

SMYL (South Metropolitan Youth Link) is one of WA's largest community based public benevolent charities. Since 1984 SMYL has been delivering a range of services to disadvantaged Western Australians including innovative labour market programs.

Prior to 1996 SMYL was a major provider of the Federal Governments Working Nation program. This program provided the long term unemployed with structured and tailored community based skills acquisition programs. These programs were underpinned by the understanding that the skills and knowledge based required to enter the labour market was increasing. These programs ensured that the unemployed maintained and upgraded their skills to meet the changing face of the Australian labour market. Coupled to the Skillshare network, all unemployed Australians had access to a raft of programs that up skilled them within a supportive and structured framework. The CES was the central point of referral for unemployed Australians and provided a universal all encompassing service. The Key philosophical bent of these programs was to provide unemployed Australians with the skills to enter skilled and semi skilled employment.

After the election in 1996 the Working Nation programs and Skillshare were scrapped, the CES was dismantled and the Job Network was put in its place. Over 1 billion dollars of labour market program funding was gouged from the first Costello budget.

The dramatic changes led to the demise of many smaller community based charities who had operated with specialised client groups and who were not large enough or cashed up enough to participate in the new privatised market. The introduction of the new Job Network completely revised the way that the unemployed were viewed. The notion of training and up skilling the unemployed as part of an overall nation building strategy was replaced by a punitive regime that punished the unemployed.

SMYL has been working within this new framework for the past decade. We believe a sweeping change needs to occur to the current labour market system to reposition it as a compassionate provider of real and tangible skills acquisition that meets the needs of the unemployed and of industry. We recommend the following changes:

Job Network:

The Job Network has been a controversial replacement for the CES since its inception. The privatisation of job placement services and the devolution of a central institution managing these services has in this organisations opinion been a grand failure of policy. The Job Network was built upon a notion that the bulk of the unemployed were unwilling to work. Its primary emphasis was not training and up skilling, but rather punitive measures including cancelling a clients unemployment benefits. The job network was responsible for terminating income support for thousands of Australia's most disadvantaged and disenfranchised people. By privatising the network and allowing

agencies other than the traditional charities to deliver these services, the unemployed simply became a profitable commodity to be managed by the network. Job placements were not based on clients or industries needs or requirements, but rather the most expedient way to achieve a payment outcome, be that referral to an unsuitable job or breaching a needy unemployed client so that a new client with an up front commencement payment could be started.

On top of this the training dollar given to the job Networks was underspent or poorly spent buying ineffective training.

Recommendation 1

The job network is disbanded in its current guise and that a new centrally managed employment services department is re-established along the lines of the previous CES.

Recommendation 2

If recommendation one is not adopted, The Job Network loose any capacity it has to authorise or recommend breaching of clients.

Recommendation 3

That the training dollars currently allocated to the Job Network be removed from the Network and be used to fund a range of specific labour market training programs including structured 26 -52 week community based vocational programs. This money should also be used to re-establish a national community learning centre program building upon the old Skillshare model providing specifically targeted community learning and development programs in rural, remote and disadvantaged communities.

Recommendation 4

That funding for Job Network services be confined to the not for profit sector. This is to ensure that all government funding provided is used for the clients of these services.

Recommendation 5

That funding to the job network is limited to providing services to long term unemployed and identified disadvantaged client groups such as indigenous, NESB and disabled clients. Mainstream placement services in this climate can be borne by employers.

LABOR MARKET PROGRAMS:

Currently programs such as Work for the Dole and the Language Literacy and Numeracy Program make up the bulk of the current crop of labour market programs.

Work for the Dole.

The work for the Dole program replaced a raft of Working Nation Programs. In line with the Howard government's philosophy of demonising the poor, the work for the dole program contained no training component whatsoever. Its objectives were to force the unemployed to do menial repetitive tasks to force them into employment. At a time when local government and industry were crying out for skilled labour Work for the dole did nothing to skill participants. Towards the end of the programs life the federal government introduced a training voucher that participants could access upon completion of training. This was totally pointless as it failed to link the activities undertaken on the Work for the Dole program with embedded vocational training. The program name itself was meant to stigmatise the unemployed and as such Work for the Dole has become a reviled program.

Recommendation

Replace the Work for the Dole program with a new on the job structured training program incorporating Certificate I and II vocational competencies. Maintain the current project based approach of Work for the Dole but ensure that first and foremost it is a skills program not a punishment. Expand the range of activities allowed under this program so that in remote and rural communities, the resource sector and other large employers can work with community organisations to develop structured 26-52 week programs that meet the entry requirements into employment specifically for indigenous communities. Change the name to reflect the skilling ethos.

Language Literacy and Numeracy:

Recommendation:

Allow greater flexibility in the tailoring of LLNP programs to meet specific regional needs. Expand the program to provide services to remote and isolated communities, particularly indigenous communities.

STEP and STEP ERS

We strongly recommend that the STEP and STEP ERS contracts be totally restructured to become more accessible and easier to implement. We strongly recommend that indigenous wage and training subsidies become accessible as soon as an indigenous person is employed. The current system of having to apply individually for each program and then having it potentially go to tender before funding is approved often sees a long delay in receiving an answer as to whether projects will be funded. This has led to a large underspend in this budget area.

We recommend that the program guidelines be streamlined so that all employers are aware of exactly what benefits are available to them for employing and training indigenous workers.

Personal Support Program

Recognition of the level of difficulty working with these clients and the level of disadvantage of the clients.

Referral can only be made when multiple non-vocational barriers are present. These include but are not limited to: psychiatric disorders, homelessness, previous periods of incarceration, physical disability, drug and alcohol abuse and social isolation.

Examples of PSP Assessment barriers:

Jobseekers with these levels of disadvantage & disconnection require:

- Time
- Resources
- Individualised services that meet all of their needs

If they are to overcome the issues they face.

The key to good, sustainable outcomes is effective case management where Providers can be flexible and possess the necessary skills and resources to address a client's needs.

Effective case management works because:

- Trust and relationship can be established, which allows
- Real issues to be identified and
- Appropriate 'action plans' to be negotiated with the participant, creating a sense of ownership for the participant...more likely to follow through with activities

A COMBINATION OF ADDRESSING NON-VOCATIONAL BARRIERS (INCLUDING LIFE SKILLS TRAINING) WITH APPROPRIATE INTERVENTIONS & RESOURCES AND VOCATIONAL EDUCATIONAL & TRAINING AND JOBSEARCH SUPPORT IN APPROPRIATE TIMEFRAMES.

Why current system is failing this cohort of the most disadvantaged unemployed?

- Those in leadership positions within PSP National office show a complete lack of understanding of and compassion for the difficulties faced by these participants in setting and implementing their agenda.
- Too much emphasis is placed on compliance. Participation Reports for not complying lead to Centrelink involvement and suspension or possible loss of Benefits for an 8 week period. This is not conducive to establishing rapport or building and maintaining a trusting relationship. It is punishing a group of already highly disadvantaged people, some of whom for reasons such as psychiatric illness or homelessness struggle to comply. It was recently stated that "vulnerabilities" such as these are "no reason to not submit a Participation Report".

- An excessive amount of administration means less time to spend with clients. It is currently estimated by Providers that half their time at least is spent in administering the programme. Participants must be seen at least every 4 weeks, seeing them more often which is sometimes necessary becomes very difficult when faced with this level of 'paperwork'. To affect real lasting change in people's lives it would be preferable to see all of them more often than is currently possible.
- The current micro-management of DEEWR Contract Managers where Providers are instructed on every aspect of service delivery depending on the Contract Manager and their understanding of the Guidelines etc. Also, there is no standardized approach to the most basic of processes, for example, the reasons CMs will exit referrals as inappropriate was found to be different across states and nationally, unfairly disadvantaging and advantaging some Providers.
- The emphasis on achieving economic outcomes is leading to unacceptable practices of "pushing" participants into the Job Network or other outcomes before they are ready. This means failure for some participants and only serves to further disadvantage them.
- PSP has full caseloads with a large wait list while other programmes like Customised Assistance and Work for the Dole are struggling for numbers. Is the current recent PSP shift of focus to outcomes a cynical attempt to cause higher flows into these programmes? Thus propping up the previous government's Welfare to Work package.
- The High Performance Indicator Framework only focuses on the Provider's ability to engage participants in the programme and then into an outcome, preferably economic (as seen by the difference in value of economic and social outcomes). It fails to value the actual progress a participant may achieve which albeit seemingly insignificant if you do not suffer similar disadvantage, can be major attitudinal or situational shifts.
- Participants are only entitled to two rounds of Intensive Support Customised Assistance. For some PSP participants who are long term unemployed they have been in the system for long periods and have used up their entitlement (whether they managed one week of a 6 month timeframe or completed the whole 6 month programme allowance). These participants are further disadvantaged by this as they lose the opportunity of intensive job search support when they are ready for it and can no longer access the Job Seeker account.
- In the past referral to ISCA was used as a tool to judge a participant's work-readiness without realizing the impact this would have on accessing it later on. Recent changes to the process have also meant that once a participant is engaged in ISCA they can not go back to PSP (as they were able to previously) if they find they are not able to cope with the demands. Now a participant must be referred back to a Job Capacity Assessor who will determine where they should go next. This

has made “selling” the advantages of ISCA much more difficult for Providers.

- For reasons of their own, Job Network Providers have generally not been interested in working with the “difficult-to-place” jobseekers. Instead they have referred these people to JCAs to have them assessed for PSP. When a PSP referral is accepted by a JNM the participant can face little or no service at all, including being denied access to the jobseeker account. This account seems under-utilised in assisting those that need it the most to overcome their barriers to employment.

High Performance Indicator Framework

Timeliness of Referral Indicator:

1. Relies on the JCA process which PSP Providers have no control over. Initially PSP Providers were assured by DEWR that assessment would be completed by JCAssessors while the jobseeker was with them and appointments with PSP Providers made within 2 days through the database and given to the jobseeker before they left. It was not until weeks after the process was introduced that PSP Providers discovered this process was not being followed and indeed could not be followed; JCAssessors did not believe they could complete the report with the jobseeker sitting across from them and it was not until the report was finalised that the eligibility for programmes is revealed. Thus JCAssessors were sending jobseekers away & posting out appointments with Providers sometimes weeks later. This had to be brought to the attention of PSP National Office by this Provider. JCAssessors fall under the jurisdiction of the Dept of Human Services not DEWR and they had set very different performance indicators for the JCA teams. Once PSP Providers became aware of the anomaly they could tailor their appointment availability but the impact of the problem will be different for each Provider, thus seriously tainting the data used to judge performance for this indicator.
2. Timeliness indicator relies on signing a participant up within 6 days from the day of referral. While early intervention is generally agreed to be beneficial to the relationship between Counsellor and client significant time and energy is being spent in an attempt to achieve this 6 day ideal. Particularly when referrals are also being generated from the PSP Waitlist which has jobseekers on it who has not been assessed for sometimes over 12 months but who have been waiting or referred elsewhere in the meantime. PSP Providers are left to do the clean-up of the Waitlist in a desperate attempt to keep within the 6 day timeliness rule. The tool being utilized to maintain this timeliness is Participation Reporting because once a report is submitted in to the system, the “6 day clock” stops ticking and PSP Providers can allow Centrelink to

“reconnect” the participant. Providers are submitting reports without any knowledge of the current circumstances of participants, particularly those from the Waitlist. DEWR created an artificial link between the “early intervention model” and performance management in relationship to this indicator where participants are being signed up under the threat of losing their New Start Allowance. In essence Providers are faced with the choice of developing strong, positive relationships with participants or being performance driven and producing good “stats” for the Dept.

3. Data is being tracked from 2 years ago for performance indicators that are only now a part of the HPIF.
4. Economic outcomes have become the largest contributor to a Provider’s “Single Score” rating which has changed the focus of what was a pre-employment programme that valued social outcomes and will decide the success or failure of a Provider.
5. As a major focus is on economic outcomes, it has been made very clear from national office that referral into Job Network is the preferred option. This is not possible for some participants as they may have already started ISCA two times or JNMs refuse to work with them as they are “too difficult”, leaving the employment service delivery to the PSP worker. The skill sets and work-motivations for PSP workers and Employment Service workers are very different and having to do both is causing much disquiet within PSP ranks.
6. When participants are actually accepted into ISCA they are being denied access to the Jobseeker Account and are what is known in the industry as “parked” for being “too difficult” because they require a substantial level of assistance and often do not sustain outcomes, making them a bad investment for JNMs. So while a PSP Provider may get the outcome of a JN placement, the participant is no better off and will more than likely end up back in PSP.
7. PSP is extraordinarily under-funded for the level of service demanded of it. It aims to assist the “most difficult-to-place”, preparing them for employment programmes but has no access to funding to achieve this goal. PSP Providers must refer their participants to free services in the community that often have large waiting lists, e.g. local mental health services. In the meantime Providers struggle to meet the needs in-house, which with the vast array of non-vocational barriers can be very difficult.
8. The introduction of the “Single Score” and “Star rating” systems of performance management have brought with them a competitive spirit to PSP Providers, particularly within Employment Service Areas. This has seriously impacted on what has always been a positive of PSP: cooperation between Providers, a sharing of best practices and working with the best interests of the participant in mind. All characteristics that are very important when working with this cohort.

Possible ways of moving forward:

- retain and foster effective case management of participants
- provide an avenue for access to funding to address non-vocational barriers
- rethink the performance indicators placing a greater emphasis back on increasing social inclusion and capital
- reduce the administrative burden on and departmental micromanagement of Providers
- improve the links to employment programmes and facilitate access to funding for vocational education and training
- develop an understanding and acceptance that a small percentage of the community will never be self-sufficient and adopt a respectful, compassionate and responsible way of working with them that promotes and supports appropriate, levels of socially inclusion
- For those that can be engaged but have severe & multiple non-vocational barriers :

DEVELOP A FLEXIBLE SYSTEM THAT CAN BE TAILORED TO MEET THE NEEDS OF A PARTICIPANT AND THAT EMPLOYS A COMBINATION OF ADDRESSING NON-VOCATIONAL BARRIERS (INCLUDING LIFE SKILLS TRAINING), DELIVERS VOCATIONAL TRAINING AND PROVIDES TAILORED JOB SEARCH SUPPORT

As it stands the current system is failing the most disadvantaged and socially excluded people in our communities and worst yet, punishing them for this failure.

As reasoned in the Parliamentary Research paper of December 2007, titled "A Review of Developments in the Job Network" a conceptual shift may be necessary, i.e. to move from a system concerned with employment outcomes to an "enabling" system for jobseekers, employers, tax payers and the nation as a whole.