



**YES West Inc**

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Employment Services Provider

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11 February 2008

The Honorable Brendan O'Connor, MP  
Minister for Employment Participation  
Parliament House  
**CANBERRA ACT 2600**



#### **JOB NETWORK**

Job Search Support  
Job Search Training  
Intensive Support  
Psychological Services  
Mutual Obligation  
Customised Assistance

#### **BUSINESS LIAISON**

Recruitment  
Marketing  
Employment Incentives

#### **COMPLEMENTARY PROGRAMS**

Personal Support Program

#### **COMMUNITY BENEFIT**

Community Benefit Fund  
Literacy program  
Scholarships

Dear Minister O'Connor,

**Re: How employment services can be improved**

I am writing in reference to the above matter.

YES West Inc is a not-for-profit organization, established in 1995 to respond to unemployment needs in the Western Regions of Melbourne. Since March 2003, YES West has been successful as a new generalist provider contracted to the Federal Government to provide Job Network Services. In addition, it also provides the Personal Support Program.

YES West has a contract to deliver services over six sites within two Employment Service Areas (ESAs) in the Western Region of Melbourne. These regions are Footscray, Newport, Werribee, Melton, Sunshine and Watergardens.

YES West is one of the high performers in its respective ESAs' as both ESAs are 4.5 stars. The organization has expressed its views and concerns regarding the "Quality and Compliance framework" developed by DEWR in late 2006 through National Employment Services Association and Jobs Australia and we fully support the suggestions expressed by these bodies.

I would like to express YES West's view, in response to your request, on how employment services can be improved as follows.

1. **Early interventions minimize the number of long term welfare dependant Australians of working age**
  - Currently, candidates receiving Youth Allowance payments do not have any participation requirements to engage in the job net work services. This in turn creates ongoing apathy towards the welfare system. This is apparent in low income areas such as Melton, Werribee, Footscray and Sunshine. Generational unemployment fuels youth apathy toward the employment services sector. This non engagement of youth in the workforce is a major concern for Australia s future.

- The current processes of the Job Seeker Classification Instrument are initially incorrect and do not reflect the job seekers disadvantages.
- More Personal Support Program providers for immediate referral.
- Reduce the contractual and administrative constraints, on wage assist and wage subsidy and Work Experience Placements and increase resources to assist long term welfare dependents.

**2. Employment services are relevant to the circumstances and needs of the job seeker:**

Employment services are relevant to tailor the timing, nature and sequences of assistance required. However, the emphasis should change from the current 'work first approach' to a 'mixed approach' and provision of more resources. In fact, more flexibility is required to deliver the services expected. In view of this, YES West Inc suggests:

- Increase the funding for the category of 4 to 12 months unemployed persons for training and re-skilling
- More Government incentives and an increase in traineeship & apprenticeship wages to keep abreast of the CPI
- Performance recognition and improved payments to the 26 week outcomes

**3. Jobseekers with higher levels of disadvantage receive intensive assistance.**

Since the introduction of Job Network, intensive assistance has proven very successful by placing highly disadvantaged jobseekers into employment. The emphasis of KPI3 that involved justifications of individual transactions has created a degree of complexity and micro-management of services that have threatened the basic principles of Job Network.

**4. Incentives for training which will improve the employability of job seekers.**

- Employer training and government advertising campaign to enlighten employers and engage with the long term unemployed of their community.
- New wage and incentive schemes to engage with the youth of low income areas such as trade sector.

**5. Job seeker receiving appropriate training**

- Addressing Australian skills shortage requires government to provide incentives to encourage individuals to take up skills training. The current assistance that is limited to one or two semesters of education does not help to address the skills shortage at hand. Most apprenticeships and training programs require at least two years of training.
- Programs such as the Skills Voucher Program (which is now on hold) are of great value to our jobseekers and it would be great if this program could also be accessible to Very Long Term Unemployed people who do have a year 12 (or equivalent) qualification.
- Making the Job Network attractive to qualified teachers & trainers would also help improve the quality of training provided.

**• Performance management principle**

DEEWR admits that Job Network Providers have their own governance and control frameworks that facilitate performance, quality service, correctness of payments and compliance with the relevant contracts/funding agreements and associated principles.

Nevertheless, DEEWR chose to show its power by punishing Job Network Providers for simple administrative errors.

We strongly believe the benchmarking model – Known as “workforce for the future” that has been developed by National Employment Services Association and submitted to the previous liberal Minister is a workable solution.

**6. The minimization of time & money spent on administration**

- The growing contractual red tape burden and its relative inflexibility of the service continuum have created an enormous compliance and administrative load for providers at significant cost. We strongly believe the Job Network Providers have the expertise to do the job and greater flexibility and discretion about the nature, timing and sequencing assistance would improve our services.
- The introduction of Job Seeker Account and the notional account in ESC3, followed by documentary guidelines, has created an enormous administration burden to the providers and violated the trust that Job Network Providers would assist the highly disadvantaged.
- The current level of administration takes all job network members away from their primary task of placing and working with clients in an effective and time efficient manner. Any time drawn away from the primary task will compromise the efficiency of the service provided.

Dear Sir, changes made to the Job Network under quality and compliance framework have resulted in substantial administrative and compliance demands being placed upon Job Network providers. Furthermore, increased government monitoring and regulation of Job Network providers has impacted on the ability of these providers to offer flexible and tailored support that is necessary to improve employment outcomes of long-term unemployed and difficult-to-place job seekers. Therefore, as mentioned above, YES West strongly believes that changes to the current system are necessary if Job Networks are to meet the needs of job seekers efficiently in the current economic and labor market environment and achieve the objectives identified in the Government’s Social Inclusion and Skills policies.

Yours sincerely,  
Patrick G. Bell  
Chief Executive Officer