

The Hon Brendan O'Connor
Minister for Employment Participation
Parliament House
CANBERRA ACT 2600

Dear Minister

I refer to your recent correspondence seeking views from providers on how employment services can be improved having regard to the Government's Social Inclusion and Skills policies.

The Australian Medical Association (WA) (AMA) has been a provider of various Government employment and related programs for several years with the aim of improving the health of all Australians, particularly those suffering from disadvantage. It is, in part through the provision of training and employment services that the AMA seeks to achieve this outcome and close the life expectancy gap between disadvantaged Australians, particularly Indigenous Australians.

The AMA currently operates Government contracts in the areas of Work for the Dole, Structured Training & Employment – Employment Related Services and Job Placement. In addition, the AMA operates as an Australian Apprenticeship Centre, a Registered Training Organisation (RTO) and, through Health Training Australia (HTA), as a Group Training Organisation (GTO).

Having regard to our long experience in the delivery of training and employment services, the AMA has considered how the delivery of these services could be improved with specific reference to the Government's Social Inclusion and Skills policies. We offer our suggestions which are noted in the attached document.

I would like to thank you for the opportunity of submitting our suggestions and hope that in some small way the AMA can contribute to ensuring all Australians achieve their full potential and have the opportunity to build a rewarding social and economic life into the future.

Yours sincerely

Chris Rtshiladze
Coordinator
AMA Community Services

Employment & Related Services – Suggestions For A Social Inclusion Agenda

1. Current Model

Whilst there is good argument for the myriad of “specialist services” which are available to jobseekers under the current model, the way in which the model currently works focuses provider attention on achieving outcomes at almost any cost in order to maintain business viability in a shrinking labour market.

In addition, the administrative burden which has grown over time since the inception of the current model has meant that more time and attention is being paid to completing administrative requirements whilst the desired outcome of helping participants achieve their potential through skills development and work experience has been all but forgotten.

The payment model, specifically for the Work for the Dole program, is also problematic. It results in organisations being under resourced and under funded, largely due to circumstances outside the control of the provider, such as the number of referrals, the client’s participation on their activities, the state of the labour market and other provider’s performances within an ESA.

Whilst “Work for the Dole” was initially successful in identifying people who should not have been receiving unemployment benefits and thus reducing the “black economy”, it has become a program which is often seen by participants as punitive and humiliating. The reality is of course different, particularly in respect of the inclusion of participants within communities and subsequently society at large. As a work experience program it can offer many opportunities to learn new skills, reengage participants with society and motivate participants to achieve their potential. Over the past ten years there have been many instances of participants who have “made good” through their experiences on a Work for the Dole program and the Work for the Dole Award winners attest to this.

Under the current model Job Network Members (JNMs) have control over what services a jobseeker can access through a referral system. The business reality is that in the first six months of unemployment a JNM will do little with the jobseeker and in many cases not effect a referral to a specific program or provider which is more appropriate to that jobseeker’s circumstances. There is a window of opportunity here which needs to be utilised more productively. The same opportunity exists for longer term unemployed jobseekers. Rather than going through the continuum treadmill, alternate options should be considered where the jobseeker can gain skills and ultimately join the workforce.

2. Suggestions for Improvement

- Services for the future should be focussed on individual client needs to achieve the desired outcomes of participation and social inclusion.

Establishment of trust and respect through a successful relationship between the provider and the jobseeker is an essential element in service provision.

- Programs should be positive and empowering for jobseekers, not punitive and demeaning. Work for the Dole should be rebadged to dispel these sentiments and refocused on skills development through training and work experience. Jobseekers need to focus on the positive outcomes they can gain from a program where there are real benefits for the jobseeker.
- A more effective early intervention will help determine the pathway option best suited for jobseeker needs. The first six months of a jobseeker's registration should be intense and involve all elements to identify and address short and long term goals as well as areas of need and immediate referral to an appropriate provider. An improved JSCI would help to identify areas of disadvantage and a Job Capacity Assessment on registration for unemployment would enable appropriate streaming of jobseekers on the intervention pathway. For example, options could include:
 - * literacy/numeracy assistance > skills training > work experience > job placement
 - * STEP-ERS for Indigenous jobseekers incorporating all interventions required including pre-employment, vocational skills training, employment placement and mentoring
 - * Pre-vocational training > traineeship
 - * Medical/specialist treatment > pre-vocational training > mentoring > work experience > job placement > mentoring
- On this very important day for the nation, mention should be made of the need to address some of the significant disadvantages faced by Indigenous Australians. It is felt that this client group should be referred immediately upon registration for unemployment benefits onto a STEP-ERS program, specifically designed for working closely with this target group. Flexibility within the STEP-ERS contract will allow providers to deliver the services required to address the myriad of issues which need to be addressed before employment can become a sustainable outcome.
- Jobseekers should have a choice of options as to what pathway will best suit their needs and address their individual disadvantages. Jobseekers should be able to remain with the same provider throughout their journey to employment, establishing that trust and respect which will help to motivate the jobseeker to higher ideals. Jobseekers need to feel the provider is working with them and not against them. Providers should be able to either provide the appropriate interventions themselves or be responsible for purchasing/organising those interventions.
- Training options should be seen as essential elements in empowering jobseekers, whilst at the same time meeting the needs of employers, particularly in areas of skills shortage. This training should be part of a jobseeker's mutual obligation and immediately accessible. It should be available in different formats, particularly for those jobseekers who do not sit well with classroom type training. Other options such as E-Learning or

accredited training “on the job” should be available to jobseekers. All training, apart from pre-employment/work readiness training should be accredited to enable jobseekers to have a qualification which they can take wherever they go within Australia. This will also encourage jobseekers to up skill at a later date thus continuing the training and helping to instil a culture of continuous learning.

- Training, work experience and other interventions should be adequately funded to achieve the desired outcome. The Work for the Dole program is currently required to address skills in demand as an essential element of each community activity. This is, in the main, an impossible task particularly where accredited training is delivered. Unless an organisation is large and able to run large activities where sufficient Work for the Dole places have been allocated, there is no economy of scale which would enable the appropriate accredited training to be undertaken. The average Work Experience Fee of \$1650 per place over a six month period is insufficient to cover the costs involved, particularly accredited training. Community organisations rely largely on volunteers to deliver “on the job” training thus leaving jobseekers with no formal qualification they can take from the work experience placement.
- Consideration should be given to paying a “training wage” whilst jobseekers undertake accredited training rather than unemployment benefits. This will give credibility to the program whilst at the same time encouraging the jobseeker to undertake and complete the training.
- Value for money as part of any outsourced Government service is understood and accepted, however the performance measurement criteria, the payment model and the business reallocation process, specifically under the Community Work Coordinator Contract, are not aligned to the reality on the “ground”. For example, the way in which the contracts are written and managed has meant that service provision has almost become a thing of the past and resources are concentrated on administrating the contract and the relevant paperwork. Providers are having to find ways of increasing their star ratings, whether legitimately or otherwise to “get an edge” over other providers and to increase their business levels in this age of a strong labour market, particularly in Perth. Surely all providers have particular skills, expertise and abilities which enable them to achieve positive outcomes for their jobseekers without having to compete for “meagre pickings”. Working with individuals to meet their identified needs within a supportive community environment has all but been forgotten under the current contracts and contract management system.
- The complexity of the “system” and the “rules” underpinning the program are such that new staff can take more than twelve months to be fully cognisant of the program. A more simplified service provision model focussed on the jobseeker and not the “system” is needed in order to get back to basics and allow providers to utilise the knowledge and expertise they have in the provision of training and employment services to disadvantaged jobseekers and to reconnect these jobseekers to the communities in which they live.