

## **Introduction**

YACSA is the peak body in South Australia representing the interests of young people, youth workers, organisations and networks throughout the non-government youth sector. Policy positions are independent and not aligned with any political party or movement. YACSA supports the fundamental right of all young people to participate in and contribute to all aspects of community life, particularly the decision-making processes that impact them.

YACSA is pleased to respond to this Inquiry as the ability of young people to secure suitable and sustainable employment is one of the most pressing issues facing young people today. Young people, especially those who are experiencing social disadvantage in its many forms, often face increased challenges in securing employment, which in turn increases their chance of experiencing longer-term disadvantage. Services, that can assist young people while they navigate a jobs market marked by a scarcity of jobs, casualisation and underemployment are vital in supporting them through this period of their lives.

However, young people consistently report that their experience of the current employment services system is often punitive, inconsistent, ineffective and oblivious to the limitations of the current job market.

YACSA surveyed our young members and other young people to gather their experiences of jobactive for our feedback to the Future Employment Services Consultation. Our feedback presented the experiences of young people with employment services and provided suggestions they believed would contribute to more effective and appropriate experiences with the system. This submission will also include the experiences of young people as we provide a broad response to the Inquiry.

## **Key points**

The following presents the key areas of the YACSA response to the Inquiry:

- Young people described a system that is often punitive, ineffective and unable to genuinely and meaningfully support them in the context of a weak job market.
- Employment service providers were regularly characterised as a hindrance to job seeking efforts with some young people reporting they had achieved, personal, employment and training goals without (and sometimes despite) provider intervention.
- Young people reported relatively low levels of service provision in each of the key functions of employment services, with only 18.5% of survey respondents reporting assistance with referrals to job vacancies.
- There are concerns that outcome driven funding has led some providers to cut staff numbers, which has dramatically increased caseloads and has led to a significant decrease in the services delivered to clients.

- The requirements of mutual obligation are time and resource consuming, demoralise and frustrate young job seekers and act as a smokescreen for a weak employment market and other structural barriers to employment.
- For employment services to better serve young people, survey respondents have called for more one-on-one services that are respectful, compassionate, flexible, tailored to the personal circumstances and career goals of young people and cognisant of the current job market.

### **Gauging the experience of young people with employment services**

YACSA developed a survey to gauge the experience of young people with employment services. The ten-question survey was developed and shared amongst YACSA's young members and was also shared on social media. The survey was designed to gather information from those young people who had experience with an employment service provider (either current or previous) to underpin our response to this consultation.

Respondents to the survey describe experiences within a system that is often punitive, ineffective and unable to genuinely and meaningfully support young people in a job market where a staggering 50,500 people (18,500 of those are young people aged 15-24 years)<sup>1</sup> are vying for only 11,400 available jobs in South Australia<sup>2</sup>.

Most survey respondents felt that employment service providers were focussed almost solely on the requirements mandated by Centrelink and not on supporting the personal or professional development that some young people need to compete more effectively in a weak job market. More broadly, employment service providers were often characterised by survey respondents as a hindrance to job seeking efforts and many young people had achieved training, personal development goals and meaningful employment through their own actions and in some cases despite provider interventions.

### **The fairness of mutual obligation requirements, the jobactive job plan negotiation process and expenditure of the Employment Fund**

Young people described the frustration and indignity of being forced to go through the motions of applying for jobs, attending "work for the dole" placements where they often feel exploited, and complying with other onerous obligations that in reality have little if anything to do with getting a job. Young people have reported feeling stifled by the obligations required to continue receiving income support and when they are lucky enough to find work it is without the assistance of employment services.

The young people that we surveyed also felt that the "obligations" associated with jobactive were essentially one-sided and a significant proportion rated providers poorly in the functions of employment services. This was particularly evident in the ratings associated with addressing the individual and psychosocial needs of young people and providing financial assistance and skills development for young job seekers (see table 1 on page 3).

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<sup>1</sup> Australian Bureau of Statistics 2018, Labour Force, Australia, cat. no. 6202.0, viewed 13 September 2018, <http://www.abs.gov.au/ausstats/abs@.nsf/mf/6202.0>

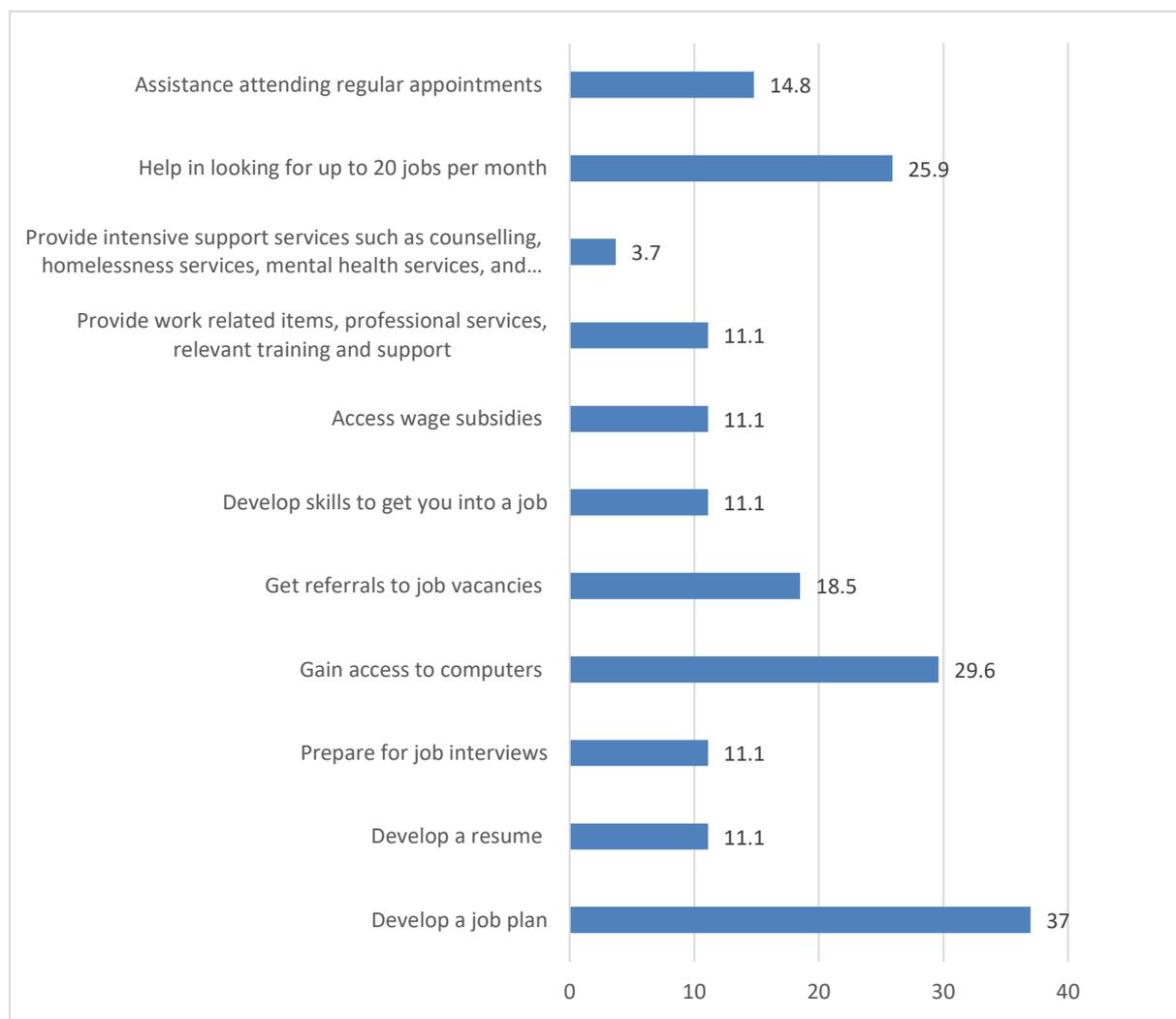
<sup>2</sup> Australian Bureau of Statistics 2018, Job Vacancies, Australia, cat. no. 6354.0, viewed 13 September 2018, <http://www.abs.gov.au/AUSSTATS/abs@.nsf/DetailsPage/6202.0August%202018?OpenDocument>

Broadly, mutual obligation is a flawed concept that has unfortunately re-framed the way in which government and society responds to those who are unable to find work, while simultaneously establishing an unequal “social contract” where the recipient has no choice but to comply<sup>3</sup>. Mutual obligation lays the blame of unemployment at the feet of the unemployed while conveniently acting as a smokescreen for a weak employment market and other structural barriers to employment.

**The ability of jobactive to provide long-term solutions to joblessness, and to achieve social, economic and cultural outcomes that meet the needs and aspirations of unemployed workers**

To gauge the effectiveness of jobactive in fulfilling its functions, we asked young people to identify which of the key functions and services<sup>4</sup> they had received from employment service providers (table 1 on the following page). Respondents to the survey were broadly damning of a sector that is focussed almost solely on ensuring compliance with Centrelink activity requirements rather than supporting and addressing the individual needs of young people.

**Table 1: Have employment service providers helped you with any of the following? (%)**



<sup>3</sup> P Kinnear. 'Mutual obligation: a reasonable policy?' in T Eardley and E Bradbury (eds) *Competing Visions: Refereed Proceedings of the National Social Policy Conference 2001* Social Policy Research Centre, University of New South Wales, Sydney pp 248–63, 2002.

<sup>4</sup> The key functions were based upon the list of services and assistance delivered to job seekers provided by the Department of Jobs and Small Business *Employment Services Outcomes Report (July 2016 – June 2017)*. Available here: [https://docs.jobs.gov.au/system/files/doc/other/jsb18-0131\\_esor\\_october16-september\\_17\\_acc.pdf](https://docs.jobs.gov.au/system/files/doc/other/jsb18-0131_esor_october16-september_17_acc.pdf)

From an analysis of survey responses, we can see that young people reported relatively low levels of service provision in each of the key functions of employment services. Most responses centred on Centrelink obligations and indicated that providers had assisted them in developing a job plan (37%), gaining access to computers (29.6%), and helping respondents look for up to 20 jobs per month (25.9%). Only 18.5% of survey respondents reported employment service providers assisting them with referrals to job vacancies.

The functions of employment services that deal with personal and professional development in competing in the job market garnered few responses. Functions such as developing skills to get a job (11.1%), providing work related items, professional services, relevant training and support (11.1%), preparing for job interviews (11.1%) and, the provision of intensive support services such as counselling, homelessness services, mental health services, and other medical assistance (3.7%) all received a shortage of responses from young people.

Comments from respondents to this question were roundly critical of the level of service they had received from employment service providers and just what impact providers had in the job search, personal and training needs and employment prospects of job-seekers.

Specific comments included:

*"They didn't help me with anything, I turned up to my appointments, support, what support? I've seen the resumes that come out of these places, I wrote my own and showcased my skills appropriately."*

*"I was promised fuel vouchers by my JNA to assist in maintaining what little work I had obtained (work which I secured myself with no assistance from my JNA) but they never came through. I was faced with the choice of buying food to feed my child, or buying fuel, so I'm sure you can surmise what choice I made. I was also breached by my JNA for non-attendance at a scheduled appointment. An appointment I had called to inform them I would have to reschedule as I would be at work at that time. This administrative error was blamed on the incompetence of their new receptionist who, and I quote "yeah sorry, the new receptionist is a bit hopeless!"*

*"In terms of helping with preparing a resume they...provided a random template with no further assistance...this happened multiple times."*

*"They have given me a 'job plan' with Centrelink requirements but it is not an effective action plan, was clearly not developed with me in mind and only outlines my requirements as mandated."*

*"They helped with none of these [employment service providers key functions]. I had to find every job myself and when given jobs to apply for, they were completely inaccessible to me as I did not drive, which they knew."*

*"I wasn't allowed to get help with clothing for a job interview without a guaranteed job. I was told that I had to wear interview ready clothes for every appointment when I didn't own any - they didn't care."*

We directly asked young people if their employment services provider had found them suitable and ongoing employment and one hundred per cent of survey respondents said no. Specific comments from survey respondents included:

*"[I] found work myself"*

*"While being with an employment provider in the past I have of my own accord found employment and had the provider take credit for this."*

*"I found my own job without their assistance."*

*"Never succeeded. I got a job through my own independent investigating."*

*"I found my job on my own without any assistance from them."*

*"I haven't been offered a job in four years."*

Similarly, when we asked young people whether their employment services provider had found them suitable training based upon their needs only 7.1% reported "yes", 85.7% reported "no" and 7.1% reported that they were "unsure".

Some respondents reported that they had not been offered any training or upskilling options by their employment service provider:

*"After my mum pushed saying I was entitled to the course... pays to have someone who knows your entitlements with you."*

*"Apparently [they] didn't have the money to help me."*

*"I'm not sure what suitable training would be in my case. My provider has not given me any training at all."*

*"They have offered no training or guidance as to possible study I could undertake to improve my chances."*

*"I was not offered any training or upskilling."*

Other respondents were only offered training when the providers were pressured to or after job-seekers made personal guarantees as to the success the training would have in getting them a job. In fact, one respondent indicated that they had approached their employment services provider with details of a course they wanted to undertake but were told by the provider that this would only be funded if the job-seeker could personally "guarantee employment" at the end of the course. The

survey respondent believed that this obligation (on the part of the job-seeker to guarantee employment after undertaking a provider funded course) would dissuade other job seekers from asking providers to pay for upskilling or other training.

We asked young people if they had been promised services or support from employment services providers that had not been received. Over 50% of respondents reported that providers had made promises to them regarding employment, training, assistance with resume development, wage subsidies and the provisions of work-related items (such as clothes for interviews, and travel subsidies etc.), that they hadn't delivered on.

One respondent described a promise made by their employment service provider to contribute financially to the purchase of a lap top that despite repeated requests was never received by the respondent. This left the respondent with a significant debt that they are still paying off.

There was a recurrent perception amongst survey respondents that employment service providers were going through the motions and doing the least amount possible to qualify for government funding. Based on the responses we received it seems unlikely that the current system can provide either long-term solutions to unemployment, or to address the social, economic and cultural needs of young unemployed people.

### **The funding of jobactive, including the adequacy of the 'outcome driven' funding model, and the adequacy of this funding model to address barriers to employment;**

There are concerns that outcome driven funding is leading to a significant decrease in the services delivered by employment service providers to their clients. Jobs Australia, the peak body for non-government employment services providers has described the precarious nature of "outcome driven" service provision and that many service providers are actually reducing staff to cut costs. This has led to some reports of caseloads of up to 300 clients per worker. The mutual obligation compliance demands of the department take up a significant proportion of the time the case manager has with each client leaving them little time for anything else<sup>5</sup>. This has led to young people feeling like their personal and skills development needs are not being met.

Compounding this, a recent report suggests that many employers are reluctant to accept referrals from jobactive providers as they leave themselves open to being inundated with poor quality candidates and irrelevant applications. The report goes further to state that successful job-matching takes time and expertise and requires a thorough understanding of individual jobseeker skills, experience and employer needs<sup>6</sup>. When you consider that each caseworker may be working with a significant number of clients, this is unlikely to occur.

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<sup>5</sup> Jobs Australia, 2016. State of Play: jobactive financial viability. Victoria, viewed 14 September 2018, [https://6-jobsaust.cdn.aspedia.net/sites/default/files/final\\_sop\\_-\\_jobactive.pdf](https://6-jobsaust.cdn.aspedia.net/sites/default/files/final_sop_-_jobactive.pdf)

<sup>6</sup> Bowman, D & Randrianarisoa, A 2018, Missing the mark: employer perspectives on employment services and mature age jobseekers in Australia, Brotherhood of St Laurence, Fitzroy, Vic.

Young people have called for more one on one service from employment services providers which is antithesis to a system that is shedding staff and increasing caseloads for individual workers. With these heavy caseloads and intense pressure for individual employment services workers and organisations to deliver results, job seekers are sidelined, aren't experiencing quality service and are instead bearing the brunt of onerous mutual obligation requirements which become the focus of providers.

### **What young people like or don't like about employments services**

We asked young people to describe what they liked about their experience with employment service providers. Some respondents described the workers in employment services as friendly, and on occasion some workers were reasonably flexible with obligations based on personal circumstances.

However, many respondents again described a punitive and one-sided experience in which they felt powerless, humiliated and frustrated. Some respondents talked about employment services hindering their efforts to find employment or training, while others talked about going through the motions to enable their continued income support. Other comments included:

*"They didn't help. They wanted me to show I had been job searching for 6 months before they would do anything to help me find a job."*

*"[Employment services are] judgemental, not very helpful... you are just a number."*

*"I felt unwelcome. The service made me feel degraded. They told me I was asking for too much for a salary (I asked for \$45,000 per year) No support for someone who has 2 degrees but struggles to get into the market."*

*"In most cases I found that employment services are only there to tick boxes. They show little interest in the individual and have a great emphasis on doing any work regardless of the impact on a person's wellbeing or the mental health impacts of doing said work. They don't pursue the best course of action when a job seeker is searching for work (I.e. helping them make professional connections) they simply require you to search/apply for 20 jobs a month, a system that doesn't work."*

*"They were callous, disconnected, and disinterested in my needs and ability."*

Broadly, a range of survey respondents described employment services providers as focussed solely on policing the obligations of Centrelink, disregarding personal circumstances and employment and personal needs and pushing those who are the most employable towards any job that is available.

## **What would young people change about employment services?**

Young people provided a range of suggestions that they believe will lead to better employment services in the future.

While some respondents called for an end to the employment services sector, several comments centred on a significant restructuring of the system that focusses on the system's reason for being, how the system delivers services and how organisations and workers interact with and support young unemployed people. Several respondents questioned the negative impact of for-profit service providers and the impacts on young people of the service attempting to attain unreasonable KPI's to receive government funding.

Other survey respondents suggested that greater numbers of workers be employed throughout the system to offer more one-on-one services. This would enable a more tailored approach to the skills, abilities, personal and professional needs and career choices of young people rather than services just pushing young people towards any job that is available.

A common thread throughout responses centred on future employment services going to greater lengths to treat young unemployed people with respect, and offer compassion, flexibility and a tailored approach that values the needs, goals and personal circumstances of young people. Young people suggested should be prioritised over the attainment of KPI's and enforcing Centrelink obligations. Specific comments included:

*"[It would] be nice to see unemployed people treated with more compassion, and the activities you are required to participate are relevant to developing my skills and provide adequate financial support to be able to enrol in training if needed."*

*"The whole system needs to change. The service should be about providing young people with the tools to gain meaningful employment rather than staff meeting KPIs."*

*"Get rid of for-profit employment service providers."*

*"I would make it so they don't just focus on getting us whatever job is available and instead be like "so you want to do this? Well for that you will need to do this this and this" then they help us complete those things. If our preferred career involves uni then they help us in the enrolment process, if the job needs us to have our license then they help us make an appointment to take the Ls test. Because I think the current problem is that people don't know how to get started, so you don't."*

*"More communication about the jobs that are available, more understanding of individual situations. A more tailored approach."*

## **In conclusion**

In South Australia, there are 50,500 people (18,500 young people aged 15-24 years) vying for only 11,400 available jobs and that is not considering the staggering number of underemployed people. It is within this dire job market that the employment services sector positions itself as "an employment program that connects job seekers to employers".

Young people have told us that their experience with employment services is often not a positive one. Interactions have been characterised as judgemental, inflexible, humiliating and punitive, where young people don't feel valued but instead feel like they are "just a number". Young people have reported that they feel that service responses are constrained by job-seeker obligations set by government through Centrelink and the model in which for-profit businesses are in charge of navigating young people through a weak job market.

For Jobactive to better serve young people, survey respondents have suggested a greater investment in ensuring that there are increased numbers of staff to enable more on-on-one service. Services should be more compassionate, flexible, tailored and cognisant and respectful of the limitations of the jobs market and the personal circumstances and personal and career goals of young people. This will demonstrate that employment service providers understand the issues related to unemployment and demonstrate a commitment to the best interests of young people.

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