victoria	Mission Australia
Ms Angela Dapcevic	Head of Employment Services	Uniting Vic.Tas
Mr Stephen Ward	Executive Director, Education Training and Employment	Jesuit Social Services
Ms Melinda Moore	Head of Work, Economic Security and Social Inclusion	Brotherhood of St Laurence
Ms Emmanuela Piath Noi		
Mr Shadab Safa		
Ms Tracy Adams	Chief Executive Officer	yourtown
Ms Gina Chinnery	National Vocational Services Manager	Orygen, The National Centre for Excellence in Youth Mental Health
Ms Willow Kellock	Policy Officer	Centre for Multicultural Youth
Ms Dianne Garner	Project Manager	Whitelion
Mr Luke Whinney	Senior Manager, Education and Employment	AMES Australia
Mr Josef Szwarc	General Manager, Community and Sector Development	Foundation House-The Victorian Foundation for Survivors of Torture
Cr Kris Pavlidis	Chair	Ethnic Communities' Council of Victoria
Ms Erika Jones	Employment Case Coordinator, National Immigration Support Scheme	Life Without Barriers
Ms Tina Hosseini	Commissioner	Victorian Multicultural Commission
Ms Jocelyn Bignold	Chief Executive Officer	McAuley Community Services for Women

Name	Position	Organisation	
Ms Donna de Zwart	Chief Executive Officer	Fitted for Work	
Ms Stella Avramopoulos	Chief Executive Officer		
Dr Sarah Squire	Head of Women's Research, Advocacy and Policy Centre	Good Shepherd Australia New Zealand	
Ms Michelle Wakeford	National Ticket to Work Manager	National Disability Services	
Ms Suzanne Colbert AM	Chief Executive	Australian Network on Disability	
Ms Mary Sayers	Chief Executive Officer	Children and Young People with Disability Australia	
Ms Tina Hogarth-Clarke	Chief Executive Officer	Council on the Ageing Victoria	
Ms Jenny Smith	Chief Executive Officer	— Council to Homeless Persons	
Mr Damien Patterson	Policy and Advocacy Officer		
Ms Tamsin Jowett	President	— Aspergers Victoria	
Ms Gayle Vermont	Programs Manager		

## Bendigo, 22 October 2019

Name	Position	Organisation	
Cr Margaret O'Rourke	Mayor	City of Greater Bendigo	
Mr Trevor Budge	Manager, Regional Sustainable Development		
Mr Mark Brennan	Chair	Bendigo Manufacturing Group	
Mr Dennis Bice	Chief Executive Officer	Be.Bendigo	
Mr Trent McCarthy	Chair	Victorian Local Learning and Employment Networks	
Ms Rhianna Kerr			
Mr Darren McGregor	Chair, Bendigo Education Council and Principal, Marist College		
Mr Dale Pearce	Principal, Bendigo Senior Secondary College	Bendigo Education Council	
Mr Matthew Maruff	Headmaster, Girton Grammar		
Mr Noel Harvey	Chief Administrator		
Mr Martin Collins	General Manager, Community Wellbeing	Central Goldfields Shire Council	
Ms Kate McInnes	Executive Officer	Loddon Campaspe Multicultural	
Ms Bu Gay Pah Thei	Community Development Worker	Services	
Mr Dave Richardson	Chair	Loddon Campaspe Regional Partnership	
Ms Khayshie Tilak Ramesh	Youth Mayor	City of Constant Danding Venth C	
Ms Annika Ritchie	Deputy Youth Mayor	— City of Greater Bendigo Youth Counci	

## Ballarat, 23 October 2019

Name	Position	Organisation	
Cr Samantha McIntosh	Mayor		
Ms Siobhan Dent	Economic Development Projects Officer	City of Ballarat	
Ms Jannine Bennett	Executive Officer	Highlands Local Learning and Employment Network	
Mr Adam Kent	Veteran		
Mr Ben Brooks	Veteran	Ballarat Veterans Assistance Centre	
Ms Sue Yorston	Consultant		
Mr Tony Fitzgerald	Chief Executive Officer		
Associate Professor Jeremy Smith	Chair, Clemente Ballarat Steering Committee		
Dr Steve Else	Clemente Ballarat Academic Coordinator, Australian Catholic University	Centacare	
Ms Josha-Lyn Gibson	Ex-Clemente student	_	
Mr Brett Edgington	Secretary	Ballarat Regional Trades and Labour Council	
Mr Jaiden Lillyst	Burron Guli Program Facilitator	Ballarat and District Aboriginal	
Mr Alec Carson	Workforce Development Coordinator	Co-operative	
Ms Jan Simmons	Team Leader, Work and Learning Advisors		
Mr Ray Creelman		_	
Ms Angie Rowe		Ballarat Neighbourhood Centre	
Mr Milad Nacher		_	
Ms Marie Sutherland			
Ms Jo Turner	Employment Case Worker	McAuley Community Services	
Michelle		for Women	
Ms Hayley McArthur	Multicultural Youth Worker		
Mr Magbul Abraham	Representative	- Contro for Multicultural Vouth	
Mr Christopher Hams	Representative	Centre for Multicultural Youth	
Ms Lamourette Folly	Representative	_	
Mr Jim Dannock	Regional Manager, Ballarat and Wimmera Region	Ai Group	

#### Geelong, 24 October 2019

Name	Position	Organisation	
Ms Robyn Stevens	Director, Community Life	City of Greater Geelong	
Mr Bill Mithen	Chief Executive Officer	Give Where You Live Foundation	
Ms Anne O'Brien	Director	GROW G21 Region Opportunities for Work	
Mrs Lyn Morgan	Executive Officer	Northern Futures	
Mr Ben Flynn	Chief Executive Officer	Geelong Chamber of Commerce	
Mr David Peart	Chief Executive Officer	Geelong Manufacturing Council	
Ms Helen Craven	Human Resources Manager	Air Radiators	
Mr Greg Haynes	GM Employment Services		
Mr Bruce King	Business Development, Apprenticeships	Gforce Employment Solutions	
Ms Lisa Briggs	Interim Chief Executive Officer		
Mr Tony McCartney	Indigenous Engagement and Capacity Building Officer, Business Development, Kangan Institute	Wathaurong Aboriginal Co-operative	
Ms Lee-Anne Habel	Manager, Indigenous Education Centre, Kangan Institute	_	
Mr Ricky Kildea	Director	Wan-Yaari Aboriginal Consultancy Services	
Ms Keelie Hamilton	Director, Student and Industry Engagement		
Ms Carley Brennan	Skilling the Bay Manager	The Gordon	
Ms Tracey Jeffery	Manager, Careers and Training Services	-	

#### Melbourne, 19 November 2019

Name	Position	Organisation	
Ms Melinda Eason	RTO Manager	_	
Mr Josh Wanganeen	Aboriginal Cultural Awareness Lead Trainer	Victorian Aboriginal Community	
Ms Elva Richards	Student	- Services Association Limited	
Ms Emma Wendt	Student	_	
Mr Sam Biondo	Executive Officer		
Mr Ray Blessing	Chief Executive Officer, TaskForce	Victorian Alcohol and Drug Association	
Ms Kristen Lynch	Policy Officer		
Mr Ivan Slavich	Chief Executive Officer	Soldier On Australia	
Ms Anne Pahl	Manager, Veterans Engagement and Transition, RSL Active		
Mr Jeff Jackson	Manager, Veterans Advocacy and Welfare Support	Returned and Services League of Australia-Victorian Branch	
Ms Wendy Bateman	Manager, Aged and Health Support	-	

Name	Position	Organisation	
Ms Sarah Hughes	Program Manager, ReConnect		
Ms Melanie Field-Pimm	Manager, Development	Victorian Association for the Care and Resettlement of Offenders	
Mr Brendan Ivermee		_ una resettlement of offenders	
Ms Leanne Ho	Executive Officer	National Social Security	
Ms Emma Cvitak	Board Member	Rights Network	
Mr Matthew Inkster	Manager, People, Capability and Inclusion, Metro Roads Program Alliance	Fulton Hogan	
Jasmine	Program participant	_	
Mr Khaled Abdulwahab	Community Engagement Officer, Flemington Works	Moonee Valley City Council	
Ms Mariam Geme	Intern, Flemington Works		
Mr Aman Bushe	Program participant	Brotherhood of St Laurence Work and Learning Centre	
Ms Julie McKay	Founder and Managing Director	_	
Mr Jonathon Papadopoulos	Program participant	Enable Social Enterprises	
Ms Despina Papadopoulos	Parent	_	
Ms Liz Morgan	Employment Program Director, Policy and Education	WEstjustice	
Ms Ashleigh Newnham	Manager, Strategy and Community Development	Springvale Monash Legal Service	
Mr John O'Hagan	Lawyer	JobWatch	
Ms Bethany Moore	Convenor, Victorian Branch	Australian Lawyers for Human Rights	
Brandi	Trainee	— Charcoal Lane	
Riley	Trainee		

## **Shepparton, 20 November 2019**

Name	Position Organisation		
Ms Amanda Tingay	Manager, Neighbourhoods		
Mr Michael Carrafa	Team Leader, Business and Industry Development	Industry Greater Shepparton City Council	
Alison	Jobseeker		
Mr Sam Birrell	Chief Executive Officer	Committee for Greater Shepparton	
Ms Pauline Wilson	Executive Officer	Yarrawonga Neighbourhood House	
Ms Felicia Dean	Chief Executive Officer	Rumbalara Aboriginal Co-operative	
Ms Leanne Hulm	Program Manager	GROW Greater Shepparton	
Ms Amanda Kelly	Chief Executive Officer	- Women's Health Goulburn North East	
Ms Jane Gehrig	NILS/Economic Empowerment Worker		

## Warragul, 11 December 2019

Name	Position	Organisation	
Ms Cheryl Drayton	Elder	Kurnai community	
Ms Alison Leighton	Chief Executive Officer		
Ms Elise Harrison	Coordinator, People and Culture	— Baw Baw Shire Council	
Cr Alan McFarlane	Deputy Mayor	Laborator Cita Carrasil	
Mr Steven Piasente	Chief Executive Officer	- Latrobe City Council	
Ms Jane Oakley	Chief Executive Officer	Committee for Gippsland	
Ms Sandra George	Manager		
Ms Jennifer Ebdon	Community Revitalisation Project Coordinator	– Greater Dandenong Regional – Employment Taskforce	
Mr Andrew Simmons	Chief Executive Officer, South East Local Learning and Employment Network		
Mr Cameron Spence	Program Manager	GROW Gippsland	
Ms Diane Carson	Project Manager		
Ms Josie Rose	Project Lead, Quality Teaching and Learning	Strengthening Pathways for Adult Learners in Gippsland	
Ms Rosemary Allica	Manager, Warragul Community House	_	
Mr Bill Westhead	President	Warragul Returned and Services	
Mr Ben Vahland	Vice-President, Operations	League	
Mr Deng Chuor			
Mr Rod Dunlop	Manager		
Ms Sue De Silva	Coordinator, Warragul & District Specialist School	- Mack Circuston of Tunda Tuninin at Alliana	
Liam	Student, Warragul & District Specialist School	– West Gippsland Trade Training Alliance	
Jarrod	Student, Marist-Sion College		

# **Glossary**

Australian Youth Allowance	An Australian Government allowance which provides financial assistance to jobseekers aged 16-21 and students and apprentices aged under 25.
Coronavirus Supplement	A temporary, additional, fortnightly payment to recipients of eligible Australian Government income support payments to assist them during the Coronavirus disease (COVID-19) pandemic.
Disability Employment Services (DES)	The Australian Government's specialised employment service for people with disability, illness or injury.
Disadvantaged jobseeker	In this report, a disadvantaged jobseeker is defined as a jobseeker facing one or more barriers to finding and retaining employment. The barriers to employment may be individual, employer-related or structural.
Diversity gap	The diversity gap in employment opportunities and workforce participation refers to how closely diversity in the workforce matches diversity in society.
Employer-related barriers to employment	Barriers set up by employers at the recruitment stage or in the workplace. These can include bias and discrimination, recruitment practices and decisions, non-inclusive workplace environments and cultures, and poor engagement with employment programs designed to support employers to hire jobseekers facing disadvantage.
Individual barriers to employment	Barriers specific to an individual jobseeker. They can be work-related, such as a lack of skills or experience, or personal, such as poor health, caring responsibilities or housing insecurity.
jobactive	The Australian Government's 'mainstream' employment service for jobseekers receiving income support such as JobSeeker Payment and Youth Allowance.
JobKeeper Payment	An Australian Government wage subsidy available to businesses seriously impacted by COVID-19.
JobSeeker Payment	The unemployment benefit (formerly called Newstart Allowance).
Jobs Victoria	A Victorian Government employment service providing targeted support services for jobseekers and employers.
Jobs Victoria Employment Network (JVEN)	The main program of Jobs Victoria. JVEN is targeted to long-term jobseekers with multiple employment barriers.
Labour force	All people aged 15 and over who are employed (at least one hour per week) or unemployed (not employed and actively looking for work). It does not include people who are retired, unable to work, choose not to work, are permanently unable to work, or who undertake unpaid household duties or voluntary work only.
Long-term unemployment	Unemployment for a period of 12 months or longer.
Newstart Allowance	See JobSeeker Payment.

Older jobseeker	In this report, older jobseekers are defined as jobseekers aged 50 and over.
ParentsNext	An Australian Government pre-employment service for parents with children aged under six years who have been receiving Parenting Payment income support for at least six months.
Place-based approach	Communities developing and delivering solutions to local problems such as unemployment.
Pre-accredited training	Short vocational courses that create pathways into employment or further education and training.
Social procurement	Organisations using their purchasing power to generate social benefits, such as the employment of jobseekers facing disadvantage.
Status Resolution Support Services (SRSS) payment	An Australian Government living allowance for asylum seekers until their immigration status is resolved.
Stigma	When a person is seen negatively by others due to a characteristic or attribute such as cultural background, mental ill-health, substance dependence or a criminal record.
Structural barriers to employment	Barriers created by the broader environment which are beyond individuals' control. They include a lack of transport, poor access to employment and educational opportunities, an unfavourable labour market and deficiencies of current employment services.
Sustainable employment	In this report, sustainable employment is defined as secure, ongoing employment that a worker is willing and able to continue working in.
Transition to Work	An Australian Government pre-employment service for young people aged 15–21.
Unconscious bias	In the workplace context, this refers to an employer's underlying attitudes or stereotypes about people or groups of people that affects recruitment, promotion and staff retention. It is considered to be automatic and outside a person's control.
Underemployed workers	Part-time workers who would like and are able to work more hours.
Underemployment rate	The number of underemployed workers as a percentage of the labour force.
Unemployment rate	The number of people who are not working and actively looking for work expressed as a percentage of people in the labour force.
Workplace discrimination	When an employer adversely treats an employee or prospective employee because of a personal attribute such as cultural background, gender, sexual orientation, age, disability, marital status, pregnancy, caring responsibilities, religion and political opinion.
Youth unemployment rate	The unemployment rate for young people aged 15–24.

# **Bibliography**

Amaze and Victorian Government, *Autism: change your reactions*, 2020, <a href="https://changeyourreactions.com">https://changeyourreactions.com</a> accessed 2 March 2020.

Andrews, Hon. Daniel, Premier, *Building Works: more jobs for Victorians*, media release, Victorian Government, Melbourne, 18 May 2020.

Anglicare Australia, Jobs availability snapshot 2019, Anglicare Australia, Canberra, 2019.

Aspergers Victoria, *Inquiry into sustainable employment for disadvantaged jobseekers:* public hearing presentation, supplementary evidence received 4 September 2019.

Australian Bureau of Statistics, *Business indicators, Business impacts of COVID-19, April 2020*, cat. no. 5676.0.55.003, 2020, <a href="https://www.abs.gov.au/ausstats/abs@.nsf/Previousproducts/5676.0.55.003Main%20Features3April%202020">https://www.abs.gov.au/ausstats/abs@.nsf/Previousproducts/5676.0.55.003Main%20Features3April%202020</a> accessed 20 May 2020.

Australian Bureau of Statistics, *Census of population and housing: Socio-Economic Indexes for Areas (SEIFA), Australia, 2016*, cat. no. 2033.0.55.001, 2018, <a href="https://www.abs.gov.au/AUSSTATS/abs@.nsf/DetailsPage/2033.0.55.0012016">https://www.abs.gov.au/AUSSTATS/abs@.nsf/DetailsPage/2033.0.55.0012016</a> accessed 20 April 2020.

Australian Bureau of Statistics, *Disability, ageing and carers, Australia: summary of findings, 2018*, cat. no. 4430.0, 2019, <a href="https://www.abs.gov.au/AUSSTATS/abs@.nsf/DetailsPage/4430.02018">https://www.abs.gov.au/AUSSTATS/abs@.nsf/DetailsPage/4430.02018</a> accessed 20 January 2020.

Australian Bureau of Statistics, *Household use of information technology, Australia, 2016–17*, cat. no. 8146.0, 2018, <a href="https://www.abs.gov.au/AUSSTATS/abs@.nsf/">https://www.abs.gov.au/AUSSTATS/abs@.nsf/</a>
<a href="mailsPage/8146.02016-17">DetailsPage/8146.02016-17</a>> accessed 17 January 2020.

Australian Bureau of Statistics, *Labour force, Australia, April 2020*, cat. no. 6202.0, 2020, <a href="https://www.abs.gov.au/AUSSTATS/abs@.nsf/allprimarymainfeatures/5383175C81DD2A0ECA25858A00263A2B">https://www.abs.gov.au/AUSSTATS/abs@.nsf/allprimarymainfeatures/5383175C81DD2A0ECA25858A00263A2B</a> accessed 14 May 2020.

Australian Bureau of Statistics, *Labour force, Australia, detailed—electronic delivery, November 2019*, cat. no. 6291.0.55.001, 2019, <a href="https://www.abs.gov.au/AUSSTATS/abs@.nsf/DetailsPage/6291.0.55.001Nov%202019">https://www.abs.gov.au/AUSSTATS/abs@.nsf/DetailsPage/6291.0.55.001Nov%202019</a>> accessed 20 December 2019.

Australian Bureau of Statistics, *Labour force, Australia, June 2020*, cat. no. 6202.0, 2020, <a href="https://www.abs.gov.au/AUSSTATS/abs@.nsf/allprimarymainfeatures/6050C537617B613BCA25836800102753">https://www.abs.gov.au/AUSSTATS/abs@.nsf/allprimarymainfeatures/6050C537617B613BCA25836800102753</a> accessed 16 July 2020.

Australian Bureau of Statistics, *Labour force, Australia, November 2019*, cat. no. 6202.0, 2019, <a href="mailto:https://www.abs.gov.au/AUSSTATS/abs@.nsf/DetailsPage/6202.0Nov%202019">https://www.abs.gov.au/AUSSTATS/abs@.nsf/DetailsPage/6202.0Nov%202019</a> accessed 20 December 2019.

Australian Bureau of Statistics, *Socio-Economic Indexes for Areas (SEIFA): technical paper*, cat. no. 2033.0.55.001, 2018, <a href="https://www.abs.gov.au/AUSSTATS/abs@.nsf/Lookup/2033.0.55.001Main+Features12016">https://www.abs.gov.au/AUSSTATS/abs@.nsf/Lookup/2033.0.55.001Main+Features12016</a> accessed 20 April 2020.

Australian Bureau of Statistics, *Weekly payroll jobs and wages in Australia, week ending 18 April 2020*, cat. no. 6160.0.55.001, 2020, <a href="https://www.abs.gov.au/ausstats/abs@.nsf/mf/6160.0.55.001">https://www.abs.gov.au/ausstats/abs@.nsf/mf/6160.0.55.001</a> accessed 12 May 2020.

Australian Government Labour Market Information Portal, 2019 employment projections: for the five years to May 2024, 2020, <a href="http://lmip.gov.au/default.aspx?LMIP/EmploymentProjections">http://lmip.gov.au/default.aspx?LMIP/EmploymentProjections</a> accessed 7 April 2020.

Australian Government Labour Market Information Portal, *Vacancy report: April 2020*, 2020, <a href="https://lmip.gov.au/default.aspx?LMIP/GainInsights/VacancyReport">https://lmip.gov.au/default.aspx?LMIP/GainInsights/VacancyReport</a> accessed 21 May 2020.

Australian Government, *Closing the gap report 2020: Year 12 attainment*, 2020, <a href="https://ctgreport.niaa.gov.au/year-12-attainment">https://ctgreport.niaa.gov.au/year-12-attainment</a> accessed 17 February 2020.

Australian Government, *Disability Support Pension recipients under 35 years guidelines: Disability Employment Services*, Australian Government, Canberra, 2018.

Australian Government, *Managing and monitoring Mutual Obligation Requirements guidelines: Disability Employment Services*, Australian Government, Canberra, 2018.

Australian Government, *Social security guide*, version 1.267, 2020, <a href="https://guides.dss.gov.au/guide-social-security-law/5/1/8/20">https://guides.dss.gov.au/guide-social-security-law/5/1/8/20</a> accessed 18 May 2020.

Australian Government, *Wage subsidies*, <a href="https://jobsearch.gov.au/employer-info/wage-subsidies">https://jobsearch.gov.au/employer-info/wage-subsidies</a>> accessed 25 February 2020.

Australian HR Institute and Australian Human Rights Commission, *Employing older workers: research report*, Australian HR Institute and Australian Human Rights Commission, Sydney, 2018.

Australian Human Rights Commission, *Willing to work: national inquiry into employment discrimination against older Australians and Australians with disability*, Australian Human Rights Commission, Sydney, 2016.

Australian Institute of Health and Welfare, *Australia's welfare 2017*, AIHW, Canberra, 2017.

Australian Institute of Health and Welfare, *Australia's welfare 2019 data insights*, AIHW, Canberra, 2019.

Australian Institute of Health and Welfare, *Indigenous employment*, 2019, <a href="https://www.aihw.gov.au/reports/australiaswelfare/indigenous-employment">https://www.aihw.gov.au/reports/australiaswelfare/indigenous-employment</a> accessed 12 September 2019.

Australian Institute of Health and Welfare, *People with disability in Australia: online report*, 2019, <a href="https://www.aihw.gov.au/reports/disability/people-with-disability-in-australia/income-and-finance/income-support/changes-over-time-in-dsp">https://www.aihw.gov.au/reports/disability/people-with-disability-in-australia/income-and-finance/income-support/changes-over-time-in-dsp</a> accessed 27 April 2020.

Australian Institute of Health and Welfare, *People with disability in Australia 2019: in brief*, AIHW, Canberra, 2019.

Australian Institute of Health and Welfare, *The experience of employment*, 2019, <a href="https://www.aihw.gov.au/reports/australias-welfare/the-experience-of-employment">https://www.aihw.gov.au/reports/australias-welfare/the-experience-of-employment</a> accessed 12 September 2019.

Australian Network on Disability and Social Ventures Australia, *NSW Government employment enablement strategy: high growth jobs, talented candidates early learnings*, report for Department of Family and Community Services, NSW Government, Sydney, 2016.

Australian Public Service Commission, *Unconscious bias*, 2018, <a href="https://www.apsc.gov.au/unconscious-bias">https://www.apsc.gov.au/unconscious-bias</a> accessed 20 February 2020.

Barr, Jonathan, 'OECD report on Indigenous employment and skills strategies in Australia', paper presented at Working Communities Congress Indigenous Employment Forum, Sydney, 2–3 October 2019.

Baxter, Jennifer and Kelly Hand, *Flexible child care: key findings from the AIFS evaluation of the Child Care Flexibility Trials*, Australian Institute of Family Studies, Melbourne, 2016.

Better Health Channel, *Stigma, discrimination and mental illness*, 2015, <a href="https://www.betterhealth.vic.gov.au/health/servicesandsupport/stigma-discrimination-and-mental-illness">https://www.betterhealth.vic.gov.au/health/servicesandsupport/stigma-discrimination-and-mental-illness</a> accessed 21 February 2020.

Booth, Alison, Andrew Leigh and Elena Varganova, 'Does ethnic discrimination vary across minority groups?: evidence from a field experiment', *Oxford Bulletin of Economics and Statistics*, vol. 74, no. 4, 2012, pp. 547–73.

Borland, Jeff, 'The next employment challenge from coronavirus: how to help the young', *The Conversation*, 17 April 2020, <a href="https://theconversation.com/the-next-employment-challenge-from-coronavirus-how-to-help-the-young-135676">https://theconversation.com/the-next-employment-challenge-from-coronavirus-how-to-help-the-young-135676</a> accessed 12 May 2020.

Borland, Jeff, Mark Considine, Guyonne Kalb and David Ribar, *What are best-practice programs for jobseekers facing high barriers to employment?*, policy brief, no. 4/16, Melbourne Institute, Melbourne, June 2016.

Brotherhood of St Laurence, *Depth of social exclusion*, 2019, <a href="https://www.bsl.org.au/research/social-exclusion-monitor/measuring-social-exclusion/depth-of-social-exclusion/#c6976">https://www.bsl.org.au/research/social-exclusion-monitor/measuring-social-exclusion/depth-of-social-exclusion/#c6976</a> accessed 18 December 2019.

Brotherhood of St Laurence, *Prosperity's children: youth unemployment in Australia*, Youth Unemployment Monitor newsletter, Brotherhood of St Laurence, Melbourne, 2019.

Casey, Simone and Abigail Lewis, *Redesigning employment services after COVID-19*, Per Capita, Melbourne, 2020.

Cassidy, Natasha and Stephanie Parsons, 'The rising share of part-time employment', *RBA Bulletin*, September quarter, 2017, pp. 19–26.

Centre for Policy Development, *Settling better: reforming refugee employment and settlement services*, Centre for Policy Development, Sydney, 2017.

Coates, Brendan, Matt Cowgill, Tony Chen and Will Mackey, *Shutdown: estimating the COVID-19 employment shock*, Grattan Institute, Melbourne, 2020.

Cobb-Clark, Deborah, Sarah Dahmann, Nicolás Salamanca and Anna Zhu, *Intergenerational disadvantage: learning about equal opportunity from social assistance receipt*, Life Course Centre working paper series, no. 2017–17, ARC Centre of Excellence for Children and Families over the Life Course, Brisbane, 2017.

Committee for Economic Development of Australia, *Disrupting disadvantage: setting the scene*, Committee for Economic Development of Australia, Melbourne, 2019.

Committee for Greater Shepparton, *GROW Greater Shepparton*, <a href="http://www.c4gs.com.au/growgs">http://www.c4gs.com.au/growgs</a> accessed 1 May 2020.

Considine, Mark, Michael McGann, Siobhan O'Sullivan, Phuc Nguyen and Jenny Lewis, *Improving outcomes for disadvantaged jobseekers: the next generation of employment services—response to discussion paper*, The Policy Lab, University of Melbourne, Melbourne, 2018.

Cook, Lindsay, 'Ageism in the workplace 'starts at 40' for women', *Financial Times*, 21 December 2018, <a href="https://www.ft.com/content/e4141576-04eb-11e9-99df-6183d3002ee1">https://www.ft.com/content/e4141576-04eb-11e9-99df-6183d3002ee1</a> accessed 9 April 2020.

Cutcher, Zoe, Louisa Degenhardt, Rosa Alatl and Stuart A. Kinner, 'Poor health and social outcomes for ex-prisoners with a history of mental disorder: a longitudinal study', *Australian and New Zealand Journal of Public Health*, vol. 38, no. 5, 2014, pp. 424–29.

Dandolo Partners, *Review of career education in Victorian government schools*, report for Department of Education and Training, Melbourne, November 2017.

Davidson, Peter, *Is the Job Services Australia model 'made for measure' for disadvantaged jobseekers?*, 2019, <a href="https://needtoknowconsulting.org/2019/08/23/is-the-job-services-australia-model-made-for-measure-for-disadvantaged-jobseekers/#\_ftnref2">https://needtoknowconsulting.org/2019/08/23/is-the-job-services-australia-model-made-for-measure-for-disadvantaged-jobseekers/#\_ftnref2</a> accessed 23 June 2020.

Deloitte Access Economics, *Interim evaluation of the Career Pathways Pilot for Humanitarian Entrants*, report for Department of Home Affairs, Deloitte Access Economics, Canberra, 2019.

Department of Education and Training, *Future opportunities for adult learners in Victoria: pathways to participation and jobs*, discussion paper, Department of Education and Training, Melbourne, August 2018.

Department of Education and Training, *On Track 2018: destinations of Victorian school leavers*, snapshot, Victorian Government, Melbourne, November 2018.

Department of Education, Employment and Workplace Relations, *Employment Pathway Fund, Chapter 2: wage subsidies*, DEEWR, Canberra, 2012.

Department of Education, Skills and Employment, *Impacts of COVID-19 on businesses:* 1 May 2020, Australian Government, Canberra, 2020.

Department of Education, Skills and Employment, *Impacts of COVID-19 on businesses:* 8 May 2020, Australian Government, Canberra, 2020.

Department of Employment, Skills, Small and Family Business, *New employment services model: more flexibility for job seekers*, factsheet, Australian Government, Canberra, 2019.

Department of Employment, Skills, Small and Family Business, *New employment services model*, 2020, <a href="https://www.employment.gov.au/new-employment-services-model">https://www.employment.gov.au/new-employment-services-model</a> accessed 24 April 2020.

Department of Employment, Skills, Small and Family Business, *Providers of jobactive services*, fact sheet, Australian Government, Canberra, 2019.

Department of Health and Human Services, *COVID-19 Social housing economic stimulus package: questions and answers*, fact sheet, Victorian Government, Melbourne, 2020.

Department of Health and Human Services, *Home Stretch*, fact sheet, Victorian Government, Melbourne, April 2019.

Department of Health, *Stigma, discrimination and mental illness*, fact sheet, Government of Western Australia, Perth, 2009.

Department of Jobs, Precincts and Regions, *Further information: Inquiry into* sustainable employment for disadvantaged jobseekers, supplementary evidence received 24 January 2020.

Department of Jobs, Precincts and Regions, *International education*, 2019, <a href="https://dipr.vic.gov.au/priority-industries-sectors/international-education">https://dipr.vic.gov.au/priority-industries-sectors/international-education</a> accessed 22 May 2020.

Department of Jobs, Precincts and Regions, *Parliament inquiry into sustainable employment for disadvantaged jobseekers: public hearing presentation*, supplementary evidence received 3 September 2019.

Department of Premier and Cabinet and Centre for Ethical Leadership, University of Melbourne, *Recruit Smarter: report of findings*, Victorian Government, Melbourne, 2018.

Department of Social Services, *DES services*, 2018, <a href="https://www.jobaccess.gov.au/people-with-disability/des-services">https://www.jobaccess.gov.au/people-with-disability/des-services</a>> accessed 31 January 2020.

Department of Treasury and Finance, *Coronavirus economic outlook*, factsheet, Victorian Government, Melbourne, April 2020.

Department of Treasury and Finance, *Victorian economic update: July 2020*, factsheet, Victorian Government, Melbourne, July 2020.

Disability Act 2006 (Vic).

Employment Services Expert Advisory Panel, *I want to work: employment services 2020*, report for Department of Jobs and Small Business, Australian Government, Canberra, 2018.

European Commission, *Making the business case for public employment services: cost-benefit analysis and productive efficiency analysis*, report prepared by Lars Behrenz, Lennart Delander and Jonas Månsson, European Commission, Brussels, 2013.

Fair Work Ombudsman, *Small business*, <a href="https://www.fairwork.gov.au/find-help-for/small-business">https://www.fairwork.gov.au/find-help-for/small-business</a>> accessed 28 February 2020.

Fair Work Ombudsman, *Workplace discrimination*, fact sheet, Australian Government, Melbourne, 2017.

Federal Ministry of Education and Research, *Recognition in Germany: FAQ*, 2019, <a href="https://www.anerkennung-in-deutschland.de/html/en/faq.php">https://www.anerkennung-in-deutschland.de/html/en/faq.php</a> accessed 2 March 2020.

Finn, Dan, Sub-contracting in public employment services: review of research findings and literature on recent trends and business models, European Commission Mutual Learning Programme for Public Employment Services, Brussels, 2011.

Gilfillan, Geoff, *Characteristics and use of casual employees in Australia*, statistical snapshot, Parliamentary Library, Canberra, 2018.

Gippsland Learn Local, Strengthening Pathways for Adult Learners in Gippsland (SPALG) toolkit: a place-based approach to support innovation in the Learn Local sector, Warragul Community House, 2019.

Glatt, Jordan and Phanindra Wunnava, 'Help not wanted: the dismal science of youth unemployment's scarring effect', *iBusiness*, vol. 10, no. 2, 2018, pp. 51–84.

Government of Canada, *Employment equity and diversity: legislation and regulations*, 2011, <a href="https://www.canada.ca/en/public-service-commission/services/appointment-framework/employment-equity-diversity/legislation-regulations.html">https://www.canada.ca/en/public-service-commission/services/appointment-framework/employment-equity-diversity/legislation-regulations.html</a> accessed 4 March 2020.

Government of Victoria, Response to the Parliament of Victoria, Economic, Education, Jobs and Skills Committee, Inquiry into career advice activities in Victorian schools, 21 February 2019.

Hamilton, Atarau, 'LIFT—'I lift, you lift, we lift': Hawkes Bay's new social enterprise delivering youth employment', paper presented at Working Communities Congress Indigenous Employment Forum, Sydney, 2–3 October 2019.

Harvey, Andrew, Patricia McNamara, Lisa Andrewartha and Michael Luckman, *Out of care, into university: raising higher education access and achievement of care leavers,* report for National Centre for Student Equity in Higher Education, Curtin University, LaTrobe University, Melbourne, 2015.

Hennessy, Hon. Jill, Attorney-General, *Victoria to have a legislated spent convictions scheme*, media release, Victorian Government, Melbourne, 27 February 2020.

Hetherington, David, *Unlocking the value of a job: market design in employment services*, research paper, Per Capita, Melbourne, 2008.

Inge, Nicola, *Social return on investment of Ready for Work*, Business in the Community, London, 2012.

Jeffrey, Jennifer, Andrew MacDougall and John M Valley, *Canada is first jurisdiction worldwide to require diversity disclosure beyond gender: diversity disclosure rules will apply to federally incorporated public companies effective Jan. 1, 2020*, 2019, <a href="https://www.osler.com/en/resources/regulations/2019/canada-is-first-jurisdiction-worldwide-to-require-diversity-disclosure-beyond-gender-diversity-disc} accessed 4 March 2020.

JobAccess, *Access for employers*, 2020, <a href="https://www.jobaccess.gov.au/employers">https://www.jobaccess.gov.au/employers</a>> accessed 26 February 2020.

Jobs Victoria, *Jobs Victoria Employment Network: frequently asked questions*, fact sheet, Victorian Government, Melbourne, 2016.

Jobs Victoria, *Jobs Victoria referral policy*, 2018, <a href="https://jobs.vic.gov.au/about-jobs-victoria/jobs-victoria-referral-policy">https://jobs.vic.gov.au/about-jobs-victoria/jobs-victoria-referral-policy</a> accessed 29 April 2020.

Jobs Victoria, Response to the Australian Government discussion paper: the next generation of employment services, submission to Employment Services Expert Advisory Panel, Consultation to inform the new employment services, 2018.

Junankar, Raja, *Actions to avoid unemployment in a post-coronavirus economy*, 2020, <a href="https://newsroom.unsw.edu.au/news/business-law/actions-avoid-unemployment-post-coronavirus-economy">https://newsroom.unsw.edu.au/news/business-law/actions-avoid-unemployment-post-coronavirus-economy</a> accessed 22 May 2020.

Krahn, Harvey and Angela Chow, 'Youth unemployment and career scarring: social-psychological mediating effects?', *Canadian Journal of Sociology*, vol. 41, no. 2, 2016, pp. 117–38.

Lateral Economics, *Youth resilience and mental wellbeing: the economic costs of delayed transition to purposeful work*, report for VicHealth, Melbourne, 2018.

Latrobe City Council, Inquiry into sustainable employment for disadvantaged jobseekers hearing, response to questions on notice received 8 January 2020.

Latrobe City Council, *Speaking notes*, supplementary evidence received 11 December 2019.

Loddon Campaspe Multicultural Services, Inquiry into sustainable employment for disadvantaged jobseekers hearing, response to questions on notice received 20 November 2019.

McCord, Anna and Rachel Slater, *Social protection and sustainable employment*, Department of Foreign Affairs and Trade, Canberra, 2014.

McLachlan, Rosalie, Geoff Gilfillan and Jenny Gordon, *Deep and persistent disadvantage in Australia*, staff working paper, Productivity Commission, Canberra, July 2013.

National Australia Bank, *African Australian employment*, <a href="https://www.nab.com.">https://www.nab.com.</a> au/about-us/social-impact/our-people/african-australian-employment</a>> accessed 7 February 2020.

National Centre for Vocational Education Research, *Australian vocational education and training statistics: VET student outcomes 2019*, NCVER, Adelaide, 2019.

National Disability Services, *Opening the doors to open employment: the Ticket to Work model*, supplementary evidence received 4 September 2019.

National Employment Services Association, *Employment services programme: jobactive*, 2019, <a href="https://nesa.com.au/jobactive">https://nesa.com.au/jobactive</a>> accessed 23 December 2019.

Neighbourhood Houses Victoria, *What is a neighbourhood house?*, 2020, <a href="https://www.nhvic.org.au/neighbourhoodhouses/what-is-a-neighbourhood-house">https://www.nhvic.org.au/neighbourhoodhouses/what-is-a-neighbourhood-house</a> accessed 4 February 2020.

Organisation for Economic Co-operation and Development, *Indigenous employment* and skills strategies in Australia: policy highlights, OECD Publishing, Paris, 2019.

Organisation for Economic Co-operation and Development, *OECD employment outlook 2019: the future of work*, OECD Publishing, Paris, 2019.

Parliament of Australia, House of Representatives Select Committee on Intergenerational Welfare Dependence, *Living on the edge: Inquiry into intergenerational welfare dependence*, February 2019.

Parliament of Australia, Senate Community Affairs References Committee, *Adequacy* of Newstart and related payments and alternative mechanisms to determine the level of income support payments in Australia, April 2020.

Parliament of Australia, Senate Education and Employment References Committee, *Jobactive: failing those it is intended to serve*, February 2019.

Parliament of Victoria, Economic, Education, Jobs and Skills Committee, *Inquiry into career advice activities in Victorian schools*, August 2018.

Parliament of Victoria, Family and Community Development Committee, *Inquiry into services for people with Autism Spectrum Disorder*, June 2017.

Reserve Bank of Australia, *Statement on monetary policy: February 2017*, Reserve Bank of Australia, Sydney, 2017.

Reserve Bank of Australia, *Statement on monetary policy: May 2020*, Reserve Bank of Australia, Sydney, 2020.

Rollason, Bridget and Richard Willingham, 'Coronavirus modelling from Victorian Treasury predicts unemployment of 11 per cent, falling property prices', *ABC News*, 22 April 2020, <a href="https://www.abc.net.au/news/2020-04-22/coronavirus-modelling-impact-victorias-unemployment-property/12169684">https://www.abc.net.au/news/2020-04-22/coronavirus-modelling-impact-victorias-unemployment-property/12169684</a> accessed 12 May 2020.

Services Australia, *More financial support for people affected by coronavirus*, 2020, <a href="https://www.servicesaustralia.gov.au/individuals/news/more-financial-support-people-affected-coronavirus">https://www.servicesaustralia.gov.au/individuals/news/more-financial-support-people-affected-coronavirus</a> accessed 18 May 2020.

St Aubin, Candice, 'Indigenous Skills and Employment Training (ISET) program: codevelopment of implementation', paper presented at Working Communities Congress Indigenous Employment Forum, Sydney, 2–3 October 2019.

Sturrock, Rob, 'Big, impersonal and opaque: how jobactive is failing jobseekers', *Inside Story*, 1 February 2018, <a href="https://insidestory.org.au/big-impersonal-and-opaque-how-jobactive-is-failing-jobseekers">https://insidestory.org.au/big-impersonal-and-opaque-how-jobactive-is-failing-jobseekers</a> accessed 29 August 2019.

Suggett, Dahle and John McCarthy, 'Report: How can the Learn Local sector and jobactive providers codesign pre-employment courses that lead to job outcomes?', workshop delivered at Department of Education and Training, Moe, Victoria, 24 July 2019.

The Gordon, Inquiry into sustainable employment for disadvantaged jobseekers hearing, response to questions on notice received 18 November 2019.

Thern, Emelie, Jeroen de Munter, Tomas Hemmingsson and Finn Rasmussen, 'Long-term effects of youth unemployment on mental health: does an economic crisis make a difference?', *Journal of Epidemiology and Community Health*, vol. 71, 2017, pp. 344–49.

Thomas, Julian, Jo Barraket, Chris Wilson, Kay Cook, Yee Man Louie, Indigo Holcombe-James, Scott Ewing and Trent MacDonald, *Measuring Australia's digital divide: the Australian digital inclusion index 2018*, RMIT University, Melbourne, 2018.

Thomas, Matthew and Alicia Hall, *Housing affordability in Australia*, 2016, <a href="https://www.aph.gov.au/About\_Parliament/Parliamentary\_Departments/Parliamentary\_Library/pubs/BriefingBook45p/HousingAffordability">https://www.aph.gov.au/About\_Parliament/Parliamentary\_Departments/Parliamentary\_Library/pubs/BriefingBook45p/HousingAffordability</a> accessed 20 January 2020.

Torii, Kate and Megan O'Connell, *Preparing young people for the future of work*, Mitchell Institute policy paper, no. 01/2017, Mitchell Institute, Melbourne, March 2017.

Victorian Aboriginal Community Services Association Limited, Inquiry into sustainable employment for disadvantaged jobseekers hearing, response to questions on notice received 27 November 2019.

Victorian Government, *Victoria's Social Procurement Framework: building a fair, inclusive and sustainable Victoria through procurement*, Victorian Government, Melbourne, 2018.

Victorian Government, Whole of Victorian Government Social Procurement Framework: annual report 2018–19, Victorian Government, Melbourne, 2019.

Victorian Public Sector Commission, *Aboriginal pathway to the Victorian Government graduate program*, 2018, <a href="https://vpsc.vic.gov.au/aboriginal-employment/barring-diinang/initiatives/grads-pathways">https://vpsc.vic.gov.au/aboriginal-employment/barring-diinang/initiatives/grads-pathways</a> accessed 17 February 2020.

Wathaurong Aboriginal Co-operative, supplementary evidence received 24 October 2019.

Wilkins, Roger and Inga Lass, *The household, income and labour dynamics in Australia survey: selected findings from waves 1 to 16*, Melbourne Institute: Applied Economic & Social Research, University of Melbourne, 2018.

Workplace Gender Equality Agency, *Gendered impacts of COVID-19*, 2020, <a href="https://www.wgea.gov.au/topics/gendered-impact-of-covid-19">https://www.wgea.gov.au/topics/gendered-impact-of-covid-19</a> accessed 18 May 2020.

Workplace Gender Equality Agency, *Towards gender balanced parental leave: Australian and international trends*, insight paper, Australian Government, Sydney, October 2017.

Youth Employment UK, *About Youth Employment UK*, 2020, <a href="https://www.youthemployment.org.uk/about-us">https://www.youthemployment.org.uk/about-us</a> accessed 25 February 2020.