

Employment Services – building on success Issues paper 2013

Submitted to:

The Department of Education, Employment and Workplace Relations (DEEWR)

Submitted by:

AMES

MARCH 2013

About AMES

AMES is a specialist organisation providing settlement, education, training and employment services to newly arrived refugees and migrants in their initial phase of settlement, and to longer term migrants who require support to gain employment. AMES provides services in Victoria, works with over 50,000 people a year and has over 60 years' experience.

The primary focus of AMES services is to transition refugees and migrants to successful settlement in Australia.

AMES delivers specialist employment services for culturally and linguistically diverse job seekers, as a CALD Specialist Job Services Australia provider funded through the Department of Education, Employment and Workplace Relations (DEEWR).

AMES also delivers three contracts for the Department of Immigration and Citizenship (DIAC):

- Adult Migrant English Program in seven of the eight contract regions in Victoria
- Integrated Humanitarian Settlement Services in all contract regions in Victoria
- Asylum Seeker Support Programs (CD, CAS and ASAS) across Victoria

AMES vision is *Full participation for all in a cohesive and diverse society.*

Outline

AMES response comments on a number of the discussion questions and address issues specific to a CALD Specialist Employment Service under the following headings.

Impact of Specialist Providers	4
Specialist contracts customised to the different needs of each specialist cohort	4
Defining Cultural and Linguistic Diversity (CALD)	4
1. Different specialist contracts for each identified specialist job seeker cohort	5
2. Determining the level of services for job seekers in CALD specialist contracts	6
3. Services for CALD job seekers	8
4. Performance Framework	14
5. Stronger partnerships with other service providers	15
6. Ideas for a better system	17

Impact of Specialist Providers

How can we ensure that individual job seekers from all backgrounds and levels of disadvantage get the services that best meet their needs?

DEEWR has created a number of specialist services as part of Job Services Australia with the intention of contracting JSA services from providers who have specialist expertise in working with groups with specific needs. The creation of these specialist services rightly acknowledges that within the total cohort of job seekers there are a number of groups that would benefit from specialist attention.

Specialist contracts customised to the different needs of each specialist cohort

To ensure that individual job seekers from all backgrounds and levels of disadvantage get the services that best meet their needs, specialist contracts need to be customised to each specialist cohort. Outcome and performance measures, resources, staffing models, locations and geographical spread will need to fit each specialist cohort.

This response to the *Employment Services – building on success Issues Paper* outlines some changes to the current JSA model that would improve services and outcomes for (i) CALD job seekers in general and (ii) recently arrived refugees and Humanitarian Entrants as a distinct sub-set within the CALD cohort.

Defining Cultural and Linguistic Diversity (CALD)

Country of Birth identifies the country in which a person was born. It can be used to indicate whether or not a person is an immigrant and the country group to which they belong. Country of Birth variables are used to assess the ethnic and cultural composition of the Australian population.

Country of Birth variables are often more useful when used with other variables to measure diversity in its broader sense, for example [Language](#), and [Religious Affiliation](#). Country of Birth can also be used to assess and monitor service needs of population groups within Australia, in conjunction with variables such as [Year of Arrival in Australia](#) and [Proficiency in Spoken English](#).

Country of Birth is included within the minimum core indicators for use in measuring cultural and linguistic diversity [\(ABS – 1200.0.55.004 - Country of Birth Standard, 2012, Version 1.0\)](#)

Cultural and Linguistic Diversity should also recognise the relatively small number of people who may have been born in Australia but who self-identify primarily with another culture and another language.

1. Different specialist contracts for each identified specialist job seeker cohort

1.1 State coverage - reaching the largest number of CALD job seekers

State wide contracts for all specialist services would ensure equal access to services for all job seekers in specialist cohorts and a standard quality of services across ESAs.

1.2 Connecting CALD job seekers to the best service

While the JSCI acts as a tool to determine which level of Stream Service a job seeker is allocated to – there are no clear guidelines for identifying which job seekers should be allocated to a CALD Specialist Provider.

Guidelines need to be developed so that all CALD job seekers are automatically allocated to a CALD Specialist Employment Service Provider on an ‘opt out’ not ‘opt in’ basis (as described below).

- The system of ‘equitable distribution’ of clients across providers should exclude specialist cohorts who should automatically be referred to the appropriate specialist provider
- Revision of the JSCI (discussed below) and closer links between DIAC HSS and DEEWR ESS IT systems are needed to ensure refugees and Humanitarian Entrants (job seekers eligible for the HSS) are automatically allocated to a CALD specialist employment provider.

1.2.1 Role of Centrelink: processes/guidelines for identifying job seekers from a specialist cohort

The current processes for the allocation of job seekers by Centrelink do not facilitate appropriate allocation of job seekers to specialist providers. As a result DEEWR is not getting the maximum benefit from contracting these specialist providers. Telephone interviews are less effective than face-to-face interviews when assessing CALD clients and making appropriate allocations to a specialist provider.

There needs to be transparent and clear communication across the sector regarding the profile and characteristics of each specialist cohort. Guidelines should be provided to identify each specialist cohort, with, for CALD clients, a re-focusing on the full meaning of *linguistic and cultural diversity*.

An increased knowledge of specialist providers/services across all Centrelink offices and improved capacity to identify which job seekers should be allocated to these specialists would strongly support improved processes. This will ensure job seekers receive the services that best meet their needs and specialist service providers are used to their maximum. To facilitate this:

- The sector needs a set of basic criteria to identify job seekers from the different specialist cohorts. The CALD job seeker cohort should include recently arrived refugees and humanitarian entrants (ie arrived in the past 5 years), eligible recently arrived migrants and longer term migrants/refugees who identify primarily with the language and culture of another country. CALD job seekers should be identified through the JSCI by Country of Birth (or country of primary culture) in combination with any of the following variables – language, proficiency in English, length of time in Australia (as per the ABS)- and allocated to a CALD specialist provider.

- Particular care needs be taken to identify newly arrived refugees through their eligibility for DIAC’s HSS program and to automatically allocate these clients to a CALD specialist provider.

NOTE: An ‘auto-link’ between the DIAC HEMS system and the DEEWR ESS IT system could ‘auto-allocate’ newly arrived refugees and humanitarian entrants in DIAC’s Humanitarian Support Services (HSS) to a CALD Specialist Employment provider.

- Centrelink staff need to be trained to use the criteria to identify job seekers from specialist cohorts and allocate to specialist providers accordingly.
For example – lack of literacy is frequently not identified in the initial assessment at Centrelink. (At AMES Dandenong, a high density refugee settlement area, around 5% of job seekers have been assessed as non-literate while in reality up to 70% have minimal literacy in their first language, and certainly not literate in English.)

1.2.2 Accessible information

Information (both written and verbal) for the significant percentage of the Australian population who do not speak, read or write English as their first language should be available in all major migrant community languages at Centrelink.

- This would (i) ensure job seekers fully understood information provided by Centrelink and (ii) result in more accurate JSCI assessment.

1.2.3 Client choice

Job seekers are able to 'opt out' of a specialist service if they make the choice to go to a generalist provider.

- Job seekers identified as belonging to a specialist cohort should be automatically allocated to an appropriate specialist provider
- Once allocated job seekers should have the option to 'opt out' of any specialist service
- An 'opt out' process would provide the option for individual job seekers to choose to move to a generalist provider, or a different specialist – for example: a CALD job seeker with hearing impairment may choose to move to a specialist for the hearing and vision impaired rather than remain with a CALD specialist
- Clients allocated to a generalist provider should also have the option to 'opt out' and choose a specialist provider if they believe the specialist will offer the best/most appropriate service

2. Determining the level of services for job seekers in CALD specialist contracts

2.1 Reduce the number of Streams in Specialist Contracts

Three Streams or categories of services would capture the range of job seekers and provide appropriate levels of support. This could be a cost-neutral exercise if slight adjustments were made to resourcing and outcomes payments for clients in a combined Stream 3 and Stream 4. Stream 1 and/or Stream 1 (Limited) would continue to be available for job ready job seekers or those who already have some employment.

2.1.1 Stream Services

A streamlined model could include:

- Job Ready – current Stream 1
- Moderate Barriers – current Stream 2
- Significant Barriers – combine current Stream 3 and Stream 4
(client data shows that these job seekers have the same or similar characteristics)

Workplace experience and workplace observations should be built into all Streams as part of the suite of activities available to job seekers when participating employer/workplaces are available

- Work Experience Program – funding available for clients in all Streams at any stage of their time in JSA replaces the current Work Experience Phase (see following section for more detail)

2.2 Reform of the JSCI

*JSCI places refugees and job seekers from refugee-like backgrounds into **Moderate Barriers or Significant Barriers services***

2.2.1 JSCI as an assessment instrument

Job seekers who arrive in Australia as part of the government's Humanitarian Program are no longer automatically classified as highly disadvantaged and therefore needing high levels of support. Prior to the revisions made to the JSCI by the previous government, refugees who had arrived in the last 5 years were automatically classified as highly disadvantaged.

While in the 2008 *Review of the JSCI* document there appears to be an assumption on the part of the Department that refugees and other highly disadvantaged CALD job seekers are receiving a high level of service, under the current JSA recent arrivals, including those from refugee backgrounds, are being placed in Stream 1 or even Stream 1 (Limited).

For example: at AMES Dandenong Employment site approximately 500 of the 1800 clients have been assessed as eligible for Stream 1 level of service, despite the fact that approximately 70% of the clients are from refugee backgrounds, have very low levels of English and have no Australian work experience.

Revision of the assessment instrument is needed to more accurately identify job seekers needing more intense assistance to find, and retain, employment. It is particularly important to identify job seekers from refugee background through the JSCI.

Many refugees do not divulge sensitive information or provide medical evidence to JCAs – as they frequently have had experiences with government offices in other countries that have eroded their trust. Therefore the JSCI needs to accurately identify refugees and job seekers from refugee-like backgrounds and to place them in an appropriate service. Indicators of a job seeker's need for high levels of support include:

- Length of time in Australia (eg less than 5 years)
- English language proficiency (eg no or low levels of English)
- Visa category (eg Series 200 Visa; Visa 866)
- Refugee experience (and associated lack of recent work experience)
- Time in detention (eg weighted as for newly released offenders)
- Mental health issues (eg clinical depression, schizophrenia, bi-polar disorder, etc)
- Levels of education and qualifications (eg low education and/or qualifications not recognised)
- Unstable accommodation (eg temporary accommodation with friends, etc)

Weighting of these indicators in the JSCI needs to ensure that recently arrived CALD job seekers are placed in a level of service appropriate to address their needs – ie Moderate or Significant Barriers

(See Attachment A: *AMES response to the review of the JSCI*)

2.2.2 Capacity for provider to review JSCI assessments

Given that a large number of assessment are conducted over the phone through Centrelink call centres, it is critical that specialist providers working with CALD job seekers are able to follow up with face-to-face interviews and add additional information/barriers that clients disclose at these more in-depth personal interviews.

- Specialist CALD providers should have capacity to change a client's Stream based on additional barriers disclosed at interview.

2.2.3 Registration and assessment: phone vs face-to-face

Clients are frequently registered and assessed over the phone. Clearly for CALD clients who do not speak or understand English well a phone assessment often results in an inaccurate assessment. Clients do not understand what they are being asked and/or do not have sufficient English to provide accurate information. Many of the clarifications, facial and other cues that are part of a face-to-face interview are not possible over the phone.

In addition, anecdotal evidence indicates that on a number of occasions a friend or relative who is phoning on behalf of a job seeker who cannot speak English is the one who is assessed – rather than actual job seeker.

- An increase in the number of Migrant Liaison Officers at Centrelink offices would allow for an increase in face-to-face assessments and improve the accuracy of referrals.

3. Services for CALD job seekers

How should specialist services best be structured and incentivised to ensure they most effectively reach the largest number of job seekers?

3.1 Services available under Stream 1 and Stream 1 (Limited) for specialist cohorts

Specialist service providers currently operate under the same set of policies as Generalist providers, and yet are providing services to very different job seekers with different needs and, often, quite specific barriers to employment.

Recently arrived CALD job seekers can face a number of barriers to accessing work and/or vocational training which helps lead to a job. These barriers include limited understanding of systems and processes in the education and training sectors in Australia; low English language and literacy skills as well as, often, low numeracy; little experience of ICT and little or no experience of workplaces or of what constitutes 'employability' in Australia.

The limited support available for job seekers who are placed in Stream 1 (Limited) or Stream 1 is most often a barrier to achieving employment outcomes for CALD job seekers. The rationale for low levels of support to job seekers who have been unemployed for less than four months and the low levels of payment for employment outcomes for these job seekers is premised on the assumption that this cohort has the resources in terms of personal capital and labour market skills and experience to essentially find their own employment. The majority of newly arrived refugees and Humanitarian Entrants fall into the 'unemployed for less than four months' category by virtue of their recent arrival. Yet, also by virtue of their recent arrival in Australia, these job seekers are trying to find work in a country and a labour market which is not familiar to them and where they have no or extremely limited networks and connections to help them.

- Stream 1 and Stream 1 (Limited) are not resourced to provide access to the level of support newly arrived CALD job seekers and other CALD sub-cohorts (for example CALD youth, mature aged or people with a disability) most often need to successfully re-train for the Australian work context.
- Many of newly arrived CALD job seekers do not successfully complete vocational training where there is no foundation skills development concurrent with, and closely aligned to, the vocational skills being developed in a course.
- Reforms to the JSCI are needed to accurately identify job seekers from this cohort and to place them in an appropriate Stream – and this will usually not be Stream 1 or Stream 1 (Limited). Where medical evidence is not supplied to the JCA, secondary assessment should occur to determine that CALD clients understand the process and the need to present evidence of medical conditions.

3.2 Stream 2 or 3 level of support for recently arrived refugees and humanitarian entrants

AMES supports the federal government policy of social inclusion through economic, educational and social participation and argues that within the CALD population in Australia, recently arrived refugees and migrants are one of the disadvantaged groups that need targeted assistance to be able to fully participate in Australian society.

DEEWR has created a model of streamed JSA services with the intention of ensuring that disadvantaged job seekers receive the most intensive support to find employment.

While current statistics indicate that the Stream Services model is delivering on key policy intent, AMES experience is that many newly arrived refugees and humanitarian entrants are 'falling through the cracks' because the specific disadvantages that impact on their capacity to secure employment are not recognised in the tools that are used to place them in a stream. Therefore the model intended to assist the most disadvantaged job seekers is, in effect, further disadvantaging many newly arrived job seekers.

3.2.1 Resourcing support (including interpreters) for refugee and Humanitarian Entrant job seekers

In advocating that recently arrived refugees and Humanitarian Entrant be allocated to the equivalent of Stream 2 or 3 AMES is aware of the implications that this could be seen to have for levels of funding.

- If the number of Streams is reduced (as proposed earlier in this response) the relative cost of providing the equivalent of Stream 2 or 3 resources for this cohort could be managed.

CALD clients cannot be expected to engage with and/or understand their JSA provider if they do not speak/understand English reasonably well. Nor will they understand forms they are required to complete and/or sign, eg the Confirmation of Employment form if they are not literate in English. To ensure equitable access to information and services interpreter services need to be funded for CALD clients.

- Quarantined funding needs to be available for interpreter services in all Streams (as for ESL and LAP – not as funds to be taken from the EPF)
- The need for interpreter services should be identified by an automatic flag based on a client's primary language

3.2.2 Early intervention

Many recently arrived refugees and Humanitarian Entrants are highly motivated to commence work early during their settlement period. To best harness this motivation and achieve job outcomes for this cohort intensive job search resources must be available early and services must be flexible enough to allow a number of settlement issues to be addressed concurrently.

- CALD job seekers waiting for eligibility for JSA services (eg migrants with a two year waiting period) should be allocated to a Stream appropriate to their skills and/or needs *not* to Stream 1 (Limited) if the two year waiting period remains in effect.

In AMES experience recently arrived refugees/Humanitarian Entrants are often willing to take on casual or part-time work which may not be the clients' preference, but nevertheless provides an entry point and sets up a work-not-welfare pattern of settlement in Australia. Appropriate and appropriately resourced assistance through JSA services that helps this cohort to find sustainable (and, hopefully, satisfying) employment can capitalise on this motivation.

- Allocation - through a revised JSCI - to the equivalent of Stream 2 or 3 would provide adequate resourcing for the type and scope of supports needed by newly arrived refugees/Humanitarian Entrants
- Appropriate levels of funding for relocation assistance (for employment purposes) should be available. Resources for clients in Stream 1 are not adequate to provide this assistance thus decreasing opportunities for CALD job seekers who are willing to relocate to fill regional skills shortages.

3.2.3 Skills development: foundation and vocational skills

Foundation Skills training, both 'front-end' (as provided through some of the government funded transitions programs mentioned earlier – AMEP and SEE) and concurrent is a requirement for many CALD job seekers to access and succeed in vocational training and/or employment. Many CALD job seekers who gain entry to mainstream training or employment will continue to need language, literacy and/or numeracy support to complete their training or to keep their job.

- This model of training and skills development can be achieved by ensuring refugees and other disadvantaged migrants are placed in a Stream resourced to provide appropriate levels of support. The equivalent of Stream 2 or 3 would provide resources through the EPF sufficient to support continued language, literacy and/or numeracy support for CALD job seekers to complete their training or to keep their jobs, as well as funding vocational training

3.3 Refugee Youth - Early School Leavers

On the whole, refugee youth in JSA cannot be profiled as Early School Leavers in the same sense as this classification is used for youth who have English as their first language, are literate, are familiar with the Australian education system and have attended school in Australia. The majority of refugee youth in JSA:

- have low levels of English
- had limited access to schooling in their own countries or in refugee camps
- left school at or before Year 9 or 10

This cohort usually does not have the language, literacy or study skills to successfully undertake VCE, nor do they succeed in completing Certificate II level vocational training.

- These young job seekers need to learn English through hands-on practical activities. This means having access to on the job training either through an individual work trial model, or through group work experience activities organised through provider to provider collaboration.
- Refugee youth should be exempt from Early School Leaver requirements.

3.4 Work Experience Program

A Work Experience Program modelled around the most effective components of the previous CWC program would assist improve job outcomes for job seekers in the CALD Specialist cohort who have no Australian work experience, and no other means of gaining this experience.

- Work experience includes: actual placement in a workplace; OHS induction; working as part of a team; requirement that clients behave as if actually employed (medical certificates required for absences, timesheets filled out, etc). Funding should be available at any stage, not only at the end of 12 months in JSA as per the current contract.
- Work experience is a flexible program. Job seekers are moved out into real jobs as soon as they are well-enough prepared and a job is available

3.4.1 Provider to provider collaboration

If collaboration between different JSA Providers is encouraged, providers will share their skills/resources across the sector. Pooling job seekers from different providers interested in or needing a particular type of work experiences activity will result in the numbers needed to make delivery of a program viable.

Funds should be quarantined for Work Experience Group Activities, rewarding provider to provider collaboration. This will represent value for money, increase financial support for local not-for-profit community organisations and increase local community support for job seeker programs.

- Providers should be rewarded for collaborating to develop and deliver work experience programs/activities for job seekers from multiple different JSA Providers.

3.5 Training

3.5.1 Funding for English tuition and vocational training

Government directly provides considerable resources such as HSS, AMEP and SEE (ex LLNP) to support the settlement needs of recently arrived CALD clients. Policies and contracts need to facilitate and encourage concurrent delivery of these services with vocational training and employment services.

AMES advocates strongly that the JSA EPF be used to develop and support training models and pathways for all groups of disadvantaged adult Australians, including CALD job seekers.

Arrangements/agreements between different government departments and across State and Federal lines need to ensure:

- CALD specialist job seekers have access to both vocational and Foundation Skills courses (before or concurrently with vocational training)
- funding arrangements are such that specialist CALD providers are not penalised/do not incur additional costs because CALD job seekers frequently need to undertake more or longer vocational training

3.5.2 Service delivery recognition for education/training outcomes

Star rating and outcome payments need to acknowledge and reward language tuition and other training as an outcome for CALD job seekers. This should include attendance in programs such as the AMEP and SEE.

Under the current contract job seekers under 21 and principal carers are noted as exceptions and attract two full outcomes for training and education activities – one at 13 weeks and the second at 26 weeks.

- CALD job seekers should be added to the job seeker categories on this list of exceptions and also attract two full outcomes for training and education – at 13 and 26 weeks.

3.6 Post Placement Support (PPS)

Funded Post Placement Support (PPS) paid in the quarterly service fees (not from the EPF) should be extended to 12 months (as per the DES contract) for CALD specialist job seekers assessed as needing continued support to keep a job – for example CALD clients who are parents returning to work, mature aged, have a disability, very long term unemployed, youth/Early School Leavers. (This proposal also applies to indigenous job seekers who would not usually fall into the CALD specialist cohort).

- Procedures for PPS should describe the characteristics of clients who would be assisted by extended PPS, the quality of the service to be provided – including recommended frequency of contact and guidelines for negotiating the best type of PPS that will work for both the client and the employer
- A less intense form of PPS should be funded for all other CALD job seekers needing support to stay in a job. Tailored PPS would provide at minimum a weekly contact for the first two weeks, monthly contact to 13 weeks and then bi-monthly contact for up to 12 months as required.

3.7 Working with employers

What strategies could be used to increase employer awareness of the employment service system and the workforce development and business benefits it can provide?

3.7.1 Greater promotion of JSA services by Government

Increased promotion of JSA services to employers and peak industry bodies by DEEWR is needed to (i) build recognition of the services provided by JSA services with employers and in particular, (ii) increase awareness of the types and level of support/funding available to employers taking on job seekers from specialist cohorts.

3.7.2 Improved understanding of employers by JSA providers

Standard employer profiles should be included when creating employer contacts on ESS.

- For both recruitment and employment consultants, access to comprehensive information about an employer, the range of jobs within the business and the type of skills required will assist employment staff to promote JSA services to employers and improve job matching to the advantage of both employers and the job seekers.

How should the employment services system best meet the workforce needs of employers?

3.7.3 Wage subsidies

Wage subsidies provide a real incentive for employers to take on less experienced, less skilled job seekers, or those with barriers to employment - for example, low level English language in the case of many CALD job seekers.

Transitional pathways are the reality for obtaining on-going employment for many. Changes to current policy which could support transitional employment for CALD specialist job seekers – particularly those with no Australian work experience include:

- Compensating for lack of experience: partial Wage Subsidies can provide an incentive for employers to try out potential workers they might not otherwise consider – for example, an unqualified/inexperienced job seeker from CALD background. Short term contracts and seasonal work as well as on-going employment should attract a partial wage subsidy (for example - for the first month) for this specialist cohort
- Revision of funding mechanisms to obtain job outcomes: flexibility in the use of wage subsidies could be a mechanism to give employers the capacity to deliver on-the-job training, mentoring and other support (eg first language support) for new employees.
- Educating employers: flexibility in the use of funds should allow for training/educating employers in understanding cross-cultural diversity in the workplace
- Consistent Wage Subsidy amounts: standardising wage subsidies within a range and with allowance for some exceptions would help prevent ‘shopping around’ by employers to get the highest subsidy and ‘bidding’ by some providers (ie trying to offer the highest subsidy to attract an employer).

3.7.4 Brokered placements: Reporting required of employers

The current detailed reporting requirements whereby employers must provide a detailed account of actual hours worked by job seekers on brokered placements for every day in the workplace (including meal breaks) is discouraging employers from providing brokered placements for job seekers.

While the intention of this requirement may be to ensure job seekers and employers are both protected from exploitation or unfair treatment, the effect is that fewer and fewer employer are willing to provide brokered placement and therefore workplace experience for job seekers.

- The JSA needs to make it as easy as possible for employers to provide workplace experience for job seekers with recognised barriers to employment. A reduction in reporting required of employers, especially small employers, would remove some of the current burden. Current forms could be combined so that signing was required twice only – once at job placement and again at the end of 26 weeks. Verification of employment by either employer or job seeker should be accepted.

How can employment services providers contribute to overcoming national and regional labour and skills shortages?

3.7.5 Rural and regional employment: relocation of job seekers

Resettling migrants and refugees, facilitating the integration of new arrivals into local communities and building sustainable communities in regional and rural Australia are policy goals for all levels of Australian government.

Recently arrived migrants and refugees who are willing, and keen, to relocate to where work is available within a State or interstate are frequently not in a position to pay relocation costs themselves. The JSA needs to ensure assistance with relocations costs for all job seekers willing to move to regional/rural locations.

For both DIAC and DEEWR, the resettlement and/or relocation of new communities to regional and rural locations can benefit (i) the clients who relocate - housing and other services can be more affordable in rural areas; (ii) the local communities/townships - which can be strengthened and revitalised by attracting new residents and (iii) rural and regional employers - who often face severe labour shortages which they are unable to fill from the local labour pool.

- In line with Government policy regarding rural and regional resettlement of migrants and refugees and to facilitate relocation where there is work available and employers are unable to fill their labour needs, relocation costs should be available for all job seekers including Stream 1 (Limited) clients. Both job seekers and employers stand to benefit.
- Star rating incentives would acknowledge the work of specialist providers in preparing CALD job seekers to relocate to rural Australia, supporting employers and liaising with local communities to ensure necessary social supports (health, English tuition, driving lessons, etc) are in place

4. Performance Framework

4.1 Transitional pathways

4.1.1 Speed to placement measures

Transitional programs (eg government funded AMEP, SEE, Youth Connections) are needed to assist many CALD job seekers to gain employment.

Progress towards education and training outcomes for job seekers with low levels of English and low or no literacy, are frequently slow. While they will need intense support to become job ready, CALD job seekers with this profile will benefit most from education and training programs which are of lower intensity. For example, CALD Early School Leavers can benefit from longer, less intense progression pathways that include the CSWE and Certificate I Vocational Preparation.

- Transitional programs (AMEP, SEE, etc) should be recognised as an essential part of a CALD job seeker's pathway to employment and providers **not** penalised under speed to placement measures.

4.1.2 Recognition for ESL/LLN focussed activities

Star rating need to acknowledge and reward language tuition undertaken as an outcome for CALD job seekers. This should include attendance in programs such as the AMEP and SEE.

Under the current contract providers can lose Star Ratings under 'efficiency' because of the length of time CALD job seekers may need to spend in English language programs.

4.1.3 Outcomes reflect labour market conditions

Outcome definitions need to be updated to reflect the current Labour Market. For example: outcomes such as career progression should be included and rewarded.

4.2 Incentives for longer term outcomes

52 week outcomes would be a solid measure of the sustainability of employment and be one way of ensuring that job seekers are not 'churned' through a number of short term jobs.

- Longer term (52 week) sustainability of employment need not attract a performance payment if
 - (i) funded Post Placement Support (PPS) is extended to 12 months (as per the DES contract) and
 - (ii) 52 week data is used to contribute to Star Ratings

4.3 Employment Pathway Fund (EPF)

Raising the amount that providers can allocate from the EPF without seeking approval from DEEWR to \$300 is working well.

- However, in the interest of equity for job seekers with different providers and value for money for DEEWR, some guidelines are needed around the maximum amount approved for each category of expense. For example, as per the attached, standard wage subsidy amounts could be set for each Stream, with the ability for providers to justify additional funds needed. (See Attachment B – *AMES Employment EPF guidelines for staff*).

4.4 Un-declared or under-declared earnings

Un- or under-declared earnings present an issue. JSA providers should be rewarded when turning illegitimate 'cash in hand' employment into sustainable paid employment that meets Award conditions for that Industry/State.

5. Stronger partnerships

5.1 Provider to provider collaboration

How can collaboration between providers be fostered while maintaining the benefits of a competitive services model?

5.1.1 Provider to provider collaboration

As discussed previously (section 3.4) collaboration to provide group based work experience activities needs to be encouraged.

Quarantined EPF resources should be available for (i) collaborative Work Experience Group Activities and for (ii) collaborative recruitment for large employers

- Providers should be rewarded for collaborating to develop and deliver work experience programs/activities for job seekers from multiple different JSA Providers
- Incentives should reward providers who collaborate in combined servicing for large employers

5.2 Partnership with training providers in Victoria

How could partnerships between training providers and employment services most effectively improve outcomes for job seekers?

Training to obtain Australian vocational qualifications is frequently a key step along the pathway to employment for CALD job seekers.

Changes to guidelines for the payment of course fees under the new *National Partnership Agreement on Skills Reform* are having a significant and negative impact on CALD job seekers' and CALD specialist service providers' capacity to meet the cost of training.

5.2.1 Access to training under the Victorian Training Guarantee (VTG)

VTG Funding Arrangements under the *National Partnership Agreement on Skills Reform* for clients commencing courses in 2013 have changed considerably. JSA providers, or the job seeker, are now required to pay significant course fees – 80% to 100% of the 'Standard Fee' and other course costs for clients eligible for concession fees and VTG subsidised course and 100% of the 'Standard Fee' and other course costs for non-concession clients (if referred by a JSA provider).

These new guidelines have serious implications for how providers in Victoria, specialist providers in particular, manage the EPF so that job seekers who need training or retraining (for example: CALD job seekers, parents returning to the workforce) are not disadvantaged by significantly increased cost of training to their JSA provider or to themselves.

The changed guidelines have had the immediate effect of limiting the number of longer courses that a provider can approve for job seekers. In some instances this might be lead to more considered referrals to training courses, but, for specialist job seekers who frequently need more training hours to achieve a useful qualification these new regulations will have a negative impact.

- While different State and Federal departments need to ensure that funding dollars are used efficiently and to best effect, on-going liaison across departments is essential to ensure that clients - in this case, specialist job seekers cohorts - are not disadvantaged by unintended side-effects of efforts to improve efficiencies.
- On-going conversations with providers, especially those working with specialist cohorts, are essential to monitor the impact of these funding arrangements on job seekers' access to effective vocational training.

5.2.2 Ensuring standard quality of courses delivered by RTOs

A review of content being delivered for JSA clients is needed to ensure consistent quality of content and that courses are not focussed on gaining outcomes rather than meeting the needs of job seekers and employer.

- Checks and balances need to be in place to ensure customisation of course content for specialist job seekers (eg CALD clients) and/or for the specific workforce needs of an employer provide job seekers with genuine skills and qualifications for the Australian labour market.

5.3 Working with other services

5.3.1 PAGES meetings

Currently PAGES meetings are scheduled quarterly. Agencies critical to these groups include: JSA providers, Centrelink, AMEP and SEE (LLN) providers, Youth Connections, RTOs, Local Employment Coordinators and local community organisations.

- Improved resource and information sharing would result if local services providers met monthly and rotated meetings around their different premises.
- DEEWR could continue to attend quarterly.

6. Ideas for a better system

6.1 Reducing red tape

How can red tape be reduced without compromising accountability for the expenditure of public funds?

6.1.1 Validation of employment outcomes

Employment outcomes are currently confirmed through reports from employers or evidence provided by job seekers. An alternative method would be to measure employment outcomes by a job seeker's removal from or reduction in Centrelink benefits. This would remove the need to obtain weekly reports from employers as confirmation – except where no reduction in benefits occurs.

- Using removal from or reduction in Centrelink benefits to validate employment outcomes for clients would reduce demands on employers and reduce red tape.

6.1.2 Activity management

Activity management needs to be managed by client rather than by activity. The current practice of raising, maintaining and ending each individual activity is inefficient.

- Capacity to raise and manage one Activity Screen per client would allow the capacity to add multiple activities per client. This would greatly increase efficiency and assist employment staff needing to plan a range of activities for some clients – for example: medical appointments, counselling, two or three skills training courses.
- One Activity Screen per client would allow providers to record Activity Results on the same screen, again creating greater efficiency.

The ESS System has become too complex. A return to the core functions of case management is required.

- This could be facilitated by a one page Case Management Screen used to access all aspects of each client's case. The Case Management Screen would replace the current system whereby employment staff need to develop an EPP in one place, create an Activity in another, create a link to the Activity and record hours and results in yet another place.
- A centralised Risk Assessment process should be introduced for Activities

6.2 Accreditation model

6.2.1 ISO accreditation

Current practice of recognising ISO accreditation which reduces the level of organisational health auditing is working well. Providers with ISO accreditation would expect to be audited on a bi-annual basis.

6.3 Compliance

6.3.1 DEEWR monitoring

A model that allows for provider staff to be part of the DEEWR monitoring visits would result in more efficient and effective audits of case files. Proposed processes to improve efficiency include:

- Regular annual monitoring visits to all sites: sites would know they would be audited each year and that they would receive regular feedback from DEEWR on their performance
- Monitoring conducted over longer periods of time to allow time for detailed feedback: 5 – 7 files could be audited per day by DEEWR compliance staff together with a member of the provider staff
- Working together: provider staff sit with DEEWR compliance staff during audits, both can ask and answer questions and providers receive immediate feedback
- Access to files in ESS: provider staff give DEEWR staff access to ESS. The current practice of taking screen prints and printing out hard copy is not efficient
- An alternative to DEEWR conducting audits themselves would be to contract in an independent auditor.
- Transparency with DEEWR State Office and programme Assurance Activities should be built in to the contract with providers having right of reply before recoveries occur.

6.3.2 Compliance and innovation

Accountability to the tax payer is essential for any government department element. Therefore compliance plays a significant role in any government contract.

However, to achieve the best service for both job seekers and employers requires reviewing existing approaches and exploring new and innovative ideas and not be limited by a purely compliance driven model.