

UnitingCare Australia

Submission

To the Department of Jobs and Small
Business on the **Next Generation of
Employment Services Discussion Paper**

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UnitingCare Australia

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About UnitingCare Australia

UnitingCare Australia is the national body for the Uniting Church's community services network and is an agency of the Assembly of the Uniting Church in Australia.

We give voice to the Uniting Church's commitment to social justice through **advocacy** and by **strengthening community service provision**.

We are the largest network of social service providers in Australia, supporting 1.4 million people every year across urban, rural and remote communities.

We focus on articulating and meeting the needs of people at all stages of life and those that are most vulnerable.

The UnitingCare network:



50,000
staff



30,000
volunteers



1,600
sites



1.4m
people
supported
across
Australia

Introduction

UnitingCare Australia welcomes the opportunity to submit to the Department of Jobs and Small Business as part of its consultation process on the *Next Generation of Employment Services*.

We support the need for design and implementation of a user-centric system that recognises the diverse experiences of jobseekers. We acknowledge and support the findings of the Department-commissioned research undertaken with jobseekers, which identified that many complex life issues can impact on jobseekers' motivations and their ability to participate in work. We agree that the systems and support structures that jobseekers engage with presently are often highly complex and can impose administrative and emotional burdens, in turn, impacting their ability to secure sustainable, meaningful work. The future employment services system that supports people into jobs must therefore make provision for these issues and be designed with a client-outcome focus at its heart.

Underpinning the feedback provided in this submission is our view that full 'employment', as opposed to full 'employability', should constitute the overarching objective of the new employment services system. In this context, we envisage a critical role for government in facilitating job creation, and where necessary, providing employment of last resort options, to complement the support provided to jobseekers through the employment services system.

We support the vision for more effective use of technology to guide people into meaningful work. We recognise, however, that prioritising use of technology will not be appropriate for all people, in all circumstances. For those who face additional barriers in accessing and retaining employment, we emphasise the need for tailored, face-to-face services to provide the quality of support required to deliver meaningful, sustainable job opportunities.

In order to identify interventions that are most effective in assisting jobseekers to find sustainable, meaningful work, we advocate the need for investment in outcomes measurement. This entails evaluating the results achieved for clients over time, and across programs, taking into account the different interventions being accessed and the impact they have. This also requires adoption of a more comprehensive approach to assessing the effectiveness of programs, moving beyond considerations of merely 'outputs' (such as a job placement alone). Rather, the focus should be more holistic, exploring programs that improve the knowledge, self-confidence and skills of jobseekers (and their dependants), as well as their social connectedness, resilience and wellbeing over the long term.

This submission is structured to respond to the guiding questions presented in each of the chapters covered in the Discussion Paper. Comments are provided to address the questions and themes most relevant from UnitingCare Australia's perspective.

Chapter 2: The goals of future employment services

Promoting outcomes measurement

In addition to the overarching objectives of the future employment service model forwarded in the Discussion Paper, UnitingCare Australia also advocates the need for **monitoring, evaluation and measurement of outcomes** as a core consideration and design feature.

Towards “maximising job seeker outcomes”¹ as is stated in the Discussion Paper, we believe that it is integral to recognise factors beyond the specific employment placement of a jobseeker (an ‘output’) that contribute to their ability to secure and retain stable, meaningful employment. Comprehensive measurement of the effectiveness of interventions delivered throughout the employment services system is required to identify programs and strategies that are effective, as well as those not delivering positive benefits for jobseekers.

We refer to advice from the Commonwealth Department of Social Services regarding the Data Exchange (DEX) initiative that they administer, and the importance of monitoring and responding to client outcomes that are measured. DSS notes the Data Exchange’s intention to “shift the focus of performance measurement from outputs to more meaningful information about service delivery outcomes”². DSS highlights that:

Outcomes...refer to the results being achieved for clients over time and across programs, recognising that clients often have complex needs requiring the intervention of multiple services and organisations.

We commend the outcomes measurement approach for adoption in the design of the new employment services system. We emphasise the need for comprehensive measurement of program effectiveness, beyond simply the measurement of ‘outputs’.

We envisage the potential for linkages to be made between DEX and the new employment services system to achieve consistency in the measurement and analysis of outcomes for people in their interactions across Government services and programs. We highlight that:

“[DEX] reflects the two-way partnership of information sharing between funding agencies and service providers, which enables both to find smarter and more efficient ways of improving service delivery and understanding the overall outcomes being achieved for individuals, families and their communities”³.

We believe that significant scope therefore exists for replication of **processes and tools** (rather than specific datasets) used by the DEX system in the new employment services environment. Caution should be exercised, however, in how linkages are made between datasets across DEX systems, given the nature of data reported, particularly regarding the most vulnerable clients and families. De-identification of client data would be essential, as would the need to secure full consent from individuals and families regarding their personal information, which may be difficult or not possible to secure in some instances, and thus preclude its use. Complexities around the

¹ Commonwealth Department of Jobs and Small Business. 2018. *The next generation of employment services – Discussion Paper*. P.22. Available at:

https://docs.jobs.gov.au/system/files/doc/other/the_next_generation_of_employment_services_discussion_paper_acc.pdf

² Commonwealth Department of Social Services. 2018. *What is the Data Exchange?* Available at: <https://dex.dss.gov.au/about/>

³ *Ibid.*

data sharing arrangement across government agencies would need to be carefully explored to ensure that the protection of client privacy remains paramount.

Other relevant economic, social and labour market trends

We note that the introduction of consumer-directed care (CDC) has signalled a significant shift in the delivery of social and community services, one of the key growth sectors in Australia⁴. The CDC model seeks to provide greater choice to consumers in selecting and using services that are most likely to benefit their needs.

In the community services sector where UnitingCare agencies operate, CDC facilitates direct allocation of funding to consumers who can exercise choice and control over their services, including when, what and how they are provided⁵. This has signalled a major disruption to the labour market and particularly to the nature of direct support and care jobs.

In delivering services under the CDC model, many community service providers are turning to casual employment to respond to changing market forces and to ensure flexibility in meeting client needs and managing budgets. Despite the potential benefit of enabling increased flexibility for employees, allowing them to negotiate and work hours that suit their needs, it is UnitingCare Australia's experience that casualisation can bring with it harmful consequences for workers. Indeed, as observed by May et al.:

It is clear that casual workers in general are far more vulnerable to practices such as summary dismissal, variation in hours and schedules, arbitrary treatment and underpayment. In addition, they are vulnerable to deficits in aspects such as skill formation and promotion. Such deficits may not have much effect in the short-term, but the consequences are likely to be worse when employees are stuck in casual jobs for long periods of time.

Casualisation is seen as bad not only because it draws more workers into the net of casual work but also because it exerts downward pressure on the wages and conditions even of those employees that continue to be viewed as 'permanent'. Both cases are often identified at workplace level with processes such as outsourcing and labour hire, which threaten the direct or indirect replacement of permanent workers by casual workers. In both cases, the bad consequences for individual employees readily extend out to bad effects on families and communities⁶.

The extent to which casualisation will impact on jobseekers in the employment services system requires further examination, given the potential implications on job availability, working conditions, and employer capacity to deliver meaningful employment outcomes.

The community services sector workforce

The community services sector is currently experiencing a significant amount of growth and change, influenced by factors such as Australia's ageing population and the introduction of consumer directed care. Enabling the effective delivery of community services to people across

⁴ Australian Bureau of Statistics. 2017. *Australian Industry 2015-16*. Available at: <http://www.abs.gov.au/ausstats/abs@.nsf/0/48791677FF5B2814CA256A1D0001FECD?Opendocument>

⁵ For more information, see:

https://agedcare.health.gov.au/sites/g/files/net1426/f/documents/04_2015/what_is_consumer_directed_care_0_0.pdf

⁶ May, Robyn, Iain Campbell and John Burgess. 2005. *The rise and rise of casual work in Australia: Who benefits, who loses?* Available at: <http://apo.org.au/system/files/1113/apo-nid1113-92926.pdf>

Australia by nurturing a quality and well-supported workforce remains paramount in this context. Towards achieve this, we note a number of important developments that are currently underway to build and nurture the community services sector workforce, particularly in the areas of aged care and disability services.

An Aged Care Workforce Strategy is currently under development, shaped around five 'imperatives', including leadership, organisation of work, skilling, innovation and the practical application of research and technology⁷. At the time of writing, public release of the Strategy is still awaited, but its recommendations to support development of the aged care sector's workforce, and resourcing to support this, are eagerly anticipated.

Workforce issues are also highly relevant in relation to the National Disability Insurance Scheme (NDIS), as its implementation across Australia continues. In 2015, the *Integrated Market, Sector and Workforce Strategy* was released, towards ensuring that "there is a diverse and flexible workforce supply to support people with disability into the future"⁸. The need for focussed consideration of, and investment in, the NDIS workforce is currently at a critical level, and is currently the subject of substantive debate across the disability sector.

For the purposes of the *Next Generation of Employment Services Discussion Paper*, it is critical that linkages be made, as much as possible, between these workforce initiatives and changes to the employment services system that can address current workforce issues in sectors such as community services.

Achieving full 'employment', rather than full 'employability'

UnitingCare Australia believes that the objective of the new employment services system should be to achieve full 'employment', as opposed to the diminished objective of working towards full 'employability'—the latter encompassing merely job preparedness for individuals, as opposed to ensuring that employment opportunity exists⁹. As Cowling and Mitchell observed in their 2002 paper, *False promise of false premise? Evaluating the Job Network*:

"...there is policy schizophrenia in expecting an outcome-based funding model for employment services to deliver 'better and more sustainable employment outcomes' in the absence of concomitant policies to alleviate the macroeconomic constraint and create real employment opportunities"¹⁰.

In this context, we take the opportunity to highlight our belief in the critical role of government to facilitate job creation, and where necessary, provide employment of last resort options. This is particularly the case in limited markets, where employment opportunity is diminished¹¹.

⁷ Commonwealth Department of Health. 2018. *Aged Care Workforce Strategy Taskforce*. Available at: <https://agedcare.health.gov.au/reform/aged-care-workforce-strategy-taskforce>

⁸ Disability Reform Council. 2015. *Integrated Market, Sector and Workforce Strategy*. Available at: https://www.dss.gov.au/sites/default/files/documents/07_2015/ndis_integrated_market_sector_and_workforce_strategy_june_2015.pdf

⁹ For further information, see Cowling, Sally and William Mitchell. 2002. *False promise or false premise? Evaluating the Job Network*. Available at: <http://e1.newcastle.edu.au/coffee/pubs/wp/2002/02-12.pdf>

¹⁰ *Ibid.*

¹¹ For further discussion on this issue, see UnitingCare Australia's submission to the Senate Select Committee on the Future of Work and Workers, available at: <https://www.unitingcare.org.au/media-publications/submissions/unitingcare-australia-submission-to-the-senate-selection-committee-on-the-future-of-work-and-workers>

Government fulfilling this role is crucial to acknowledge in consideration of systemic change that will occur with introduction of a new employment services, if the objective of achieving meaningful and stable work for all jobseekers is to become a reality.

Chapter 3: Helping disadvantaged people into work

We strongly support the stated intention in the Discussion Paper to “do more to support jobseekers who face complex barriers to find work”, and particularly endorse the need for inclusion of “more intensive face-to-face services” for those who require them¹². Broadly, we advocate moving away from the current depersonalised ‘hub and spoke’ model to more intense, face-to-face ‘enhanced services’, which are focused on the individual needs of disadvantaged jobseekers. In this context, we forward the following suggestions as areas for improvement:

- Specialised service provision to be directed at particular cohorts of jobseekers, in addition to a range of core supports available to all jobseekers.
- The establishment of strong partnerships between employment service providers of social/individual support services to ensure that jobseekers are easily linked with assistance that will deliver them genuine benefit. Employment service providers should also be supported to develop greater awareness of assistance available to jobseekers, in order to assist more efficient referrals to these, as necessary.
- Measuring outcomes for disadvantaged jobseekers, particularly in relation to the Discussion Paper’s proposal for employment services consultants to “work one-on-one with eligible jobseekers to develop and implement short and longer-term strategies that help them to prepare for and gain employment”¹³. Regarding this proposal, we envisage the need for formal evaluation and outcomes measurement processes to be introduced. Such processes could examine jobseeker development in relation to domains such as capability development, life security and social connection¹⁴.
- Targeted supports for cohorts that face acute disadvantage, including people from culturally and linguistically diverse backgrounds and young jobseekers who are in particular need of coaching around language, literacy, numeracy (LLN), communication and interpersonal skills. This includes awareness training and skills development across employment service providers to identify those jobseekers in need of extra support, coupled with the skills to effectively provide (or make efficient referrals to) the assistance they require.

We endorse the “four main types of assistance that could be provided to jobseekers” forwarded in the paper¹⁵. In addition to the strategies listed under the area, “support to help job seekers keep a job”, we also advocate the need for consideration of life-skills development opportunities and access to pastoral care-like services to provide an ongoing support structure for those placed in employment. We also forward the following additional suggestions:

¹² Commonwealth Department of Jobs and Small Business. 2018. *The next generation of employment services – Discussion Paper*. P.24. Available at:

https://docs.jobs.gov.au/system/files/doc/other/the_next_generation_of_employment_services_discussion_paper_acc.pdf

¹³ Ibid, p. 26.

¹⁴ For further information on measurement of wellbeing domains, see: Fleuret, Sebastien and Sarah Atkinson. 2007. *Wellbeing, health and geography: A critical review and research agenda*. Available at: <https://onlinelibrary.wiley.com/doi/abs/10.1111/j.1745-7939.2007.00093.x>

¹⁵ P.26

- The development of a collective impact model fostering partnerships between employment service providers and referral support services, to assist disadvantaged job seekers to manage non-vocational barriers, in turn increasing capacity to both gain and maintain ongoing employment. Such an approach could be built into the 'pre-employment intervention' assistance type with participant need identified through a formal assessment process.
- There is potential to draw from the current Disability Employment Service model in relation to the delivery of post-placement support services to disadvantaged cohorts. The types of supports and assistance delivered may be identified via an assessment process upon commencement in employment and include input from the employer regarding their business needs and expectations. Such a model may provide a foundation to better meet the needs of both jobseekers and employers, improve outcome rates and provide career progression opportunities for disadvantaged cohorts.

UnitingCare Australia believes a critical aspect of successfully linking disadvantaged jobseekers with meaningful and ongoing work relates to the ability of jobseekers themselves having the opportunity to identify their own skills, attributes and aspirations for work. We believe that tools should be developed to enable self-reflection, so that jobseekers can identify supports that they feel are required, as well as which employment pathways are most meaningful and appropriate. [Appendix A](#) is an example of a self-reflection tool developed by UnitingCare Australia in collaboration with the Commonwealth Department of Jobs and Small Business, used in implementing UnitingCare's values-based employment model in the community services sector. This tool provides an example of a simple aide that could be developed to support self-reflection and empowerment of jobseekers.

We also believe that developing greater awareness amongst employment service providers of real-life employment conditions in some sectors, such as the community services sector, would greatly assist in connecting people with sustainable employment. UnitingCare organisations have made the observation, for instance, that jobseekers referred by employment support services for roles in the community services sector (particularly in direct service provision roles, such as personal care workers), are often ill-suited to undertaking such work, or have little personal interest in fulfilling such roles. Others are referred having had little preparation for the realities of undertaking such challenging work, despite showing personal interest and potential in their abilities to do so. Greater focus should therefore be placed on developing the capabilities of employment service providers to better inform and prepare job seekers in their undertaking such roles through identifying strengths, areas for development and suitability prior to job placement.

Chapter 4: Empowering job seekers and employers through improved online services

We support the direction presented in the Discussion Paper, toward greater use of technology to provide enhanced service for both jobseekers and employers. We emphasise the need, however, for close monitoring and evaluation of technology and online tools that are used to ensure their effectiveness.

Regarding the current *Online Employment Services Trial*, we seek further information on evaluation of this initiative that is currently underway. We highlight the critical need for learnings from this trial to inform the design of online services going forward.

Fundamentally, while we support the vision for more effective use of technology to guide people into meaningful work, we recognise that prioritising use of technology will not be appropriate for all people, in all circumstances. For those who face additional barriers in accessing and retaining employment, we emphasise the need for tailored, face-to-face services to provide the quality of support required to deliver meaningful, sustainable job opportunities for those most in need.

Chapter 5: Better meeting the needs of employers

Better sharing of information regarding employment opportunities

UnitingCare Australia believes that significant scope exists in the design of the new employment services system to enable more effective sharing of information between employment service providers, employers and jobseekers about job opportunities.

It is UnitingCare Australia's experience, for instance, that across employment services providers, there is limited understanding of the scope of jobs and employment opportunities available in the community services sector, despite it being a growth sector. We recognise that to address this, there is need for employers in the sector to better share and promote information regarding the employment opportunities and pathways available.

Toward this end, UnitingCare Australia has developed a number of tools for use in implementation of the *UnitingCare Employment Project* (see [Appendix B](#) for more information), to inform employment services providers about employment opportunities with UnitingCare organisations in the community services sector – see [Appendix C](#) and [Appendix D](#). We believe there is benefit in supporting the development of more resources like these, to increase awareness of employment options for jobseekers.

Promoting values-based employment

As a means to ensure a quality, stable workforce in the community services sector and also facilitate meaningful and sustained employment for workers, UnitingCare Australia advocates the values-based employment model. We believe there is significant scope for promotion of the model in the new employment services system.

The values-based model represents an approach to attracting and selecting employees whose attitudes, values and behaviours align with those of the employer and the requirements of the role:

Values-based work can be conceived as one approach to creating ethical 'norms' for organisational behaviour and outcomes. It is usually posed in contrast to a standards-based work climate which is dictated more by the need for compliance to external rules, regulations and laws. Values-based

approaches are guided by internalised values which aim to encourage responsible, internally-driven and self-managed conduct¹⁶.

While there has been sustained growth in workforce numbers in the community services sector, particularly following the introduction of CDC and the National Disability Insurance Scheme, a challenge for many service providers has been finding people with the orientation and values needed to deliver quality, person-centred support¹⁷. UnitingCare Australia advocates for the adoption of the values-based employment model across the community and social services sector as the most effective means through which to deliver a quality, committed and supported workforce.

UnitingCare Australia has been working in partnership with the Australian government and UnitingCare service providers across the country to implement a national values-based employment model since 2015. As an employment pathway approach, the *UnitingCare Employment Project* selects, trains, mentors and supports people who have been long-term unemployed into jobs with UnitingCare organisations in the community service areas they deliver.

We believe there is significant potential for application of the values-based model in the new employment services system, to better link suitable jobseekers with employers and deliver better employment outcomes.

Encouraging partnership between Government, employment service providers and employers

UnitingCare Australia believes that effective employment opportunities for jobseekers are most likely to be generated through building effective partnerships between Government, employment service providers, employers and jobseekers. In this context, we commend the approach adopted through delivery of the Department of Jobs and Small Business' *Launch into Work* program, where "projects are co-designed with employers, jobactive providers, registered training organisations and other stakeholders to ensure both employer and job seeker needs are met"¹⁸.

UnitingCare Australia's experience in delivering pilot projects under the *Women and Employment Demonstration Project*, which led to the creation of the *Launch into Work* model, was that the co-design approach allowed the greatest opportunity for the tailored design of employment solutions that could respond to jobseeker needs and link them with meaningful employment. In turn, employers have been able to meet their workforce needs through having the opportunity to recruit committed, trained and supported workers.

For more information on UnitingCare's experience with, and outcomes of, the *Launch into Work* model pilot projects, see [Appendix B](#).

¹⁶ Australian Public Service Commission. 2015. *Values-based work*. Available at: <http://www.apsc.gov.au/publications-and-media/current-publications/human-capital-matters/2015/values-based-work>

¹⁷ Based on the experience of UnitingCare organisations, but also see: NDS. 2017. *The Values Based Recruitment Toolkit*. Available at: https://www.nds.org.au/images/resources/VBRT/Modules/NDS_VBRT_Module_1.pdf

¹⁸ Department of Jobs and Small Business. 2018. *Launch into Work program*. Available at: <https://www.jobs.gov.au/launch-work-program>

Chapter 6: Assessing job seekers to tailor support to their needs

UnitingCare Australia supports a staggered assessment, pre-screening and data matching process to better tailor assistance to jobseekers.

We advocate the need for clear guidance for jobseekers in navigating the employment system and job referral process, with information and updates provided to them regularly as they undergo assessment. We believe this is critical in building jobseeker confidence in the system and ultimately connecting them with the supports that best meet their needs.

We also commend the strengths-based assessment process endorsed in the Discussion Paper. We view this as an effective approach by which to enable consideration of 'soft' factors, such as attitudes and behaviours, as well as 'hard' factors like technical skills and previous work experience. Understanding of such factors will be critical in linking jobseekers with meaningful work, and it is imperative that the assessment process makes provision for self-identification of these factors, as well as for employment services providers to demonstrate their comprehension of them in the support they provide.

Regarding the collection of information to minimise burden on job seekers, providers and employers, we endorse the Discussion Paper's suggestion regarding improved data sharing across government agencies. Particularly, we recommend investigation of linkages that can be built between the employment services system and DEX to provide more context around the experiences of jobseekers, as well as provide greater scope for outcomes measurement. Adoption, for example, of the SCORE domains¹⁹ established in DEX, could be used to measure the impact and effectiveness of supports delivered, and those identified to most likely benefit jobseekers.

Whilst endorsing the need to streamline processes around data collection to better assist jobseekers, providers and employers, we fundamentally advocate the right of individuals to information privacy, including the privacy of data held and shared online. It is imperative that jobseekers be aware of, and consent to, the sharing of data and information collected regarding their personal situation. Data collection and sharing processes should be designed to assist people to maintain the greatest possible control over their information, toward ensuring their empowerment, security and wellbeing.

To better support employers in their ability to identify and match job seekers with work in a more efficient and sustainable way, we suggest that jobseekers could be distinguished into characteristic groups on the basis of their current and desired skills, as well as their personal attributes, qualities and values. This may allow employers to have better knowledge of the types of work that jobseekers are looking for, and to subsequently streamline their process by which to match jobseekers with meaningful employment.

UnitingCare organisations have also provided feedback that, to better assist employment service providers in effectively identifying opportunities that would create longer term employment for jobseekers, it would be helpful to forecast the skill areas that are in high demand and focus on jobseekers' skill development around those areas as early as possible. Provided that there is genuine interest from the jobseeker in pursuing a career in the areas of high worker demand, early

¹⁹ Commonwealth Department of Social Services. 2017. *Using SCORE to report outcomes*. Available at: https://dex.dss.gov.au/wp-content/uploads/2015/09/using_score_to_report_outcomes.pdf

skills training would ensure that jobseekers could be efficiently placed into roles, and in jobs that are likely to provide a sustainable career path.

We also suggest To provide more real-time visibility of available workers in specific job markets, including projected growth of job seekers so that providers like Uniting can anticipate which jobs we can place workers into based on our opportunities. It will also enable us to plan for career pathways based on our needs and potential employees in the market.

Chapter 7: Incentives for job seekers to find work

UnitingCare Australia promotes the need for full transparency regarding arrangements set in place for monitoring jobseeker compliance.

Regarding the proposal forwarded in the Discussion Paper (p.53) to monitor compliance online, we strongly advocate the need for clear information to be made publicly available about administering this system. We forward, for instance, that there must be provision made that any penalties imposed through non-compliance not be made solely on the basis of online assessment – given the impact of reductions to income support on jobseekers, and particularly those from disadvantaged backgrounds, there would need to be checks and balances introduced to avoid the causation of harm. This would entail face-to-face interaction with jobseekers to clearly discuss and examine their situation, from which to make an appropriate assessment.

Further, we endorse the proposition that jobseekers to be given more choice and control regarding the employment pathways available to them. In doing so, however, we strongly advocate the need for the principle of **informed choice** to apply in all instances. It is imperative that jobseekers be presented with information regarding the full opportunities that are available to them, and for them to be provided with support, as necessary, to understand these options, and the implications of choices that they make. If jobseekers have reduced capacity to make informed choices themselves, provision must be made for services and supports to assist them appropriately in this regard.

Of the activation options presented in the Discussion Paper, UnitingCare Australia supports the trial of a **points-based** approach to allow more flexibility and range of approved activities. Effectiveness of this approach would need to be rigorously evaluated, however, to identify any harmful or adverse impacts on jobseekers, and opportunities for further improvement of the system.

In principle, UnitingCare Australia also endorses the suggestion for greater recognition of job seekers who regularly exceed requirements under the activation framework. We consider that, in practice, this could entail provision of more training, up-skilling and work experience opportunities, or even greater flexibility in the compliance and mutual obligation requirements that they must adhere to. Again, we advocate the need to evaluation of such measures, if implemented, to build evidence around successful strategies that benefit jobseekers and connect them with meaningful employment.

Chapter 8: Targeted regional and local approaches

UnitingCare Australia believes that a good diversity of jobseeker services should, as far as possible, be available in each region, including specialist agencies and smaller locally-based providers.

We endorse the place-based approach highlighted in the Discussion Paper, to develop tailored solutions that can help local people address barriers specific to their communities.

Noting the Regional Employment Trials program to commence implementation from 1 October 2018, we seek further advice regarding the evaluation of this program, and the extent to which its findings will inform the development of the new employment services system in rural, regional and remote locations.

Further to this, we support the Discussion Paper's proposal to consider incorporation of a strategic regional approach into the broader employment services framework, which would help jobseekers in locations where job opportunities are limited. It is our view, however, that such measures should be coupled with careful consideration of other opportunities for the Government to act as an employer of last resort in limited employment markets.

UnitingCare Australia highlights our belief in the critical role of government in facilitating job creation, and where necessary, providing guaranteed employment for individuals, particularly in limited markets. As observed by The Australia Institute's Centre for Future Work:

...Committing to the creation and maintenance of high-quality, secure work should be at the top of Australia's national economic policy agenda. We need a focused strategy for jobs: Creating more of them. Lifting the quality of jobs. Ensuring secure and fair conditions. Providing access to jobs for those who need them most. And aligning our education, skills and vocational training system to better support workers to do the jobs that are required in a modern economy²⁰.

Toward this end, UnitingCare Australia supports the need for stronger Government endorsement of initiatives that can facilitate increased employment in limited markets. Particularly in remote and regional communities where economies may be stagnant, we forward the need for consideration of alternative income support models, such as Basic Income, to stimulate local economies and increase the prospect of employment opportunities. Implementation of the new employment services system in conjunction with such initiatives may provide effective solutions to providing greater employment opportunities in limited markets.

Chapter 9: A service culture built on competition and quality

We strongly advocate for the employment services system to effectively balance market contestability with quality control. This is towards achieving the best possible outcome for jobseekers in securing meaningful, sustainable employment.

²⁰ TAI Centre for Future Work. 2018. *Submission to the Senate Select Committee on the Future of Work and Workers – "The Future of Work is What we Make it"*. Available at: <https://www.aph.gov.au/DocumentStore.ashx?id=da772726-7c1a-4e73-a509-d77e948fa7c8&subId=563018>

We highlight, in this context, that research on the applicability of marketisation and contestability in human services can lead to adverse impacts. Indeed, as articulated by Goodwin and Phillips in their article, *The Marketisation of Human Services and the Expansion of the Not-for-Profit Sector*, “contractualism and competitive tendering encourage business-like practices...and orient [providers] toward achieving the best financial outcomes, rather than the best social outcomes”²¹. Moreover, as Cowling and Mitchell caution, in a marketised environment

To ensure the effectiveness of services provided in a marketised context, we subsequently promote the need for Government to adopt a positive stewardship role. We envisage that this may entail development of a moderately-flexible market, which would include continuing caps on the number of providers in each employment region. The Government should have power to intervene in the market when doing so is in the interests of job seekers.

Regarding evaluation of provider performance, we believe that this should be assessed mainly on the basis of the difference a service makes to the employment and wellbeing prospects of the jobseeker, with weightings for people in a more disadvantaged position in the labour market. Where a provider has consistently met the local benchmark for the profile of unemployed people they have assisted, and fulfilled their licence conditions, their allocation of places should generally be rolled over for another fixed period.

Again, we reiterate the need for outcomes measurement to ensure the delivery of quality employment services. We believe that the effectiveness of employment services should be continuously evaluated using data on the profiles of local labour markets, unemployed people, the assistance offered to people, and feedback from service users. As far as possible, evaluation reports through be made publicly available to encourage good practice and transparency around quality service provision.

Finally, we forward that providers of employment services should be required to hold a current license to provide employment services to specified groups in a given region, issued by an independent statutory authority. Their purpose would be to assure quality service standards rather than allocate ‘places’ to providers or manage their performance in achieving employment outcomes.

²¹ Goodwin, Susan and Ruth Phillips. 2015. *The Marketisation of Human Services and the Expansion of the Not-For-Profit Sector*. Available at: <https://ses.library.usyd.edu.au/bitstream/2123/14787/1/Chapter%202.pdf>

Conclusion

UnitingCare Australia fundamentally supports the need for design and implementation of a user-centric employment services system that recognises the diverse experiences of job seekers. The new system must have the principles of accessibility, empowerment, quality and support at its core, with an overall objective of securing meaningful, sustainable work for jobseekers.

Underpinning the feedback provided in this submission is our view that full 'employment', as opposed to full 'employability', should constitute the core objective of the new employment services system. In this context, we envisage a critical role of government in facilitating job creation, and where necessary, providing employment of last resort for individuals, to complement the support provided to jobseekers through the employment services system.

We support the vision for more effective use of technology to guide people into meaningful work. We recognise, however, that prioritising use of technology will not be appropriate for all people, in all circumstances. For those who face additional barriers in accessing and retaining employment, we emphasise the need for tailored, face-to-face services to provide the quality of support required to deliver meaningful, sustainable job opportunities for those most in need.

Finally, we reiterate the need for development of the new employment services system to be coupled with greater investment in outcomes measurement. This should include routine evaluation of the results being achieved for clients over time, and across programs, taking into account the different interventions being accessed and the impact they have. Moreover, outcomes measurement requires adoption of a more comprehensive approach to assessing the effectiveness of programs, moving beyond considerations of merely 'outputs' – namely, the job placement that they might secure.

We thank the Department for the opportunity to comment on the Discussion Paper and invite any questions regarding the issues covered in this submission.