



yourtown
POWERING **kids**helpline

Employment White Paper

A submission to: The Treasury,
Australian Government

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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 delivers 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 over 18 years **yourtown** has been delivering specialist youth employment services. Our employment services programs, including Transition to Work (TtW), Skilling Queenslanders for Work and ParentsNext, provide young people with training to expand their options and help them find sustainable employment.

Over the last 6 years we have secured 36,449 job placements for young people, with 8,345 young people currently supported by our Employment Services programs across 14 locations around Australia including Queensland, New South Wales, and Tasmania.

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 deliver high quality work on time and within budget, while providing paid work experience and on-the-job training to young people.

Our social enterprises 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 2021, we supported 227 young people through our social enterprises.

Kids Helpline

Kids Helpline is Australia's only free and confidential 24/7 phone and online counselling service for young people 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.

executive summary

For more than 20 years **yourtown** has been supporting young people who face significant barriers to finding and keeping a job. We welcome the opportunity to respond to Australian Government's consultation on key issues to be included in the Employment White Paper (the White Paper).

The White Paper represents a significant opportunity to set the national agenda for employment related issues in the 21st Century. Development of a consistent, comprehensive, and actionable plan should support all Australians, especially young people equipped with the skills and knowledge needed for a 21st Century workforce.

To support the Government to build a clear road map and boost incomes, living standards and create more opportunities for more Australians especially young people, **yourtown** recommends the following should be addressed under the White Paper and the Australian Government:

1. Commit to:
 - a. Developing a fairer contracting model to balance risk and reward -
 - i. requiring Government to re-tender only those contracts where a provider is performing below agreed performance benchmarks, and
 - ii. rewarding providers who achieve and/or exceed performance benchmarks with automatic rollover or extension of contracts, and
 - b. Investing in a re-designed employment services model that builds employment services sector stability, and retains workforce expertise, skills, and fosters sharing of knowledge within the industry.
2. Commit to not applying quotas for eligibility to access Transition to Work (TtW) services
3. Address flaws in the existing job readiness assessment process for young people, and review their current employment services model to ensure job seekers spend no longer than three months in digital services
4. Consider development of employment strategies and models in tandem with education strategies and models, to ensure that they are complementary and connected
5. Develop employment service models that incorporate a strong focus on mental health and wellbeing, to address critical barriers to employment for young people including:
 - a. Utilising a mental health assessment tool to determine if a diagnostic assessment is required, and
 - b. Working collaboratively with a range of support services, including, but not limited to, specialist mental health service providers (face to face and virtual)
6. Addresses issues regarding prioritisation and incentivisation of apprentices, including:
 - a. broadening the Australian Apprenticeships Incentive System to include occupations under the National Skills Needs list,
 - b. provide additional payments for apprentices to address low apprenticeship wages and the soaring cost of living, and
 - c. commit to an ongoing and broad-based incentives scheme for employers to support the uptake of apprenticeships/traineeships, especially for young people transitioning from school.

detailed response

yourtown welcomes the opportunity to respond to the Australian Government's consultation on the development of the Employment White Paper (the White Paper). We strongly support the development of a road map for Australia to build a bigger, better trained and more productive workforce. This is especially important for young people as they transition from educational setting into the workforce.

For more than 20 years **yourtown** has been helping young people find and keep jobs throughout Australia. We 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. In 2021, 17,848 participants were engaged through our employment services programs.¹ These programs supported young people to develop their social, emotional and communication skills while helping them identify and access opportunities to find work or commence apprenticeships and traineeships.

However, building a strong workforce takes more than just 'getting a job'. It also means addressing barriers, and issues that stop a person from finding, or holding onto stable employment. For the many young people that **yourtown** works with, mental health issues present 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, supporting them through our Kids Helpline Service which has been at the forefront of providing digital mental health and wellbeing services for children and young people in Australia for more than 31 years.

yourtown recommends the following issues be addressed by the White Paper to boost incomes, living standards and create more opportunities for more Australians, especially young people:

- design a fairer, consistent, and stable employment services model
- support young people by ensuring every young person seeking employment can have access to youth specialist services including Transition to Work (TtW) services
- ensure education strategies align with and complement employment strategies
- incorporate strategies to address mental health and wellbeing barriers to employment, and
- commit to an ongoing and broad-based incentives scheme for employers to support the uptake of apprenticeships/traineeships.

design a fairer, consistent, and stable employment services model

Develop a new contracting model that fairly balances risk and reward

The current arrangements for securing and retaining employment service contracts are not fair in their treatment of good or high performing service providers.

There is no reward within the contracting model for a service provider that is a good or strong performer. At the end of the contract period, all providers must re-tender, regardless of whether they are great, average, poor or shoddy performers.

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

¹**yourtown**. (2021). yourtown's Annual Report 2021 (<https://publications.yourtown.com.au/yt-2021-annual-reportpublicitas/page/1>).

benchmarks). The reward should be either a roll-over of the existing contract or a long-term extension.

A fair contractual model should ensure that only those providers who fail to meet set performance benchmarks should have their contract subjected 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.

Fostering stability within the industry, retaining expertise, skills, and industry knowledge

The current contracting model fosters ongoing instability within the employment services sector. The White Paper should set out a national plan for ensuring and maintaining long term stability within the employment services industry, with a focus on building and retaining expertise within the industry and building knowledge and capability to ensure long term continuity of service provision within the sector.

The current model fosters instability within the employment services workforce. The employment services sector plays a critical role in helping Australians to find employment and participate productively in the labour market. The delivery of employment services also requires significant upfront and ongoing investment in infrastructure, resources, training and development of staff, and mandatory accreditation requirements. However, constant change through limited term (5 year) contracts, and reform have destabilised the effectiveness and efficiency of the whole employment services industry.

Building a workforce with the capability to build rapport with job seekers, and maintain their engagement takes time, effort, and resources. It also requires services providers with specialist skills to be able to:

- clearly explain the nature and approach of the service and the job seekers' roles and responsibilities
- establish a physical environment that is comfortable, professional and allows for privacy when needed
- where possible, match job seekers to employment consultants with similar characteristics
- use employment services tools, such as the Job Seeker Classification Instrument (JSCI) or other assessment tools to better understand the job seeker's needs, and
- use a wide range of strategies learned, refined, and evaluated over time to suit the individual needs of job seekers reflecting their diverse backgrounds and situations.

The employment services model should also be re-designed to incentivise local collaboration and learning, over competition, focused on finding local solutions to employment issues and needs within an employment region. Previous employment services models have supported the establishment of multiple service providers in each region, fostering competition against one another in order to achieve 'results'. However, this has acted as a disincentive for providers to collaborate and share their learnings and experience, and jointly find local solutions to employment issues in their regions. This form of competition among providers has also led to significant variations in quality and standards of service, with attempts by Government to oversee contract management neither improving consistency of practice nor performance.

yourtown suggests that similar to Transition to Work (TtW) models there should only be one Workforce Australia generalist provider appointed in each location, with a TtW provider for under 25's, and depending upon the demographic breakdown of the region. There should also be an Aboriginal and Torres Strait Islander and/or CALD specialist provider. This re-focus

upon discrete needs and cohorts would improve outcomes as providers would be less focused on 'competition' against other providers and would instead view other providers as a broad 'community of practice' with whom they could collaborate to address employment issues and find local solutions to better meet the needs of job seekers, industry, and labour markets within each employment region.

In addition to this, the 'Employment Services' brand is not well known to employers. As a result, they are not clear on the role of the different employment service providers. While providers are expected to build the 'Employment Services' brand through their networks, there is no recognition of this effort or the relationships that have been developed. Having only a small and connected group of strong providers in a region will make it easier to promote the 'Employment Services' brand where there are fewer competing messages about individual providers, with more focused attention upon collaboration as part of the 'Employment Services' brand.

The ongoing instability within the employment services sector erodes community trust. The changing of employment service models; loss of skilled, established, and trusted service providers through changed contracts all contribute to destabilisation of the employment services market, loss of community confidence in the service industry, breaking down long term established relationships of trust with the local communities and those battling with unemployment. Further, service providers who are uncertain about the future (where their contract end date is looming), find it difficult to attract or retain quality employment consultants; learn from innovative practices to inform and build best practice to not only improve their service, but improve the sector more generally.

Recommendation 1:

That the Australian Government commit to:

- a) developing a fairer contracting model, to balance risk and reward -
 - i. requiring Government to re-tender only those contracts where a provider is performing below agreed performance benchmarks, and
 - ii. rewarding providers who achieve and/or exceed performance benchmarks with automatic rollover or extension of contracts, and
- b) investing in a re-designed employment services model that builds employment services sector stability, and retains workforce expertise, skills, and fosters sharing of industry knowledge.

Youth specialist employment services

While under the New Employment Services Model young people (15-24) can access Transition to Work (TtW) services, the restrictive eligibility criteria means that not all young people seeking employment support are able to get help from a service designed to meet their needs. Rather they fall into 'generalist' services or through the gaps in the system and do not receive the tailored help and support they need.

Young people are among the most disadvantaged in the labour market. The youth unemployment rate of 7.5% is more than double the 3.4% overall unemployment rate.² There are 167,400 young people aged 15-24 in unemployment, 13.4% (n=22,400) of whom have

² ABS (2022). 6202.0 Labour Force, Australia. Table 13. Labour force status for 15-24 year olds by Sex – Trend, Seasonally adjusted and Original.

been unemployed for more than one year.³ Further, 11,900 young people are in underemployment.⁴

By ensuring young people have access to youth specialist services, young people will be supported to achieve their employment goals by a skilled workforce that have the competencies to engage and support young people in face-to-face and digital settings.

In **yourtown**'s experience, young people benefit from an employment services model where they receive tailored service from youth specialists for the following reasons:

- youth specialist providers understand their target cohort because they have recruited, trained, and resourced with a specific staffing profile and service delivery model designed for this specialty
- consistent youth-centred employment interventions have more success than generic services in assisting unemployed young people, particularly those with mental health issues, to achieve enhanced employment and social outcomes^{5,6}, and
- young people with complex barriers achieve better outcomes in services offering relational-based practice with skilled and youth-friendly staff.^{7,8}

Recommendation 2:

That the Australian Government commit to not applying quotas for eligibility to access Transition to Work (TtW) services.

Review assessment processes and duration 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 assessment process should take place to address the risk of young people not being suitable for digital-only support in the first instance. Secondly, 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.

A key issue is that the current assessment process is flawed. Young people who are assessed as being job ready are automatically referred to Workforce Australia Online; however, the model does not account for job seekers who are not job ready. The Jobseeker Classification Instrument (JSCI) process does not allow for:

³ ABS (2022). 6291.0.55.001 – UM3 – Unemployed persons by Age and Duration of job search, January 1911 onwards

⁴ ABS (2022). 6291.0.55.001 Labour Force, Australia, Detailed. Table 23b. Volume measures of underutilisation by Age and Sex

⁵ Gmitroski, T. et al. (2018). Barriers and facilitators to employment for young adults with mental illness: A scoping review. *BMJ Open*. 2018; 8(12): e024487. Published online 2018 Dec 18. doi: 10.1136/bmjopen-2018-024487

⁶ Meltzer, A., Ramia, I., Moffat, J., & Powell, A. (2022). Creating a relationship-based practice in your employment services – Converting policy intentions to practical program design. *Social Policy & Administration*, 1-16. <https://doi.org/10.1111/spol.12840>

⁷ Ramia, I, Meltzer, A., Moffat, J., Powell, A and Barnes, E. (2020). **your job your way** Final Evaluation Report. Centre for Social Impact and **yourtown** (<https://assets.csi.edu.au/assets/research/Your-Job-Your-Way-Evaluation-Report.pdf>).

⁸ Meltzer, A., Ramia, I., Moffat, J., & Powell, A. (2022). Creating a relationship-based practice in your employment services – Converting policy intentions to practical program design. *Social Policy & Administration*, 1-16. <https://doi.org/10.1111/spol.12840>

- rapport and trust to be built prior to the assessment being conducted. This in turn may have a detrimental effect on young people who do not readily disclose their issues to people that they have not established a rapport with. Resulting in the assessor often inaccurately classifying the job seeker as job ready and referred to Workforce Australia Online
- providers to request re-assessments to ensure the circumstances of young job seekers is accurately assessed and they have access to the right supports, and
- accurate assessment of young job seekers because the questions are not youth-focussed e.g., a measure for transport should be included and the measure of contact should be expanded to include connectivity.

Recommendation 3:

That the Australian Government:

- **address flaws in the existing job readiness assessment process for young people, and**
- **review the current model to ensure job seekers spend no longer than three months in digital services.**

education strategies should align with and complement employment strategies

Any employment strategy or model must be considered 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.

Educational strategies should complement employment strategies, 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 strategies that target the most disadvantaged who do not have access to digital devices, tools, technologies to access work/services. Employment Services providers should also work with the 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 for 21 Century workforce to provide them with the ability to navigate and function in the digital world including training in how to use 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.⁹

The OECD also recommended measures be taken to enable all young people to participate in an increasingly digitalised world.¹⁰ Young people should be empowered through education strategies that support their future employment to engage safely, healthily, and

⁹ Organisation for Economic Co-Operation and Development. (2022). Recommendation of the Council on Creating Better Opportunities for Young People ([OECD Legal Instruments](#)).

¹⁰ Barford, A., Coufts, 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).

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 4:

Employment service strategies and models must be considered in tandem with education strategies and models to ensure they are complementary and connected.

Research of 'what works' for sustainable youth employment

More information is needed to understand the nature of the changing employment landscape and the skills required for a 21st Century workforce to have a clear evidence base of 'what works' to achieve sustainable youth employment.

In Australia, young people were disproportionately impacted by the pandemic. While young people made up just 14% of the workforce, they bore 55% of the job losses during the 2021 lockdowns.¹¹ This has had compounding impacts following decades of high youth unemployment and underemployment, with pre-COVID-19 unemployment and underemployment for young people being at levels more than double that for the entire workforce. Further, in 2019 just over half (54.3%) of all young people were employed in casual or "gig" based jobs and had no access to sick leave, paid leave or other entitlements.¹¹ While some of the effects of COVID-19 on young people are emerging, it is important to note that the full impact is complex, and not yet fully understood. The International Labour Organization highlights that globally the closure of sectors that traditionally employ the youth labour force, (e.g., retail, tourism, and consumer services), resulted in young people often being the first to be made redundant, moved to insecure work contracts or being unable to find a job.¹²

However, research needs to be far broader than understanding the impact of the pandemic, to incorporate an understanding of barriers, drivers, and skills and training required for young people to obtain employment in the rapidly changing technologically driven world of the 21st Century. This research base should inform employment strategies and position Australia to have solutions for long term meaningful employment for current and future generations. In the absence of this evidence any employment strategy or service models risk not being fit for purpose.

Research should include at a minimum, understanding the impact of, and what works to address:

- unemployment and underemployment on young people's long term employment prospects and finances, access to secure and stable housing, and their mental health
- government crisis response measures (whether to floods, pandemics, or other emergencies) and the impact on mental health and wellbeing

¹¹ Littleton, E., & Campbell, R. (2022). Youth unemployment and the pandemic. The Australia Institute. (<https://australiainstitute.org.au/wp-content/uploads/2022/04/P1143-Youth-unemployment-and-pandemic-Australia-Web.pdf>).

¹² Barford, A., Coufts, 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).

- social isolation on engagement with employment
- lack of access to educational choices after secondary school, educational attainment, and the positive impact of achievement, and outcomes, and
- experiences of domestic and family violence, and child protection.

All research should examine any variation in outcomes for different population groups including First Nations communities, culturally and linguistically diverse (CALD) communities, and LGBTQIA+.

Recommendation 5:

Investment should be directed to research that will provide an evidence base of what works regarding transition periods for young people into employment.

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.¹³ In 2020, 40% of young people in **yourtown**'s employment program who had been unemployed for more than a year experienced high or very high levels of psychological distress. This was higher than the national rate (31%) of young people who indicated they were experiencing high or very high levels of psychological distress.¹⁴

Employment services can play an important role as the entry point to mental health support. Considering the significant mental health challenge across the youth caseload, mental health specialists should be embedded in employment services, and other supports should be available for young people depending on the severity of their needs. Addressing mental health and wellbeing in an employment strategy also meets the OECD's Recommendation of the Council on Creating Better Opportunities for Young People which acknowledged the need to promote social inclusion and specifically youth well-being beyond economic outcomes.¹⁵

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.¹⁶ Further integrated service models, specifically those with case management, provide critical support to vulnerable users navigating increasingly complex systems.

¹³ 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).

¹⁴ Productivity Commission (2020). Why did young people's incomes decline? Productivity Commission Research Paper.

¹⁵ 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).

¹⁶ Ramia, I, Meltzer, A., Moffatt, J., Powell, A and Barnes, E. (2020). **your job your way** Final Evaluation Report. Centre for Social Impact and **yourtown** (<https://assets.csi.edu.au/assets/research/Your-Job-Your-Way-Evaluation-Report.pdf>).

Recommendation 6:

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

- a) utilising a mental health assessment tool to determine if a diagnostic assessment is required, and
- b) working collaboratively with a range of support services, including but not limited to, specialist mental health service providers (face to face and virtual).

Prioritisation and incentives to support apprentices

While **yourtown** welcomed the commencement of the Australian Apprenticeships Incentive System (from 1 July 2022 to 30 June 2024) the apprenticeship system is too narrow in scope, prioritising occupations in aged care, childcare, disability care, and nursing only. **yourtown** strongly recommends the priority occupation list is widened to include occupations under the National Skills Needs List. By doing so, it will assist to address the broader national skills shortage.

Further, the wages structure for apprentices has failed to keep up with changes in the economy, with low pay rates acting as a disincentive for young people to take up apprenticeships. We recommend that the Incentive System be updated to include a separate payment for apprentices to address low wage rates and ensure apprentices can meet basic living costs.

Additionally, the creation of a supplementary payment for employers could operate in a similar manner to the JobKeeper Payment COVID-19 support measure, where the wage gap would be paid to the employer and handed onto the apprentice to supplement their wage. This incentive is likely to result in increased numbers of young people participating in, and completing apprenticeships, addressing the ongoing shortage of trade workers.

Recommendation 7:

That the Australian Government:

- a) broaden the Australian Apprenticeships Incentive System to include occupations under the National Skills Needs List
- b) provide additional payments for apprentices to address low apprenticeship wages and the soaring cost of living, and
- c) commit to an ongoing and broad-based incentives scheme for employers to support the uptake of apprenticeships/traineeships, especially for young people transitioning from school.

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, Head of Advocacy and Research at **yourtown** via email at kmandla@yourtown.com.au.