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Future Employment Services Consultation
Active Labour Market Assistance Branch
Department of Jobs and Small Business
Online Lodgement

Settlement Council of Australia Submission

The next generation of employment services

The Settlement Council of Australia (SCoA) welcomes the opportunity to provide input into the future of employment services in Australia, in response to Department's Discussion Paper "The next generation of employment services" (Discussion Paper).

SCoA considers that Australia has much to gain from the development of a responsive, relevant and individually-tailored employment services program and we therefore welcome the current large-scale review of employment services.

SCoA represents over 100 agencies in the settlement sector across Australia, which comprise the vast majority of agencies providing settlement support to recently arrived migrants, including those from a refugee background. Our members work directly with a wide range of new arrivals from diverse backgrounds, as well as the mainstream Australian community and various government and private stakeholders. The mission of the sector is to provide effective and efficient settlement services which assist newly arrived migrants to achieve the best possible settlement outcomes.

SCoA members are actively engaged in their clients' journeys into employment and witness firsthand the challenges they have to overcome in this crucial element of the settlement process. Over the years, SCoA members have evolved their business practices to include a range of employment-related activities to supplement traditional mainstream employment services and indeed, a number of SCoA members are jobactive providers.

Given the importance of employment outcomes to the settlement journey of all migrants, the issue has taken considerable focus in SCoA's research over many years, including hosting fifteen national forums in 2017 which focussed on what is needed to ensure successful employment outcomes for this vulnerable cohort. We have engaged widely with our members and other stakeholders following the announcement of the Expert Panel's review. The findings of our research and nationwide member consultations have informed the preparation of this submission and the recommendations we make.

SCoA's response to the Discussion Paper

For the purposes of this submission, and in order to assist the Expert Panel in its deliberations, SCoA will follow the general structure of the Discussion Paper, and separate our comments with reference to the various chapters.

In responding to the Discussion Paper, much of our commentary and recommendations will be specific to the cohort of job seekers we represent: namely migrants and especially those from a refugee background. However, many of our recommendations relate to future employment services more generally, and could therefore have benefit for the broader cohort of job seekers.

Proper consideration of a future employment services system requires consideration of a number of matters that are potentially outside of the scope of the Expert Panel's review. They relate to broader policy considerations as well as the scope and accessibility of services themselves.

For example, employment services are part of a bigger picture in the Australian labour market and employment service providers and their clients are subject to various regulatory, professional body and market conditions that may impact the ability of a job seeker to secure meaningful and sustainable employment. SCoA and its members are concerned that further effort is required to overcome systemic barriers and hurdles to long term sustainable employment. This issue impacts the success of employment services.

In light of the interrelatedness of various issues, SCoA has attempted below to provide a holistic response to the future of employment services in Australia and request that, where matters fall outside the Expert Panel's focus, they be referred to the appropriate decision-makers within the Department.

Chapter 2 – The goals for future employment services

While SCoA is broadly supportive of the seven goals listed in Chapter 2, we would suggest that an overarching shift of focus is needed in the policy settings of future employment services.

The purpose of employment services, first and foremost, must be to empower job seekers to overcome any barriers to employment, and to remove any external hurdles that impact entry into the workforce.

SCoA and its members consider that the goals underpinning current employment services largely treat job readiness as a secondary consideration. Job outcomes and compliance take priority over addressing limitations on the sustainability of a job seeker's engagement with the labour market. Employment service providers are largely required to focus on their client's job applications and outcomes (often referred to as a "check box" approach), and the important activities required to build work readiness are left to ancillary services and third party service providers (such as settlement providers). This exacerbates endemic issues such as underemployment, lack of job security and long-term unemployment.

Future employment services must focus on investing in the individual and ensuring work readiness for all job seekers, prior to requiring them to embark on the search for a job. We submit that with such a shift in focus, long term employment outcomes will be more common and the need for a strict compliance-focused system will be reduced.

What is Job Readiness?

Job readiness relates to the set of personal characteristics and strengths that a job seeker possesses that puts them in the best possible position to obtain meaningful, relevant and long-term employment.

Job readiness requires a strength-based approach to ensuring that a job seeker is equipped with the knowledge, competencies and, importantly, personal health and well-being, that will best empower them to seek employment.

Exactly how much assistance a job seeker needs to achieve job readiness will undoubtedly be different depending on the individual circumstances and characteristics of the job seeker, and so a client-centered model which assesses the strengths and needs of each job seeker and develops appropriate individualised pathways is essential.

By way of example, the unique circumstances of migrants and refugees require, among others, that attention be paid to issues such as:

- skills recognition;
- upskilling opportunities;
- Australian work experience;
- orientation on the Australian workplace;
- awareness of legal rights and responsibilities at work; and
- digital literacy.

In our discussion under Chapter 3 we will elaborate further on the specific work needed for this cohort.

Recommendation 2.1

The overarching goal of future employment services should be to support long-term sustainable employment by ensuring job readiness among all job seekers.

How to achieve and capitalise on job readiness

SCoA considers that a crucial requirement for future employment services is that the quality of the relationship between the job seeker and their consultant be enhanced. We believe this can only be done by recalibrating the nature of the relationship and creating a supportive role for a consultant to act in the best interests of their client.

In order to achieve this, there are three key service areas that should be included in the future model of employment services:

- a) Employment Services Consultant: Job seeker guidance, support and counselling, links with local services and employers;
- b) Employment Service Providers: A range of services required to achieve job readiness and to secure employment; and
- c) Monitoring and compliance.

The ideal structure for employment services would separate these three functions so that a job seeker has a trusting, supporting relationship with their Employment Services Consultant (a). The commencement of a relationship between a job seeker and their Employment Services Consultant must include a detailed orientation on the employment services model, and an examination of a job seeker's

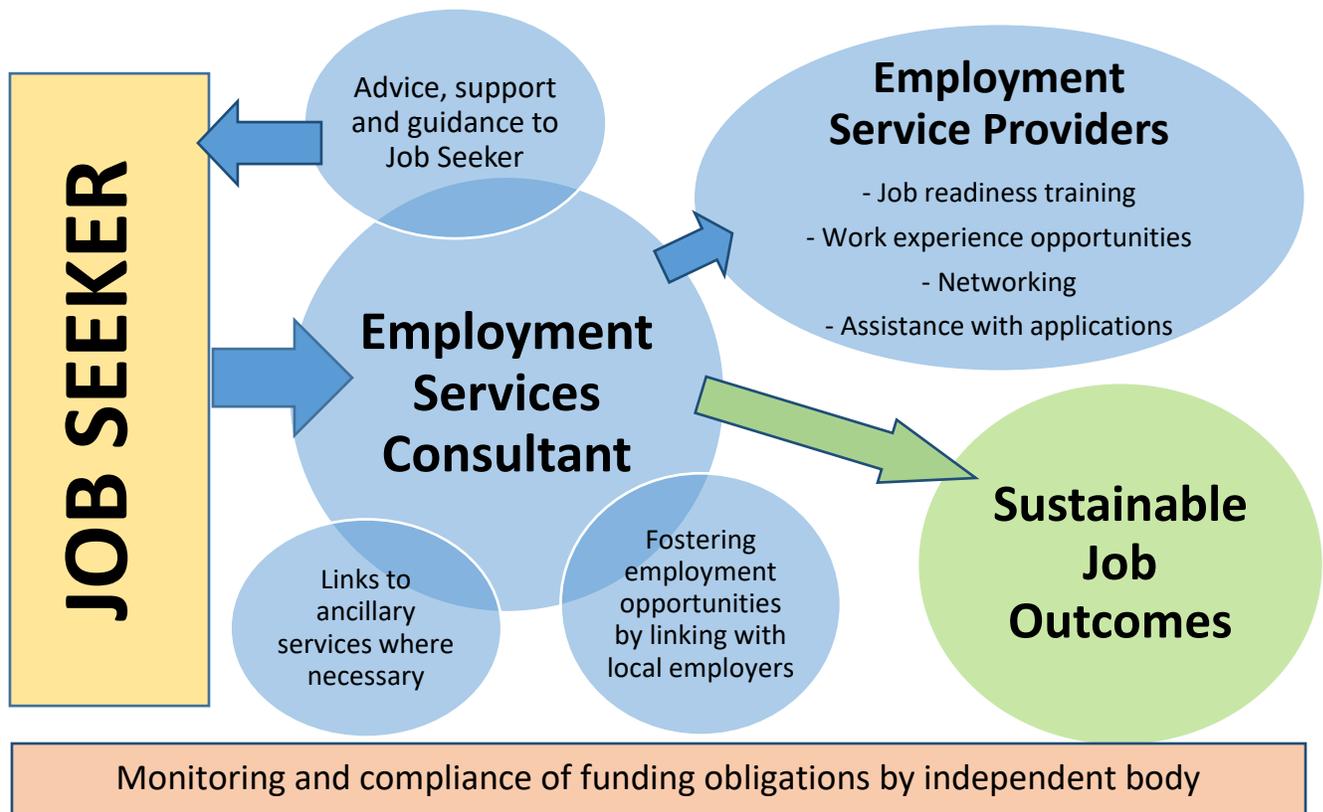
future aspirations such that their employment pathways are suitable to achieving those aspirations wherever possible, and so that any hurdles impacting their job readiness are well understood and plans for overcoming them can be implemented.

A key role of the Employment Services Consultant will be to assist their clients in recognising their needs and to link them with a suite of local services (b) and ultimately, employment opportunities. To enhance user choice in future employment services model, a job seeker should be empowered to choose the most suitable local services ranging from specialised through to broader service options. This will ensure they receive the necessary assistance to ensure job readiness, placing them in the ideal position to start seeking employment (with guidance and support from their Employment Services Consultant).

Importantly, it must be open to the Employment Services Consultant to refer their client to external service providers outside of the traditional employment services model where such support is considered necessary (for example, to English language or other settlement support services if needed by a migrant or refugee job seeker, or to mental health support, etc).

The Employment Services Consultant should also be responsible for cultivating relationships with employers in their locality, and supporting employers who take on job seekers through the employment services process, to ensure optimum participation by local employers in the process and to support the longevity of employment outcomes.

Finally, an independent monitoring and compliance body (c) should maintain an oversight of both service delivery and the job seeker's reporting requirements to ensure all funding to Employment Services Consultants, Employment Service Providers and job seekers (income support payments) are made with integrity.



Recommendation 2.2

Employment Services should be restructured into separate functions to ensure a supportive and responsive system of employment support that acts in the best interests of the job seeker, maximises informed user choice and enables job readiness as a precondition to achieving long-term employment outcomes.

Chapter 3 – Helping disadvantage Australians into work

SCoA welcomes the frank assessment underpinning this chapter, and support the statement: we must do more to support job seekers who face complex barriers. We would suggest that migrants and refugees represent some (though clearly not all) of the most vulnerable job seekers and therefore suggest at the outset that it is crucial that those cohorts be included in future definitions of “disadvantaged job seekers” and thus, that specific attention be given to supporting this cohort through any enhanced services.

Increasing access to employment services for more disadvantaged job seekers

At the outset, we suggest that this review must acknowledge that many disadvantaged job seekers are currently excluded from accessing any support: migrants who hold a provisional visa,¹ or who have held a permanent visa for less than two years, are excluded completely from receiving assistance.²

Exclusion of this entire cohort is contrary to the accepted notion that improving job outcomes will serve Australia’s interests. Some of the affected migrants are at risk of suffering unique and ingrained disadvantage when entering the labour market and the exclusion of most new arrivals from accessing employment services works to the detriment of their employment outcomes and long term settlement prospects.

Naturally, securing lasting employment has considerable benefits for migrants as they establish their new lives in Australia. However, successful economic engagement of all migrants flows through every aspect of the economy and results in a net fiscal benefit to Australia’s bottom line.³

While it is not suggested that all new migrants will require support, SCoA suggests that even if the numbers are relatively small, the denial of crucial services to those people undermines the success of our migration program, and directly impacts Australia’s economy. It is therefore crucial that policy be reviewed and broader eligibility be implemented.

Recommendation 3.1

SCoA recommends that eligibility for employment support be extended to any provisional visa holder or permanent resident where the need exists.

¹ Such as provisional regional, skilled, business or spousal visas.

² Current legislation before parliament seeks to increase this exclusion period to three years, and government has signalled its intention in the 2018 Budget to extend this further to four years.

³ OECD (2014), *Is Migration Good For The Economy*, p1.

Access to employment services for migrants from a refugee background

For migrant job seekers who are able to access employment services, namely those from a refugee background, those services often conflict with the settlement needs of individuals and their families

Research clearly demonstrates that migrants from a refugee background possess a strong desire to work and a resourcefulness and resilience which is fundamental to long term job outcomes. However, the settlement process is complex and highly variable, meaning that not every migrant from a refugee background is ready to start job-hunting immediately upon their arrival in Australia. For employment outcomes to be truly sustainable, migrants must first be supported through a number of complex and individual settlement foundations⁴ and policy must reflect that this will take different lengths of time depending on the personal circumstances of each individual and their families.

SCoA members have expressed concern that under current policy, refugees are being forced to choose between accessing much-needed settlement and related services and meeting their “mutual obligations”. An often-cited example of this relates to migrants’ access to the Adult Migrant English Program (AMEP). SCoA members repeatedly report that their clients are being forced to give up AMEP classes due to conflicting employment-related obligations. This is contradictory to the well-accepted need to ensure English language as a precondition to achieving long-term employment outcomes.

While any migrant accessing income support should of course be subject to some form of reporting requirement, care must be taken to ensure any requirement under “mutual obligations” is secondary to the settlement support required by job seekers from a refugee background. We suggest that where a job seeker is actively engaging with their settlement service provider through a formal support program (such as HSP, SETS or AMEP)⁵, and where that support conflicts with other mutual obligations, the settlement services should take priority and be sufficient for that person to be considered to be meeting the requirements of “mutual obligations”.

From January 2019, migrants from a refugee background will be exempt from mutual obligations for the first six months of their residency in Australia. During that time, they will not be eligible for regular jobactive services but are entitled to access the “volunteer” stream of jobactive. For some, six months is still likely to be too short. We are equally concerned that for those humanitarian migrants who are ready to enter the labour market before the expiry of six months, this policy will exclude them from accessing much needed employment services at a time when access is likely to be most crucial.

Recommendation 3.2

Any arbitrary time limit for migrants from a refugee background to commence their relationship with an Employment Services Consultant should be abolished. Instead, early in their settlement journey, each job seeker should be provided with an individually tailored plan for entry into employment services which is informed by the their settlement service provider (if any) and which takes into account the specific assistance they need to achieve their settlement foundations and broader job readiness, prior to commencing mutual obligations.

⁴ For more information see SCoA’s *National Settlement Services Outcomes Standards* at http://scoa.org.au/wp-content/uploads/2017/11/SCoA-National-Settlement-Services-Outcomes-Standards-2016_.pdf

⁵ Humanitarian Settlement Program (HSP); Settlement Engagement and Transition Support (SETS) and Adult Migrant English Program (AMEP).

Recognition of other employment services

Increasingly, settlement service providers (among others) have stepped in to fill perceived gaps in current employment services policy and practice. By providing crucial information, training and opportunities, and meeting other needs of job seekers, SCoA members are often seen as a more trusted source of respectful and appropriate employment support, despite many not being funded as such.

The programs of our members are possible largely owing to their innovative and responsive service delivery and the commitment at various levels of government to additional programs of activities, including under SETS, or state-based funding (such as NSW's RESP). That being said, there is clearly added pressure being placed on settlement service providers who become the "go to" source of employment-related assistance and aren't necessarily resourced to provide the help that is required.

Given the prevalence and relative success of these types of models, there need to be complementarities between them and formal employment services. Funding should be more readily accessible for the full suite of services needed by a job seeker, and a job seeker accessing one suite of services should not be forced to duplicate, or engage in unrelated or unhelpful activities, just to meet their mutual obligations.

We have received feedback that, for any number of reasons, initiatives and proposals that should ordinarily qualify for funding through the Jobs Fund are rejected. For example, seeking work experience in Australia can be crucial for job seekers from a migrant background, but is currently only recognised if there is a strong chance of gaining employment in that workplace afterwards.

One suggestion is that the administrative process of accessing the Fund is too burdensome (and is itself un-funded). This can be rectified by enhancing the ease of access to the Fund and further opening the eligibility criteria to include a broader range of relevant activities and support.

We are confident that sufficient measures can be implemented to ensure the ongoing integrity of the Fund while making it more useful and transparent and therefore more readily accessed.

Recommendation 3.3

The suite of activities authorised as part of a job seeker's employment plan must be broadened and must factor in activities and programs relevant to the achievement of long-term employment outcomes that fall outside of the Federally funded employment services program, and which may be provided by external service providers (such as settlement services or other community services).

Recommendation 3.4

Employment Services Consultants should be empowered to access the Jobs Fund to provide funding to support the types of activities referred to in recommendation 3.3, and clear guidelines should be published outlining the broad range of activities eligible for funding under the Jobs Fund.

Cultural Competence

SCoA Member feedback indicates that some employment service providers lack cultural competence and do not adequately (or appropriately) use interpreters and translations for their clients. While some operators are actively dedicated to improving the level of service to migrant and refugee job seekers, it is a concern of SCoA and its members that there is insufficient funding to support professional development in this area and a resulting lack of focus on compelling the cultural competence of providers.

Cultural awareness training should be a mandatory component of professional development for all Employment Services Consultants and Employment Service Providers and engagement and collaboration with local settlement service providers should be encouraged where relevant.

SCoA considers that over time a number of specialised CALD-focused service providers may be included in the service delivery model, without that needing to be a specific target. However, in a user-centred model for employment services, where a range of complementary services are available, the need for specialised service providers may be decreased, provided all services are imbued with culturally appropriate service delivery.

We suggest the need for specific training and competence also extends to those employment service consultants who work with young people from a migrant and refugee background and to that extent, endorse the submission of our colleagues, the Multicultural Youth Advocacy Network.

Recommendation 3.5

The new employment services system must ensure adequate funding and oblige Employment Services Consultants and Employment Service Providers to ensure the best possible level of service to their clients, including by undertaking cultural awareness training and ensuring language support is available where necessary.

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

While we accept that developments in the digital world have created many opportunities for the enhancement of service delivery, there are considerable implications arising out of the focus on digital servicing, especially for disadvantaged job seekers.

We support the suggestion that some job seekers could, with necessary support and guidance from their Employment Services Consultant, elect to use an online-based system for accessing services and meeting reporting obligations. However, some job seekers from migrant and refugee backgrounds may lack necessary digital literacy to properly engage with online services, and for others a lack of in-language support limits the effectiveness of the online delivery of services. Further, for some disadvantaged job seekers, a lack of resources may impact their ability to interact with digital services.

SCoA supports the findings of the Expert Panel that the most effective way to make use of digital servicing is to preserve a suite of options so that job seekers can self-select the best service offering for their level of need.

Recommendation 4.1

Given the need for individualised support and a trust-based relationship between the Employment Services Consultant and job seekers, we suggest that there will always be a need for face to face services. However, where digital services are considered to be suitable for an individual, then a variety of measures must be employed to ensure access and equity. These should include:

- **Multilingual materials (written⁶ and video);⁷**
- **Live chat and/or FAQ features available in-language;**
- **Digital orientation and technical support.**

There are other useful applications for digital services, including through the creation of various databases, including of service providers, employment opportunities and indeed, job seekers. This would streamline referral processes and enable an Employment Services Consultant working under the model proposed in Recommendation 2.2 to access up-to-date and locally relevant information in support of their clients. These data-driven processes would be greatly enhanced by the creation of responsive and dynamic digital processes.

Chapter 5 – Better meeting the needs of employers

The role of the employer is crucial to securing sustainable employment. It is therefore necessary that a future employment services system actively engages employers, adequately anticipates employer needs and has in-built mechanisms to meet those needs without unnecessary burden on the employer.

Employer networks and opportunities must be cultivated

SCoA member feedback reveals a common concern that some employment service providers lack suitable networks with local employers. This is reflected in the fact that a majority of clients of settlement service providers report having ultimately found their job through internships, recruiters and labour hire, social networks or other sources. One member revealed that less than 10% of their clients could credit their jobactive provider with securing their ultimate employment.

Building local networks is crucial to successful employment outcomes and Employment Services Consultants should be appropriately funded to be more proactive in this role and tasked with securing work experience, volunteering and internship opportunities that link job seekers with local employers.

Recommendation 5.1

Funding for employment services should be linked to the development and maintenance of opportunities at the local level for networking, volunteering and internships that assist migrant and other job seekers.

Employers need support

Where necessary, employers should have access to support once the employment relationship has commenced. This may need to include financial recognition of the extra work required to employ disadvantaged job seekers and should include training for employers to ensure their competence in working with target clients.

For example, employers must be empowered to work with migrants and refugees, and thus need sufficient cultural awareness training and specific guidance. This work should form part of an Employment Services Consultant's funded program of work in their relevant location to ensure the best possible locally-based employment opportunities.

⁶ The use of web-based translation apps for online government services is particularly dangerous given the need for detail and the specificity of certain terms used in the employment services system.

⁷ This should target many different language groups, from the more prevalent community languages to the commonly used languages of by refugees in certain locations.

Further, it is in the best interests of both the employer and the employee to ensure that employment is sustainable over the long term. This requires on-the-job mentoring and assistance for both the employer and the employee to support both parties in the employment relationship and to ensure any issues encountered are resolved and don't impact the viability of the employment relationship.

Recommendation 5.2

Employment Service Consultants should be funded to support employers and should be required to maintain an active ongoing role once an employment relationship commences; to mentor and support both the employer and the employee and assist in resolving any issues that may impact the employment relationship.

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

Many SCoA members report first-hand observations of the shortcomings of the current “streaming” process for job seekers. This results in a high proportion of migrant and refugee job seekers being placed in Stream A, when they are, in fact, in need of greater support. The reasons for this include:

- The current Job Services Classification Instrument is inappropriate to capture unique issues;
- There is no consideration given to a job seeker's experiences of torture and trauma which may manifest in various ways and not always as traditional mental health concerns;
- Clients feel obliged to “put their best foot forward” in the streaming interview, resulting in a reluctance to be open about their level of need; and
- Too much weighting is placed on the fact of a job seeker ever having worked, without considering the length of time (and intervening circumstances, such as upheaval and seeking protection) that may have passed since that person was last employed.

SCoA questions the merits of placing the current streaming process in the control of assessors who are not then tasked with assisting the job seeker, who don't have a trust-based relationship with the job seeker and who only have a limited time period to conduct the assessment.

We recommend that in the new model proposed in Recommendation 2.2 above, the role of the Employment Services Consultant should include a frank and complete assessment of the strengths and needs of their clients, including where necessary by liaising with other service providers working with the individual client (such as their settlement service provider in the case of migrants from a refugee background).

With appropriate training, and noting the importance of this step in the development of a trusting relationship between the client and the Employment Services Consultant, we suggest it would be much more suitable for the needs analysis to take place at the commencement of the Employment Services Consultant's relationship with the job seeker and that it be constantly reviewed as the job seeker's situation evolves.

Recommendation 6.1

The assessment of a job seeker's strengths and needs should be conducted by their Employment Services Consultant, and the current streaming process should be abandoned. Assessments must be tailored to identify the specific characteristics of the individual and the assessment criteria must therefore be flexible and not generic.

Employment services must focus on finding work that is relevant to a job seeker's skills and qualifications

A significant issue SCoA and its members are presented with is the underemployment of highly skilled migrants (irrespective of the visa they hold). Many migrants and refugees come to Australia with significant skills, which they want to use. However they are often unable to transfer those skills into meaningful and relevant work in Australia and are, instead, required to comply with processes designed to obtain a quick outcome.

We accept that this is not an issue for employment services alone. Australia must actively work to improve the skills recognition process for overseas qualified migrants, and implement an accessible and transparent system for funding necessary bridging courses and work experience so that migrants can ultimately achieve employment that matches their experience and, wherever possible, is comparable to their employment pre-arrival.

This process must be complemented by the employment services system, and the following considerations directly impact the future employment services model:

- It is not appropriate to maintain an approach of “any job will do” – A specialist doctor should not be placed into work as a fruit picker. Instead, assistance must be provided to find relevant work that respects the wealth of knowledge and experience many migrants bring to Australia;
- Job seekers should not be encouraged (or required) to complete irrelevant courses that may be considered to enhance their short-term job prospects but which are not relevant to their existing skills or future aspirations;
- Guidelines governing access to the additional funding under the Jobs Fund need to support any migrant actively seeking to translate overseas skills and qualifications into the Australian workforce;
- Migrants who hold trades or paraprofessional skills from their country of origin (who may lack formal qualifications) require opportunities to obtain recognition of prior learning and/or worksite observation in order to observe how the same tasks are carried out in Australia and assess suitability for those tasks.

We suggest that there are many positive examples available to the Expert Panel of jobactive providers who work in conjunction with other service providers to find meaningful employment opportunities for their clients from a migrant or refugee background. However the complexities arising out of Australia's skills recognition and regulatory system can result in much of this effort going unrewarded, which is clearly a disincentive.

Recommendation 6.2

As part of their assessment of their clients, Employment Services Consultants must analyse and understand the job seekers' overseas skills, qualifications and experience, and be appropriately funded to assist their clients to overcome the barriers to the use of those skills in Australia.

Recommendation 6.3

Urgent review of Australia's overseas skills recognition system must be undertaken and a process implemented for a transparent, fair and accessible pathway for overseas trained professionals and para-professionals to translate their skills into relevant employment in Australia.

Chapter 7 – Incentives for job seekers to find work

SCoA accepts that the success of any employment services model requires a commitment by the job seeker, as well as by their Employment Services Consultant. We note the discussion in Chapter 7 about the role of activation and accept that a future employment services model will continue to impose basic requirements on job seekers such as those set out in the *Social Security Act 1991*.

Notwithstanding this, we have repeatedly heard reports of the negative impact the current compliance model has on the relationship between the job seeker and their service provider. We suggest this undermines the success of the whole employment services system and must be addressed in a future model.

We welcome the acknowledgement in Chapter 7 that the *majority of job seekers want to work and the system should reflect this* and we support the notion that “(t)ailoring activation strategies to individual circumstances and local labour market conditions can encourage a more career-oriented approach.”⁸

We suggest that the model proposed above in Recommendation 2.2 can be implemented in such a way as to preserve basic reporting requirements while ensuring a more long-term approach to outcomes. A crucial element of the proposed model is that the compliance-aspect of the system be separate to the role of the Employment Service Consultant, who would instead support and advocate for their client.

If such a model is adopted, the activation arising out of the proposed approach will have far more positive outcomes than merely imposing a set of targets on each job seeker. The proposed model represents the type of tailored activation that will maximise individual strengths and take into account local labour market conditions, thus supporting people into jobs that will last.

Recommendation 7.1

The requirement for compliance under the Social Security Act should be overseen by an independent monitoring body which would maintain oversight of both service delivery and the job seeker’s reporting requirements to ensure all funding (both to service providers and the job seeker’s income support payments) is made with integrity.

Chapter 8 – Targeted regional and local approaches

Much is said about the need for greater focus on supporting regional and rural communities to attract and retain workers, and the benefit this will have for local economies and communities. In this context, SCoA considers the need for Employment Services Consultants to adopt a localised and tailored approach to be even more important.

Employment Service Consultants must be actively linked with the local business community and those operating in regional and rural locations must be encouraged to be innovative in the support they provide their clients and the job opportunities they foster. It is also crucial that they adopt an open and collaborative approach to working with other service providers in their locality.

⁸ Discussion Paper, Chapter 7

Equally important, however, is that Employment Services Consultants be linked nationally to ensure job seekers in metropolitan areas know of opportunities in regional and rural locations, and are supported in taking up those opportunities where appropriate.

A new employment services model should empower, not restrain, job seekers who wish to relocate for employment. Anecdotal reports from SCoA members indicate that their clients have been discouraged from changing locations due to a lack of support. A suitable national linkage of service providers will overcome this and foster the movement of job seekers for work.

For the reasons set out above, we support this Chapter of the Discussion Paper in advocating for the move towards a place-based model for future employment services.

Chapter 9 – A service culture built on competition and quality

SCoA acknowledges the role of current jobactive providers in managing complex policy and negotiating an ever-changing labour market. While we have raised a number of concerns about the existing policy underpinning employment services, our research and member consultations support the view that, on the whole, the jobactive network is a committed and dynamic sector.

It is our submission, however, that there are a number of key areas in which the quality and culture for the employment services sector can be enhanced.

At the outset, despite the majority positive views, members of the settlement sector and their clients have expressed concern over the capacity and/or willingness of some current service providers to meet the needs of their clients. We suggest that some of the shortcomings discussed above are symptoms of a system that experiences a high turnover of staff, all with very large caseloads.

SCoA is confident that the model proposed in Recommendation 2.2 above, if adopted in whole or in part, will serve to improve the service culture of the sector in a number of key areas:

- Redefining the Employment Services Consultant's role as being dedicated to supporting and empowering job seekers will enable a greater focus on a consultant's individual capacity and capabilities;
- Increasing the scope and number of support services available for job seekers, including ensuring a variety of different needs are catered for, will increase competition by ensuring job seekers have the necessary capacity to make informed choices about the services they receive;
- Separating the compliance role from Employment Services Consultants will ensure they are able to focus on the needs of their clients and develop trust-based relationships.

On the subject of payments to employment service providers, SCoA members have raised concern about the current payment model and its susceptibility to exploitation and misuse. Anecdotal feedback provided to SCoA suggests that the linking of success payments to outcomes may in some cases be seen to be encouraging short-term employment and/or unsatisfactory arrangements with employers. We suggest the future employment services model must ensure proper and fair remuneration for Employment Service Providers and Employment Services Consultants and would envisage that such a system could avoid the need for incentive-type payments.

In light of the discussion in Chapter 9, SCoA considers that the Expert Panel may wish to consider a hybrid approach to future government contracting arrangements. For example, it may be appropriate

that the role of Employment Services Consultant is managed through a tender process, whereas the range of employment services available nationwide are more suited to a licensing-type arrangement.

In managing the ongoing performance of service providers and Employment Services Consultants, SCoA's model in Recommendation 2.2 suggests that the compliance body would be responsible for oversight of the sector. It would therefore be in the best place to administer benchmarking and adjudicate complaints. We see it as playing a vital role in ensuring the integrity of the government's significant investment in employment services.

Finally, as discussed above, there is need for investment in the professional development and training of the sector, including on important issues such as cultural competence, and the Expert Panel should give due consideration to the minimum qualifications and/or skills an Employment Services Consultant should possess as a condition of entry to the role.

Conclusion

SCoA thanks the Expert Panel and the Department for providing this opportunity to contribute to a holistic review of employment services. Given the magnitude of the task, SCoA has attempted to present a bold vision for future employment services which significantly re-imagines the roles and responsibilities of the various players.

In addition, we have highlighted the most common issues and concerns regarding the future of employment services in Australia as identified by SCoA in its research and member consultations.

For ease of reference, our specific recommendations are reproduced below.

In conclusion, we wish to re-iterate some of the fundamental concepts that we hope will guide your considerations of the future model.

1. The focus of a future employment services model should be on ensuring each individual job seeker's job readiness, rather than compliance.
2. It is important to move to a more client-centered approach to employment services. Clients should be empowered to self-select both the types and level of services they receive, and should receive the guidance and support necessary to enable them to make that choice.
3. Skills recognition and the delivery of appropriate bridging and other short courses are essential for migrants with overseas skills and experience who are looking to build long term employment solutions and achieve employment with a level of dignity and comparability to pre-arrival employment
4. In a user-focused approach, a range of different initiatives and services that meet client needs (and are locally based) should be funded. This could extend beyond traditional employment service providers and include all service providers who are engaged in assisting job seekers to become job ready and, ultimately, to secure employment.
5. Employers should be incentivized and supported throughout the employment relationship.
6. Where a mainstream service provider works with clients from a migrant or refugee background, they must tailor their services to support working with people from diverse cultural backgrounds.

As well as being a major contributor to the Australian economy, the achievement of sustainable employment outcomes is a key foundation of the settlement journey of newly arrived migrants, including those from a refugee background. We therefore view this consultation as a crucial opportunity to contribute to further enhancement of employment outcomes in Australia. We suggest that by ensuring the future model takes the above factors into consideration, many of the current shortcomings that have been explored in the Discussion Paper and throughout our submission above will be resolved, and a future model for employment services can ensure long-term sustainable employment outcomes, to the mutual benefit of all.

We thank the Department and the Expert Panel for this opportunity and, should you wish to discuss any of the matters contained in this submission, we invite you to contact our CEO Nick Tebbey on 0434 589 493 or ceo@scoa.org.au

Sincerely

A handwritten signature in black ink, appearing to read 'Dewani Bakkum', with a horizontal line underneath.

Dewani Bakkum

Chairperson

Settlement Council of Australia

Summary of Recommendations

Recommendation 2.1

The overarching goal of future employment services should be to support long-term sustainable employment by ensuring job readiness among all job seekers.

Recommendation 2.2

Employment Services should be restructured into separate functions to ensure a supportive and responsive system of employment support that acts in the best interests of the job seeker, maximises informed user choice and enables job readiness as a precondition to achieving long-term employment outcomes.

Recommendation 3.1

SCoA recommends that eligibility for employment support be extended to any provisional visa holder or permanent resident where the need exists.

Recommendation 3.2

Any arbitrary time limit for migrants from a refugee background to commence their relationship with an Employment Services Consultant should be abolished. Instead, early in their settlement journey, each job seeker should be provided with an individually tailored plan for entry into employment services which is informed by their settlement service provider (if any) and which takes into account the specific assistance they need to achieve their settlement foundations and broader job readiness, prior to commencing mutual obligations.

Recommendation 3.3

The suite of activities authorised as part of a job seeker's employment plan must be broadened and must factor in activities and programs relevant to the achievement of long-term employment outcomes that fall outside of the Federally funded employment services program, and which may be provided by external service providers (such as settlement services or other community services).

Recommendation 3.4

Employment Services Consultants should be empowered to access the Jobs Fund to provide funding to support the types of activities referred to in recommendation 3.3, and clear guidelines should be published outlining the broad range of activities eligible for funding under the Jobs Fund.

Recommendation 3.5

The new employment services system must ensure adequate funding and oblige Employment Services Consultants and Employment Service Providers to ensure the best possible level of service to their clients, including by undertaking cultural awareness training and ensuring language support is available where necessary.

Recommendation 4.1

Given the need for individualised support and a trust-based relationship between the Employment Services Consultant and job seekers, we suggest that there will always be a need for face to face

services. However, where digital services are considered to be suitable for an individual, then a variety of measures must be employed to ensure access and equity.

Recommendation 5.1

Funding for employment services should be linked to the development and maintenance of opportunities at the local level for networking, volunteering and internships that assist migrant and other job seekers.

Recommendation 5.2

Employment Service Consultants should be funded to support employers and should be required to maintain an active ongoing role once an employment relationship commences; to mentor and support both the employer and the employee and assist in resolving any issues that may impact the employment relationship.

Recommendation 6.1

The assessment of a job seeker's strengths and needs should be conducted by their Employment Services Consultant, and the current streaming process should be abandoned. Assessments must be tailored to identify the specific characteristics of the individual and the assessment criteria must therefore be flexible and not generic.

Recommendation 6.2

As part of their assessment of their clients, Employment Services Consultants must analyse and understand the job seekers' overseas skills, qualifications and experience, and be appropriately funded to assist their clients to overcome the barriers to the use of those skills in Australia.

Recommendation 6.3

Urgent review of Australia's overseas skills recognition system must be undertaken and a process implemented for a transparent, fair and accessible pathway for overseas trained professionals and para-professionals to translate their skills into relevant employment in Australia.

Recommendation 7.1

The requirement for compliance under the Social Security Act should be overseen by an independent monitoring body which would maintain oversight of both service delivery and the job seeker's reporting requirements to ensure all funding (both to service providers and the job seeker's income support payments) is made with integrity.