



Date: 30 April 2008
Ref: Submission – DEEWR 290208

ABN 61 085 096 279

Ph: 1800 111 203
Fax: 1800 001 082

Mr Michael Manthorpe
Group Manager, Labour Market Strategies
Department of Education, Employment and Workplace Relations
Parliament House
CANBERRA ACT 2600

Dear Sir,

We welcome the opportunity to provide some input into your inquiry into the effectiveness of labour market programs and services.

Our organisations, Australian Financial & Career Consortium (AFCC) and Choice Career Services (CCS), provide career transition support to the employees of some of Australia's leading organisations such as Telstra, OneSteel, Mitsubishi, Holden and many others.

We are a national organisation committed to providing tangible and sustainable career transition outcomes for our clients.

Our range of services are delivered to employees undergoing career transition and include job search support (ie career planning, transferable skills analysis, self marketing skills development, networking, understanding the labour market), retraining (ie identifying retraining needs, providing retraining assistance – we are a RTO, supporting employees undergoing retraining), small business (ie assisting employees in the evaluation of small business opportunities) and planning for retirement (ie financial planning assistance and lifestyle planning).

We have the following observations with respect to the effectiveness of current programs:

1. The employment market and services provided operates very effectively for those employees who are either in the market (ie employed) or undergoing transition (ie redundancy). We will define this market segment as Category One.
2. The employment market fails potential employees who are marginalised (ie long term unemployed, people with disabilities, school leavers joining the employment market for the first time and those entering the employment market from overseas locations). We will define this market segment as Category Two.
3. We believe the market needs to better define the phrase 'job seeker' and recognise there are two types of 'job seeker'; either Category One or Two.
4. The private sector of the market place is more than capable of delivering the types of employment services required by people within Category One. We do not see the need for public moneys to be invested in providing employment services within this market segment except in the area of retraining where employees could benefit from the opportunity to broaden their skill base and add to the national employment market and overall nation's GDP.

5. Category Two of the employment market does require specific public sector assistance to ensure potential employees have access to a range of employment services to ensure they have the skills, both technical and job searching skills, to be able to enter the employment market and become active contributors to the overall GDP of the nation.
6. We support the continuation of the former Government's 'Work Skills Vouchers' program as it was an appealing retraining option to employees to the first category of employees. The program did have some deficiencies (ie only up to Certificate 2 and tight criteria around eligibility) but it did begin to address some of the needs of employers. What the 'Work Skills Voucher' program provided was an opportunity for employees to take control of their career. It was an opportunity for employees to embrace re-education and embark on a journey of 'lifelong learning' where they were able to build their skills and identify a wider range of employment options. We understand the Rudd Government has plans to introduce a new form of this program effective 1 April this year and we fully support this initiative.
7. Employers must be urged to accept greater responsibility for the need to provide their employees with appropriate training. In today's strong economic conditions, we believe employers have the means (ie profits) to begin a program to develop the skills of their employees through retraining. We do not believe the payment of public subsidies / grants / incentives to the employers is the correct way to stimulate retraining of the labour market. Retraining credits made available to the employees via educational institutions (ie similar to 'Work Skills Vouchers') are an effective means of stimulating retraining and skills building. A public campaign, maybe similar to OH&S campaigns, could be used to assist employers in realising they must create an environment where ongoing development of their employees is an investment in their organisations future sustainability.
8. Our approach to career transition support has always been around providing employees with one to one specific assistance. We know from experience that this targeted form of 'case management' generates greater employee engagement and leads to sustainable re-employment outcomes. (ie 85%+ of employees undergoing our career transition programs will find new employment within a 3-4 month timeframe)
9. With the addition of Government support in the area of retraining we believe there is an opportunity to tangibly address Australia's 'skills shortage' and provide employers with a pool of skilled talent which will alleviate the need for employers to apply for visas for overseas workers and will build the skills of the nation so we are recognised as the 'clever country'.
10. We strongly believe there is a need for the Government to intervene in the Category Two market segment. This market segment does require assistance in the areas of:
 - a. Training – gaining the basic skills including numeracy and literacy to enter the employment market
 - b. Employment services – gaining the skills to 'sell' their skills to employers (ie career planning, self marketing skills, understanding the employment market, networking skills and job search skills)
 - c. Cultural services – helping people understand the importance of developing their skills so as to enhance their future employment opportunities

We believe the private sector is more than capable of delivering assistance to Category One of the employment market. The Job Network was created to support Category Two of the employment market and should have its focus and resources directed to providing the support opportunities desperately required by this market segment.



Page 3 of 3

We thank you for the opportunity to provide some input into your review and would welcome the opportunity to further discuss these views.

We look forward to being an active contributor to the Rudd Government's social inclusion and skills policies.

Yours faithfully,

Damian Menzies
Director
Australian Financial & Career Consortium
Choice Career Services

Peter Johnston
Director
Australian Financial & Career Consortium
Choice Career Services