



yourtown
POWERING kids helpline

Inquiry into Workforce Australia Employment Services

A submission to: The Parliament of
Australia, House Select Committee on
Workforce Australia Employment Services

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yourtown is a trusted provider of services for young people, with a focus on mental health and wellbeing, long-term unemployment, prevention of youth suicide, child protection, as well as support for those experiencing domestic and family violence. **yourtown** has evolved to helping hundreds of thousands of young people each year by powering a range of service offerings that support them through difficult challenges.

Our services

- Employment, education, and social enterprise programs to help long term unemployed young people re-engage with education and/or employment
- Kids Helpline, providing professional counselling and support to 5–25-year-olds across Australia since 1991
- Kids Helpline @ School and Kids Helpline @ High School, which deliver early intervention and prevention programs through primary and secondary schools
- My Circle, a confidential, private, online peer support network for 13–25-year-olds to share information and build coping skills
- Mental health service/s for children aged 0-11 years old and their families, with moderate mental health needs
- Domestic and family violence refuge, accommodation, and therapeutic supports for women and their children, including post-refuge support
- Accommodation and therapeutic supports for young parents and their children at high risk
- Parentline, a telephone and online counselling and support service for parents and carers in the Northern Territory and Queensland
- Expressive Therapy interventions for young children and infants who have experienced trauma and abuse, or been exposed to violence, and
- Young Parents Program providing parenting support to help with child development, life skills and health and wellbeing activities in safe, supportive environments.

Employment Services

For almost 20 years **yourtown** has been delivering specialist youth employment services. Our employment services programs, including Transition to Work (TtW), Skilling Queenslanders for Work, Get Back in the Game and ParentsNext, provide young people with training to expand their options and help them find sustainable employment. In 2022, we supported 14,505 young people through our employment programs.

In our most recent employment services contracts with jobactive since 2015 and TtW since 2016 we have worked with more than 61,470 young people and helped more than 45,000 into work and educational opportunities.

ParentsNext

We provide specialised support for parents with children under six years of age, to plan and prepare for their future employment in regional South Australia from our Port Pirie base. Our primary goal for ParentsNext is to empower parents to embrace life changes, improve their skills and self-confidence, and achieve their education and employment goals. In 2022, our program supported almost 400 parents/carers.

Social Enterprises

yourtown has worked with young people and employers to break down barriers to sustainable employment for more than 20 years. As a leader in work-based social enterprises we provide young people at risk of long-term unemployment paid jobs in the following areas: construction, landscaping, and asset maintenance to help their transition to open employment. In 2022, a total of 170 young people were employed in our social enterprises across Queensland, New South Wales, South Australia, and Tasmania, with over 90% transitioning into longer term employment (within the open labour market) or progressing into education.

Kids Helpline

yourtown's Kids Helpline is Australia's only free and confidential 24/7 phone and online counselling service for any young person aged 5 to 25. It offers children and young people a range of care options that are right for their needs and circumstances.

Our commitment to being there anytime, and for any reason, has meant that we have responded to more than 8.6 million contacts from children and young people nationally in the 31 years since our service was first established, whilst also providing tens of millions of self-help interactions via our website and social channels. In 2022, our Kids Helpline counsellors responded to 155,973 contacts from children and young people across Australia, including 5,753 emergency responses for children and young people at imminent risk of harm.

yourtown welcomes the opportunity to respond to the Parliament of Australia, House of Representatives, House Select Committee Inquiry into Workforce Australia Employment Services in relation to the broader Workforce Australia employment system.

We strongly support the Committee's review of the system.

There are significant issues with the new employment services system introduced under the previous government. The new system and tender process drastically de-stabilised the employment market for service providers, job seekers and employers. Further, the limited availability of specialist service providers has meant that more employment barriers now exist than previously for successful outcomes for job seekers. In addition, there are flawed legacy elements of the old employment system that have never been addressed and are now compounding inefficiencies within the new system.

The current system, although relatively new, must be overhauled. It needs significant human centred redesign, with direct engagement undertaken with jobseekers, including young people, and employers as key service users to better understand their needs. This approach would best ensure that barriers to employment are removed, and jobseekers have access to pathways to employment that are easy to navigate, and lead to meaningful, long term and sustainable employment.

A co-designed approach will help those who need it most, especially young people, as one of the most disadvantaged cohorts in the labour market. In 2022:

- 7.5% of youth were unemployed (more than double the 3.4% unemployment rate)¹
- 167,400 young people aged 15-24 were unemployed
- 22,400 young people were unemployed for more than one year², and
- 11,900 young people reported being underemployed.³

For almost 20 years **yourtown** has been helping young people find and keep jobs throughout Australia. In 2022 alone, we supported more than 14,500 young people through various employment programs at **yourtown**.⁴ We continue to deliver face-to-face employment services that provide specialised support for young job seekers who are at high risk of long-term unemployment including early school leavers, young Aboriginal and Torres Strait Islander Peoples, and other young people not eligible for income support. Our programs are also designed to provide support to young people to develop their social, emotional and communication skills alongside of developing and accessing opportunities to find work or commence apprenticeships and traineeships.

Supporting job seekers into sustainable employment is more than just helping someone 'get a job'. It also means addressing barriers, and issues that stop that person from finding, or holding onto stable and sustainable employment. In addition to this, for the many young people that **yourtown** works with, we continue to observe how mental health issues are a major barrier to obtaining or staying in a job. At **yourtown**, our employment services also help young people find support for their mental health concerns, via face-to-face support as well as via our Kids Helpline Service which has been at the forefront of providing virtual mental health and wellbeing services for children and young people in Australia for more than 31 years.

¹ ABS (2022). 6202.0 Labour Force, Australia. Table 13. Labour force status for 15-24 year olds by Sex – Trend, Seasonally adjusted and Original.

² ABS (2022). 6291.0.55.001 – UM3 – Unemployed persons by Age and Duration of job search, January 1911 onwards

³ ABS (2022). 6291.0.55.001 Labour Force, Australia, Detailed. Table 23b. Volume measures of underutilisation by Age and Sex

⁴ **yourtown**. (2022). **yourtown's** Annual Report 2022 (<https://publications.yourtown.com.au/yt-2022-annual-report/page/6-7>).

need for consultation to support a co-designed system

To develop an employment services model that is truly representative of the multifaceted issues faced by job seekers and employers requires genuine co-design and engagement with all stakeholders. This will ensure any future model developed and implemented is purpose built on the needs and aspirations of its stakeholders. **yourtown** strongly recommends the Government adopt a human-centred design approach, where job seekers (especially young people) and employers are genuinely engaged in the re-design of an employment service model to reflect the day-to-day challenges they face.

Further, where young people are impacted by a policy change, they have the right to be heard and listened to, and directly shape the programs intended to support them. By working in consultation with young people, as well as the Office for Youth, Workforce Australia programs can be tailored to meet the specific needs of young people. This is in keeping with the Government's commitment to: "...provide young Australians with strong and formalised engagement in government and policy making" recognising that "young people need and deserve a say on the issues that impact them."⁵

Recommendation 1:

The employment services model should be overhauled and re-designed, adopting a human-centred design approach. All changes should be informed by the direct views and aspirations of young people and designed with them. To achieve this, the Government should prioritise engagement and co-design processes with:

- a) Young people with the support of the Office for Youth, and
- b) Employers.

addressing mental health and wellbeing

Employment service models should include a strong focus on mental health and wellbeing. For young people experiencing long-term unemployment, mental health issues can occur at the time of unemployment and then periodically throughout their life.⁶ In 2020, 40% of young people entering **yourtown's** employment programs, who had been unemployed for more than a year were assessed as experiencing high or very high levels of psychological distress. This was much higher than the national rate (31%) of young people who indicated they were experiencing high or very high levels of psychological distress.⁷

Adolescence and youth are critical times for the emergence of mental health conditions. Three-quarters of mental health conditions commence before 25 years of age.⁸ Despite young males being more likely than females to experience a mental health disorder, they are less likely to seek help. Employment services play an important role in connecting people to mental health support, often for the first time. Considering this, mental health specialists should be embedded within employment service delivery, with immediate supports available depending on the severity of need. Addressing mental health and wellbeing in an employment strategy also meets the OECD's Recommendation of the Council on Creating

⁵ See Labor's new youth engagement model 2021 [ParlInfo - Labor's new youth engagement model \(aph.gov.au\)](https://aph.gov.au/ParlInfo/Labor's_new_youth_engagement_model)

⁶ Strandh, M., Winefield, A. H., Nilsson, K., & Hammarstrom, A. (2014). Unemployment and mental health scarring during the life course. *The Journal of Public Health*, 24(3).

⁷ Productivity Commission (2020). Why did young people's incomes decline? Productivity Commission Research Paper.

⁸ Australian Institute of Health and Welfare. (2021). Australia's youth: Mental illness. Australia's youth: Mental illness - Australian Institute of Health and Welfare (aihw.gov.au)

Better Opportunities for Young People including the need to promote social inclusion and specifically youth well-being beyond economic outcomes.⁹

Employment programs that provide intensive support for smaller caseloads with a focus on employment, social, and mental health and wellbeing outcomes can generate a 1:6 cost to savings ratio in the longer term. This model is a cost-effective option in addressing long term youth unemployment. Further integrated service models, specifically those with case management, provide critical support to vulnerable users navigating increasingly complex systems and allow users to express their own views on their mental health and their preferences for engaging in employment programs.

Case study: providing support through a mental health and wellbeing lens

20-year-old Jacob is a young person with significant and complex issues impacting all facets of their life including: mental health (anxiety, depression), gender dysmorphia, unstable accommodation, lack of family / peer supports and transport. It was quickly identified that Jacob needed some intensive support.*

yourtown's Youth Worker provided significant and ongoing support including responding to life threatening crisis, facilitating access to a GP for a robust mental health plan including psychiatrist services. Jacob was directly connected with numerous community agencies providing general life skills like cooking and provided with paid driving lessons.

*With the close support provided by **yourtown**, Jacob is continuing to build personal capacity and resilience. Jacob (who requests to be called Blue) is now stable enough to think about work and we are currently in the process of referring them to a local apprenticeship opportunity.¹⁰*

Review assessment processes

A review of the assessment process is required to enable more accurate determination of job readiness. While the new Job Seeker Snapshot addresses some of the flaws in the previous Jobseeker Classification Instrument (JSCI); it is a legacy assessment tool that still does not accurately capture if job seekers are 'job ready' and any barriers or issues they may have in relation to finding employment.

The Job Seeker Snapshot, including the move to self-assessment processes, does not allow for:

- rapport and trust to be built prior to the assessment being conducted. Young people may not readily disclose their issues to people who conduct the initial assessment to determine whether job seekers are ready to self-manage on the online system. This may result in the assessor inaccurately classifying the job seeker as job ready and referring them to Workforce Australia Online
- providers to request re-assessments to ensure the circumstances of young job seekers are accurately assessed and they have access to the right supports, and
- accurate assessment of young job seekers because the questions are not sufficiently relevant to the barriers that young people face in securing and sustaining a job.

It would also be beneficial to have psychological safety and confidentiality statements at the start of the assessment process to indicate that the purpose is to ensure the young person will be referred to an appropriate service to meet their needs and that information will not be shared with authorities (i.e., Police).

Inaccuracies within assessment tools erode both their credibility and legitimacy. Young people who are assessed as being job ready are automatically referred to Workforce Australia Online. Yet within **yourtown**, and the sector more broadly, it is well known that

⁹ Strandh, M., Winefield, A. H., Nilsson, K., & Hammarstrom, A. (2014). Unemployment and mental health scarring during the life course. *The Journal of Public Health, 24*(3).

¹⁰ *Jacob identifies as "They/Them". Jacob is not their real name.

people regularly appraised as 'job ready' through the assessment tools, upon arrival at the employment service are then found to be clearly 'not' job ready once trust and rapport are established.

Recommendation 2:

That employment services models incorporate a strong focus on mental health and wellbeing to address critical barriers to employment for young people, including:

- a) working collaboratively with a range of support services, including but not limited to, specialist mental health service providers (face to face and virtual)
- b) utilising a mental health assessment tool to determine if a diagnostic assessment is required, and
- c) address flaws in the existing job readiness assessment process for young people.

Re-evaluate the duration period of digital employment services

Young people should not spend more than three months in digital employment services. If, by the end of three months, they have not been successful in finding employment there is an increased risk of the person becoming long term unemployed. Furthermore, it is an indicator that the person needs different and more intensive support to identify and address the employment barriers they are facing.

Face-to-face support should be provided after an initial three-month period and an additional re-assessment process should take place to address better assess young people needs and employment support preferences. Critically, prolonged online servicing is an indication the person needs more intensive support (beyond that able to be provided by digital employment services) to find employment.

Recommendation 3:

That Australian Government review the current employment service model to ensure job seekers spend no longer than three months in digital services.

Recommendation 4:

That the Australian Government implement integrated service models, specifically those with case management, to provide critical support to vulnerable users navigating increasingly complex systems.

education and employment strategies should be aligned and complementary

Current education and employment strategies are misaligned. Employment service models must be developed and delivered alongside existing, or future education strategies and models. To focus solely on creating employment participation rates through the lens of employment strategies fails to address pathway barriers to employment, in particular the need to strengthen the participation rate of young people in education.

Education strategies should complement employment service models, ensuring that young people have access to knowledge, skills training and the development of competencies needed to transition from childhood to independent adulthood. This should include the development of education and employment service models that target the most

disadvantaged who do not have access to digital devices, tools, technologies to access work/services. Employment Services providers should be specifically required to work with schools to jointly case manage at risk students from school to work during and after the later years of schooling.

Further, young people need to be equipped with the right skills needed for a 21st Century workforce. This should provide them with the ability to navigate and function in the digital world including training in how to safely use digital devices and the internet.

The Organisation for Economic Co-Operation and Development (OECD) Recommendation of the Council on Creating Better Opportunities for Young People recommends OECD members provide young people equitable access to a wide range of skills, including basic numeracy, literacy, and problem-solving skills (for the digital and physical worlds), as well as digital, creativity and social and emotional skills to equip them for the changing world of work and society.¹¹

The OECD also recommended measures be taken to enable all young people to participate in an increasingly digitalised world.¹² Young people should be empowered through complementary education strategies that support their future employment to engage safely, healthily, and responsibly in the digital environment, as the time spent by young people in the digital sphere continues to expand.

Children, young people, and their families/supporters should also be supported with access to education programs and schooling that align with and meet employer expectations of skills and capabilities. Further, consideration should be given to supporting education opportunities and programs for those in rural and remote locations to improve the standard of education currently being offered and improve their employment and education opportunities now and into the future.

Recommendation 5:

Employment service models should be developed and delivered in tandem with education strategies and models to ensure they are complementary and connected. The reach of employment service providers should be extended to require more intensive engagement with schools in case managing young people at risk of disengagement from study.

employment services model architecture should be revised

The design of a competitive employment services model encourages unhealthy practices among providers while concurrently discouraging collaboration and collective responses to effectively meet the needs of both the labour market and job seekers. Further, the current model supports the establishment of multiple service providers in each region, fostering competition against one another to achieve 'results', rather than fostering the collective sharing of intelligence and understanding of local employment barriers to develop local solutions.

The competition model acts as a disincentive for providers to collaborate and share their learnings and experience, and jointly work together to find and advocate for local solutions to employment issues in their regions. This form of competition among providers has also led

¹¹ Organisation for Economic Co-Operation and Development. (2022). Recommendation of the Council on Creating Better Opportunities for Young People ([OECD Legal Instruments](#)).

¹² Barford, A., Coutts, A. & Sahai, G. (2021). 'Youth Employment in Times of COVID: A global review of COVID-19 policy responses to tackle (un)employment and disadvantage among young people'. International Labour Organization (https://www.ilo.org/wcmsp5/groups/public/--ed_emp/documents/publication/wcms_823751.pdf).

to significant variations in quality and standards of service, with attempts by Government to oversee contract management neither improving consistency of practice nor performance.

The employment services model should be re-designed to incentivise local collaboration and learning, over competition. The focus should be on fostering local solutions to employment issues and collaboratively addressing employment needs within an employment region to achieve community level impacts.

Furthermore, the Australian Government should utilise its existing data sets to determine what types of specialist providers are required within each region. **yourtown** suggests there should only be one Workforce Australia generalist provider appointed in each location, with a TtW provider for under 25's, as well as (depending upon the demographic breakdown of the region) a First Nations and/or CALD specialist provider. The burden should not be on employment service providers to build the case for speciality.

This revised model should be complimented with a funded position to 'facilitate' connections between providers and schools, alternate education facilities/educators and other community organisations within each region. This role would support each region by providing one central point of interconnection, operating in a similar way to the Employment Facilitators under the Local Jobs program under a separate contract, working across the region to connect students (at risk / or disengaged from education). This funded position could assist schools' alternate education facilities/educators and other community organisations understanding of the alternate options for a student struggling within the school environment and assist with referral and connection. A key feature of this position would be to connect this cohort to a TtW Provider before they disconnect from education, providing either support to continue in education or transition well so they are supported to complete vocational qualifications and/or obtain sustainable employment. This would then minimise the risk of the young person "falling through the cracks" and remaining outside any support provision from any agency. A separate "Group" for this cohort could be defined in the TtW Contract, with separate service fee and outcome definitions to recognise either continuance in education and/or commencement into TtW.

Adopting the above would re-focus the approach upon meeting the needs of discrete cohorts and improving outcomes. Providers would then place less emphasis on 'competition,' viewing other providers as a broad 'community of practice' with whom to collaborate to address employment issues and find local solutions to better meet the needs of job seekers, industry, and labour markets within their employment region.

Specialist frameworks

Greater consideration should be given to the assessment of whether a provider is categorised as a 'specialist' provider. In our experience, target cohorts benefit more in an employment services model where cohort specialists are only referred job seekers from their target group. Specialist providers understand their target cohort because they have recruited, trained, and resourced staff with a specific profile designed for their speciality. Providing services to job seekers outside of the target cohort could be detrimental because it is a distraction outside of the provider's scope of training and resources. An example of such a situation was seen in the Job Services contract.

This should also be reflected in by the development and application of robust eligibility criteria for specialist providers, especially youth specialist providers, to ensure each specialist provider has demonstrated and evidence of capacity to meet the needs of their target cohorts.

Recommendation 6:

That the Australian Government revise the architecture of the employment services model, using its own data sets to determine the types of specialist providers required for each employment region. This could include:

- a) moving to a model where there is one Workforce Australia generalist provider appointed in each location, with a TfW provider for under 25's**
- b) specialist providers as required (depending upon an analysis of the demographic breakdown of the region), and**
- c) a funded position to facilitate connections between providers and schools**

Recommendation 7:

That the Australian Government commit to developing and applying robust eligibility criteria as a fundamental part of the tender process for specialist providers.

a contracting model that fairly balances risk and reward

The current contracting model for service provision lacks fairness. It provided no certainty or reward for good performers. The tender procurement process did not adequately address under performance.

The employment services contracting model needs a complete overhaul to include effective mechanisms to address non-performers, while rewarding providers who have a record of good performance (such as five-star ratings, or achievement of, or exceeding benchmarks).

The current arrangements for securing and retaining employment service contracts are not fair in their treatment of good or high performing service providers. At the end of the contract period, all service provider contracts come to an end, regardless of whether a service provider has been a consistent high performer, or a low performer. Introducing a fairer system could include the use of long-term incentives for strong performers so that at the end of a contract, existing service providers (especially high performers) could have their contract rolled over or extended long-term. To ensure transparency and equity, this would also require clear and consistent mechanisms to monitor performance.

Implementing a reward system for high performers:

- acknowledges the positive contributions made to the community by supporting job seekers
- contributes to significant cost savings for the Government given the maintenance of contracts is more cost-effective than engaging in a system-wide re-tendering process
- supports providers through financial incentives associated with contract maintenance
- contributes to stability within the employment services system
- sets high benchmarks for other providers to meet, and
- improves the reputation of providers with employers given that high performing providers have quality relationships with local employers.

A fair contractual model should ensure that only those providers who fail to meet high or good quality performance benchmarks should be subject to a re-tendering process.

Not only would this yield significant savings in resourcing, time, and effort to Government; it would bring consistency and stability within the market and foster the development of best

practice standards and models within leading providers to lead the way for the rest of the employment services sector.

Recommendation 8:

That the Australian Government commit to re-designing the service provider contractual model, to fairly balance risk and reward, and incentivize high quality performance by:

- a) only requiring providers to re-tender where they are performing below agreed performance benchmarks, and**
- b) rewarding providers who achieve and/or exceed performance benchmarks with automatic rollover or long-term extension of their contract.**

supporting place-based approaches

The issues associated with youth unemployment vary across communities depending on local factors such as population demographics and industry trends. The employment services model needs to be sufficiently flexible to adapt to local problems and foster localised solutions.

Place-based solutions are needed to support the varying needs of young people and local industries. These localised approaches enable young people to access meaningful work, build mobility in careers and support the development of a workforce for employers and the industry for now and into the future, by engaging the local community and a broad range of local organisations to solve local problems.

Community Investment Committees, as part of the Transition to Work Community of Practice, are an example of a place-based approach aimed at strengthening youth training and employment pathways.

The National Youth Employment Body (NYEB) currently supports six Community Investment Committees to develop tailored solutions for communities with high youth unemployment. Employers lead the Committee, comprised by local representatives from key industries, youth employment services, all levels of government, and community. Since 2019, **yourtown**, on behalf of the Brotherhood of St Laurence, has led the NYEB in Logan to identify local priorities and facilitate the ongoing exchange of information and learnings between the Logan-Beaudesert Community Investment Committee and the NYEB's National Governance Groups to connect local and national solutions and inform wider systemic change in youth employment.

The Logan-Beaudesert Community Investment Committee has a focus on developing flexible pre-employment pathways, engaging Employer Champions, and addressing local structural issues. Members are from all levels of Government, the Local Jobs Program, TAFE Queensland, community organisations and employers from food services, retail, and construction. Progress on these priorities include:

- implementation of the National Skills Trial into aged care and disability support for young people to gain entry level roles
- youth contributions to Committee meetings
- drawing on the successful employer-led pathway with local McDonald's franchisee to develop further processes to onboard and support young people into work
- co-designing pathways into construction, logistics and the care sectors, and
- developing solutions to improve community transport and youth mental health.

Recommendation 9:

That the Australian Government consider the adoption of place-based approaches within the employment services model to support the development of localised employment and training opportunities and pathways.

We would welcome the opportunity to explore these ideas with you in further detail. Should you require further information about any issues raised in the submission, please do not hesitate to contact Kathryn Mandla, Executive Head, Strategic Partnerships and Advocacy at **yourtown** via email at kmandla@yourtown.com.au.