

Centre for Policy Development

Transitions to Employment Initiative

ROUNDTABLES 1 & 2 | 15 APRIL 2020

Long-term unemployed People with disability

*

We would like your ideas.

If you have an idea for a new intervention or existing initiative that can be scaled or replicated, please fill out the template emailed to you along with these materials and send back to CPD by Tuesday 14 April

Your ideas

Please outline your idea for an intervention that the private sector, civil society and government can pursue to tackle long-term unemployment and underemployment for the groups in our society facing the greatest disadvantage. The idea need not be original. It may be a new intervention to pursue, but it may be an existing initiative that can be scaled or replicated.

Idea	
Summary of idea and rationale	
Why now?	
Key impacts	
How to measure	
Who would be involved	



APPENDIX: IDEAS TEMPLATE

Ideas Assessment Criteria

- Immediacy
- Scalability
- Significance
- Collaboration/co-design/ coordination potential
- Complementarity
- Measurability
- Sustainability
- Prospects of success



Agenda—Roundtable One

Time	Duration	Agenda Item	Facilitated by
11.00am	10 mins	Welcome and introductions	Jeni Whalan, PRFTravers McLeod, CPD
11.10am	35 mins	Overview of situation pre- and post- COVID	Travers McLeod, CPDAlexandra Heath, RBASandra McPhee AM
11.45am	35 mins	Existing responses and further ideas	 Annabel Brown, CPD
12.20pm	10 mins	Summary and close	Jeni Whalan, PRFTravers McLeod, CPD

Meeting via Zoom

For this meeting to run as smoothly as possible, we would prefer that all attendees join the **Zoom call with video.** If you are unable to join via video or have difficulties connecting, please contact **Shivani Nadan** at shivani.nadan@cpd.org.au or 0409 010 818

Below are instructions on how to join the call:



Joining with video

- 1. Please join the call 5 minutes ahead of the start time
- 2. Start the call on your computer or tablet by clicking the following link: https://zoom.us/j/496196837
- 3. For those without Zoom installed please click "join from browser" at the bottom of the screen. For those with Zoom installed please click "open zoom.us"
- 4. If prompted, please enter your name
- 5. If prompted, please enter the meeting ID 496 196 837 and password 964466
- 6. Turn on your video and ensure your audio is connected
- 7. When you would like to contribute to the conversation please click "Participants" at the bottom of the window, then click "Raise hand"
- 8. Please "mute" your microphone when you are not speaking
- 9. Use the of the "Chat" function will be available throughout the call to ask specific questions or provide feedback when required



Joining via phone

- 1. Please join the call 5 minutes ahead of the start time
- 2. Join the call using one of the following numbers:

+61 861 193 900

+61 8 7150 1149

- 1. Use meeting ID 496 196 837
- 2. Use password 964466
- 3. Press # when asked for participant ID



WELCOME AND INTRODUCTIONS

Zoom Meeting How To Guide

Roundtable One—Participants

Andrew Asten	Partner, Boston Consulting Group
Chris Blake	Executive General Manager, Latitude Financial Services
Annabel Brown	Program Director, Centre for Policy Development
Miguel Carrasco	Global Leader, Centre for Digital Government
Natasha Cassidy	Head of Section, Wages Prices and Labour Market, Reserve Bank of Australia
Julian Cooper	Data Scientist, Boston Consulting Group
Dan Creasey	Head of Pro Bono and Community Impact, King & Wood Mallesons
Peter Davidson	Principal Advisor, ACOSS
Frances Flanagan	Fellow, Business School, University of Sydney
Ben Gauntlett	Disability Discrimination Commissioner, Australian Human Rights Commission
Leigh Hardingham	General Manager, Social Procurement, John Holland
Alexandra Heath	Head of Economic Analysis, Reserve Bank of Australia
Conny Lenneberg	Executive Director, Brotherhood of St Laurence
Travers McLeod	CEO, Centre for Policy Development
Sandra McPhee AM	Chair, Public Service Commission Advisory Board, former Chair of the Employment Services
	Expert Advisory Panel
Robyn Shannon	First Assistant Secretary - Quality, Integrity and Evidence Division, Employment Group,
	Department of Education, Skills and Employment
John Spierings	Executive Officer, Mannifera
Jeni Whalan	Chief Program Officer, Paul Ramsay Foundation
Mary Wood	Head, Social Policy and Partnerships, Business Council of Australia

Key question for roundtable series:

What interventions can the private sector, civil society and government pursue to tackle long-term unemployment and underemployment for the groups in our society facing the greatest disadvantage?

A series of roundtables...

Trusted open conversations, to compare notes around what we do and don't know, what data we have available, what's working and what we can do together.

Our objectives:

- To identify a set of prioritised, supportable interventions
- To develop a framework for assessing those interventions and particularly how to assess the risky end of innovation
- To identify what more we need to know, to design and implement those interventions, and what the opportunities are for making data more openly available



OVERVIEW OF PROJECT AND OBJECTIVES

Focus for today

There is a great danger now that the most vulnerable people in our society, those people already facing the greatest disadvantage in the labour market, will be plunged further into disadvantage, and face even greater hurdles

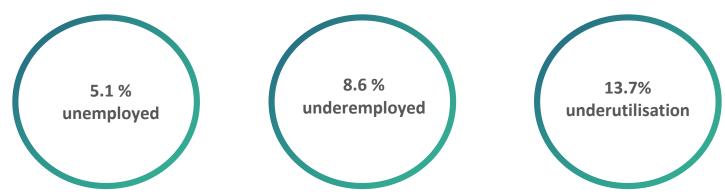
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Overview of the situation Pre-COVID analysis

The overall picture - at 3 March 2020

Key numbers



- 20% jobseekers in the jobactive system for >5 years
- 65% jobseekers in the *jobactive* system for >1 year
- Average length of time on caseload for "Stream C" is >5 years
- Average duration of time on Newstart of 294 weeks
- 121,700 Australians on *Newstart* for 5-10 years
- 28,444 Australians on *Newstart* 10+ years
- Newstart single rate (+supplements) is \$117pw below the poverty line

Sources: ABS, Labour Force, Australia, January 2020, available here; Commonwealth of Australia, I Want to Work: Employment Services 2020, December 2018, available here; DSS, Labour Market and Related Payments, July and December 2019, available here; Guardian analysis based on DSS data, available here; ACOSS and UNSW, Poverty in Australia 2020 — Part 1: Overview, February 2020, available here; BCA, Submission to Newstart Inquiry, November 2019, available here.



OVERVIEW OF THE SITUATION: PRE-COVID

What did we know then?

Who are the people facing long-term unemployment and underemployment?

I Want to Work (2018) identified the jobseekers in the system who may need more support:



People who have received *Newstart*, or have been on the *jobactive* caseload for long periods are generally the most disadvantaged, with the most complex needs, including:

- People living with disability who are not adequately supported by disability employment services or disability support pension
- Former-offenders; and
- Mature age women with intermittent employment histories

This group are not necessarily unemployed, or may not have been unemployed for the entire time they have received these services. They may:

- Have some employment, according to their capacity and receive support as a top up; or
- Move in and out of insecure employment



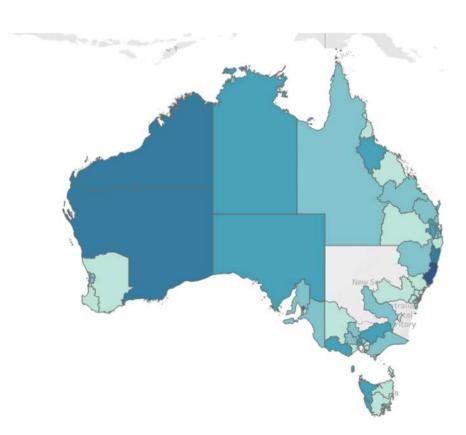
OVERVIEW OF THE SITUATION: PRE-COVID

What did we know then?

Long-term unemployment is distributed across Australia: affecting regional areas and areas near major cities

% of labour force unemployed for 12 months+





Top 10 regions for LT unemployment

State	Region	LT unemployment rate (>12mths)
New South Wales	Mid North Coast	4.7%
Western Australia	Western Australia - Outback	3.8%
South Australia	Adelaide - North	3.5%
New South Wales	Coffs Harbour - Grafton	3.2%
Queensland	Townsville	3.0%
Queensland	Toowoomba	2.9%
South Australia	South Australia - Outback	2.9%
Victoria	Hume	2.9%
Northern Territory	Northern Territory - Outback	2.9%
Victoria e participating in the lab	Warrnambool and South West	2.7%



OVERVIEW OF THE SITUATION: PRE-COVID

What did we know then?

Based on ABS data from February 2020 (data released 26 March 2020)

Note: Long-term unemployment rate = those unemployed for 52 weeks or more / those participating in the labour force Sources: ABS Labour Force data, available here

Employment services were not working well for people facing barriers to the labour market



OVERVIEW OF THE SITUATION: PRE-COVID

We can do better by:

Focussing on those who need help most

64.9%

of job seekers have been in the system for 12 months+

1 in 5 * * * * * * *

(19.6%) have been in the system for **5 years**+

Focussing on digital

60% of recruitment is done online

job seekers use the internet to search for jobs Being more useful to employers

18%

of employers using the system in 2007

2018 4%

of employers using the system in 2018

Employment services consultants

- System "geared toward throughput and volume"
- Average caseloads of 1:148
- Consultant turnover is 42%.

Women

- 51% of jobseekers, only 40% of employment placements
- Only 44% of jobseekers assisted by the Employment Fund are women

People with disability

- 27% of jobseekers in employment services, but only 15% of successful placements of 26+ weeks
- Not getting support they need

What do we know?

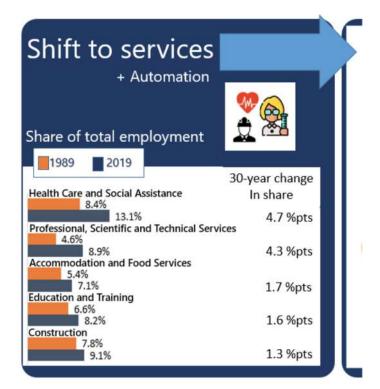
Jobactive "designed in a world without smartphones, Google or Seek"

Expert Advisory Panel on future of employment services spoke to 1,400+ people

New system to take effect from 2022

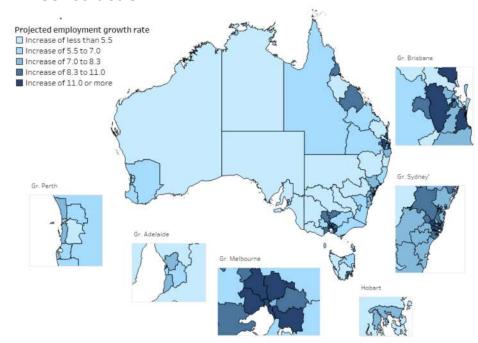
Source: Commonwealth of Australia, *I Want to Work: Employment Services* 2020, December 2018, available <u>here</u>

Scenarios and projections of the employment trends pre-COVID



Modelling in late-2019 projected that 62% of new jobs out to 2024 would come from:

- Health Care and Social Assistance
- Professional, Scientific & Technical Services
- Education and Training
- Construction



Sources: Department of Employment, Skills, Small and Family Business, *Changes in the Australian labour market: a 30-year perspective*, 2019, available here, and Employment Outlook to May 2024, available here; DESE, Future Outlook, 2018, available here; Australian Government Labour Portal, 2019 update, available here.



OVERVIEW OF THE SITUATION: PRE-COVID

Where were we headed?

"Employment growth is projected to be stronger in metropolitan areas than in regional Australia for 13 of the 19 industries.

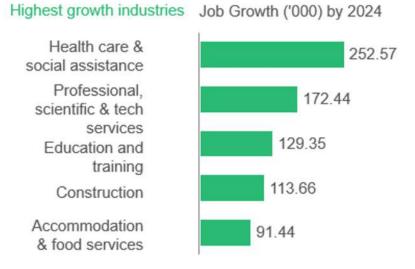
The exceptions are the Agriculture, Forestry and Fishing, Manufacturing, Information Media and Telecommunications, Financial and Insurance Services. Health Care and Social Assistance and Other Services industries"

Trends in growth and declining industries in target regions pre-COVID

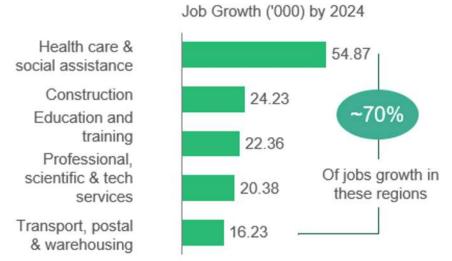
CENTRE FOR POLICY DEVELOPMENT

OVERVIEW OF THE SITUATION: PRE-COVID

Australia



Regions with high-density of long-term unemployed¹



Negative growth industries



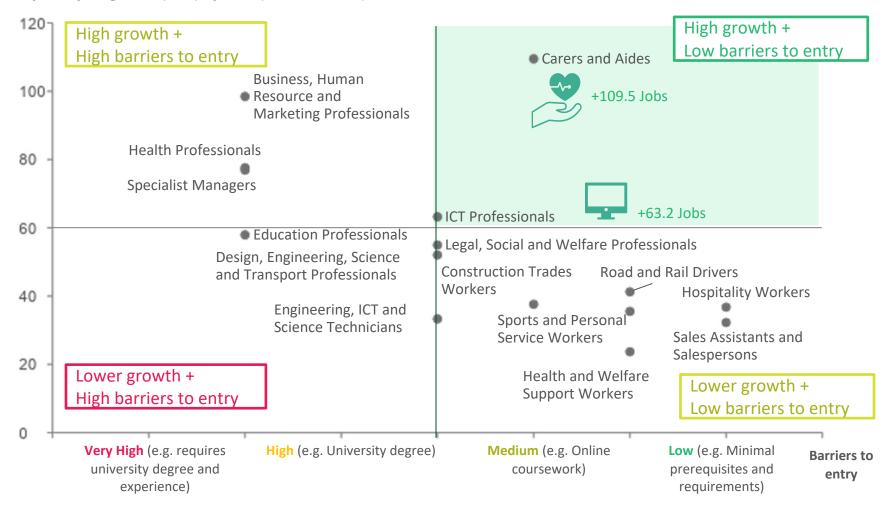


Where were we headed?

In regions with high longterm unemployment, health care & social assistance, construction and education represent highest growth

Opportunities for those facing disadvantage given pre-COVID trends

Projected jobs growth ('000) by 2024 (Australia-wide)





OVERVIEW OF THE SITUATION: PRE-COVID

Where were we headed?

Carers and Aides and ICT professionals are encouraging occupations due to lower training making it easier to enter the job market

Overview of situation Analysis post-COVID

The overall picture — as of 8 April 2020

The COVID-19 pandemic will have a significant impact on the Australian economy and employment. March labour force data from the ABS will be released on 16 April.

Key numbers:

47%
of businesses
have made
workforce
changes

280,000 lodged an intention to claim Job-Seeker in 48 hours -3.9%
GDP fall in 2020
(median forecast
from AFR
economist survey)

Immediate impacts and near term projections

- ABS surveys show that 47% of businesses had made workforce changes due to COVID-19 and 66% had experienced a reduction in turnover or cash flow in the two weeks to 7 April
- Economists are forecasting an extremely sharp economic contraction in the June quarter. The median forecast June unemployment rate in a recent AFR economist survey was 8.5% (from 5.1% in February). At this stage growth is generally forecast to bounce back strongly in the December quarter
- Treasury estimates an additional 1 million people may access the expanded JobSeeker payment, on top
 of the 700,000 already accessing it prior to the crisis
- For vulnerable cohorts, the crisis and policy response are likely to compound existing disadvantage, increase competition for employment and raise barriers for entry



OVERVIEW OF THE SITUATION: POST-COVID

What do we know?

The overall unemployment picture looks very different on 9 April from what it was on 3 March

"A very large economic contraction is expected to be recorded in the June quarter and the unemployment rate is expected to increase to its highest level for many years"

RBA Governor Phil Lowe

Workforce changes in five largest employment industries

According to the ABS, nearly half (47%) of all trading businesses made changes to their workforce in the two weeks to 7 April as a result of COVID-19. Two thirds (66%) reported a reduction in turnover or cashflow.

The industries below are responsible for nearly half (48%) of the total jobs in the Australian economy

	Health care and social assistance	Retail trade	Professional, scientific & tech	Accomodation and food services	Construction industry
Industry share of total employment	13%	10%	9%	8%	8%
Businesses that have temporarily reduced staff hours	44%	37%	20%	70%	23%
Businesses that have placed staff on leave	17% (unpaid)	13% (unpaid)	20% (paid)	43% (paid) 29% (unpaid)	13% (paid)



OVERVIEW OF THE SITUATION: POST-COVID

What do we know?

Major employers have been hit hard by COVID-19

Which sectors are most impacted by the changes so far?

The OECD estimates that the share of direct economic activity shut down as a result of COVID19 in Australia is at 22%¹

Prior to the announcement of the JobKeeper wage subsidy, businesses announced actual or likely staff cuts listed below. There are likely to be further cuts to these industries as the situation develops, however the JobKeeper subsidy will help some businesses retain staff.



• Goodstart Early Learning - 4000 jobs at risk

Retail

- **Premier Investments 9,000** jobs at risk
- David Jones stood down 5,000 workers
- Myer indicated likely to stand down 10,000 staff

Entertainment

- Casinos initially laid off 20,000 employees
- ALH Group laid off 5,000 workers

Travel

- Qantas laid off 20,000 of their 30,000 workers
- Virgin laid off **8,000** of their 10,000 workers
- Flight Centre laid off 3,800 of their sales and support staff

Industries closed in <u>Stage 1</u> (in force since 23 March) include registered and licensed clubs, hotels and pubs, cinemas, casinos and nightclubs & indoor sporting venues.

Restaurants and cafes restricted to takeaway.

Industries closed in <u>Stage 2</u> include beauty salons, auctions and open house inspection, outdoor and indoor markets, amusement parks and arcades, and indoor and outdoor play centres, galleries, museums, libraries and swimming pools.



OVERVIEW OF THE SITUATION: POST-COVID

Approximate numbers working in affected industries pre-crisis ²

Accommodation and food services: 934,800 workers

Arts and recreation services: 249,700 workers

Retail trade: 1,256,500 workers

Education & training: 1,117,400 workers

Immediate surge/growth capacity required:

So far business announcements about staff <u>recruitment</u> include:

Groceries and food delivery

- **Dominos** hiring **2,000** 'delivery experts'
- Coles has already hired 7,000*, recruiting 5,000 more
- Woolworths hiring 20,000 additional staff**

Services/call centres

- Services NSW hiring 1,000 call centre staff
- Services Australia hiring 5,000 call centre staff
- **Telstra** hiring **1,000** call centre workers to replace jobs lost o/s

Mining

• BHP is hiring 1,500 additional staff on 6-month contracts

Over the short- to medium-term, there will also be increased demand for healthcare professionals, aged care and disability care staff, agriculture and food production



OVERVIEW OF THE SITUATION: POST-COVID

Where are we headed now?

While many entry-level skill industries are the worst hit by COVID-19, some industries, like delivery, grocery retail and government services are being required to surge

The scale up time for these surge industries may mean less focus will be on employing the long-term unemployed

^{*} They received 36,000 applications for first round of recruitment

^{**} This includes 5,000 short-term roles offered to Qantas employees taking leave without pay, 1,500 of which are in Woolworths distribution centres.

There are areas with low barriers to entry that are likely to surge as a result of COVID-19

Projected jobs growth due

to COVID-19 High surge + High surge + High growth High barriers to entry Low barriers to Grocery retail entry Technology and Government services telecommunication (e.g. Centrelink Moderate call centre) growth Nurses and **Delivery services** carers (e.g. food) Unchanged Accommodation and food Moderate services cuts Airlines Fashion retail High cuts Job cuts + Job cuts + High barriers to entry Low barriers to entry Low (e.g. Minimal pre-Barriers to Very High (e.g. requires High (e.g. University degree) Medium (e.g. Online

coursework)

requisites

requirements)

entry

Note: Displays select industries only Sources: Press search, CPD analysis

university degree and

experience)



OVERVIEW OF THE SITUATION: POST-COVID

Where are we headed now?

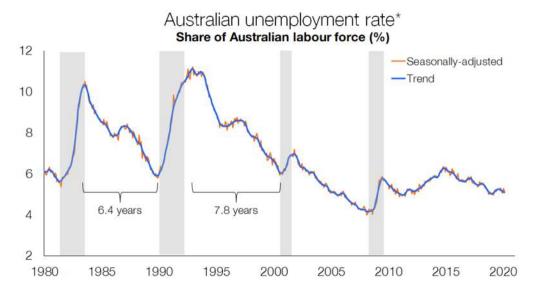
There will be opportunities in certain 'surge' industries but the trick will be to ensure these opportunities benefit the disadvantaged and long-term unemployed

It's also important to put strategies in place to ensure these opportunities translate into long-term, sustainable employment

The medium to long-term impacts of COVID-19 are highly uncertain, but some early analysis suggests the following:

Long-term labor market impacts will be profound, even with a rapid recovery

Major recessions leave a long scar. Unemployment and long-term unemployment are likely to remain elevated for a long time relative to pre-crisis levels, even with a massive and effective policy response.



This crisis will severely impact those who were already vulnerable and disconnected from work

The policy response reflects the overwhelming priority for keeping existing employees connected to work. This
will compound challenges for those who were already unemployed or about to enter the labour market.

The crisis will compound existing pressures on service design and delivery for vulnerable people

Social service providers may be under severe pressure from increasing demand and challenges with their own workforces and funding models. Strains on public sector capability will become even more apparent.

The recovery pathway is highly uncertain and likely to be unevenly distributed

Labour market conditions may vary significantly across different industries, regions and cohorts as isolation restrictions are progressively lifted domestically and globally.



OVERVIEW OF THE SITUATION: POST-COVID

Where are we headed now?

Policy responses so far to COVID 19

To date, policy responses have focused on financial support for people who have lost work, or incentives for businesses to retain workers. New job creation programs announced so far have not focused on the long-term unemployed.



Federal Government responses

- One-off cash payment of \$750 to about 6.5 million people on welfare (Newstart, Disability Support Pension, Age Pension, Youth Allowance, etc)
- Increasing unemployment allowance: a "coronavirus supplement" of \$550 on top of standard \$550 fortnightly *JobSeeker* (formerly Newstart) allowance for the next six months, beginning on 27 April, which will be backdated. This does not include those on the Aged Pension or Disability Support Pension.
- Usual waiting periods for people going into the welfare system have been waived, and mutual obligation relaxed.
- Early access to **superannuation**, up to \$10,000 each financial year for two years.
- **JobKeeper wage subsidy** of \$1500 per fortnight for employees at their employer for over 12 months, inclusive of NZ citizens but not other temporary visa holders. Estimated to cover about 6.7 million workers for 6 months. 115,000 businesses registered interest by 8am the day after the announcement
- Dept of Education, Skills & Employment have launched a **Jobs Hub** for areas hiring during the crisis.



State Government responses

- States have also announced a few promising employment measures, like 'Working for Victoria Fund' to employ out of work Victorians.
- Services NSW will hire 1,000 more call centre workers.



Business responses

 Bilateral deals: eg Woolworths prioritised hiring laid-off Qantas and ALH workers amongst the 20,000 additional staff they are recruiting, including 1,500 roles in distribution centres.



OVERVIEW OF THE SITUATION: POST-COVIL

What is being done so far?

The Service System is now straining to respond to COVID 19

The Service System will come under greater strain as increasing numbers of people access payments. This is exacerbated by the resource cuts the system has seen since 2013. Services Australia has announced it will hire an additional 5,000 call centre staff to manage demand.

Note: On 20 March 2020 Newstart, as well as was 6 other payments, were replaced by the 'JobSeeker' payment, which has the same basic qualification, payability and rates.



Sunday 22 March:

Federal Gov announces doubling of the JobSeeker allowance to \$1100 a fortnight



Monday 23 March: 25,000 calls to Services Australia in first 30 minutes of operation. It would normally receive 2,000 calls during this time

98,000 concurrent requests on the MyGov website by 9.40am. It would typically get 6,000 visits on a Monday morning

The website has since crashed twice



Wednesday 25 March: 280,000 people nationwide have lodged an "intention to claim" a welfare payment with Services Australia



OVERVIEW OF THE SITUATION: POST-COVID

What do we know now?

For discussion:

What further data and analysis do we have?

What further data and analysis do we still need?

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Existing responses and further ideas

For discussion:

There are three areas of opportunity worth considering when identifying interventions

- meeting the immediate needs of disadvantaged groups and ensuring they benefit from current response packages
- supporting employment for disadvantaged groups within the immediate COVID-19 labour market
- building the strength and positioning of disadvantaged groups so they can better compete in the post-COVID-19 labour market



EXISTING RESPONSES AND FURTHER IDEA

Idea Assessment Criteria

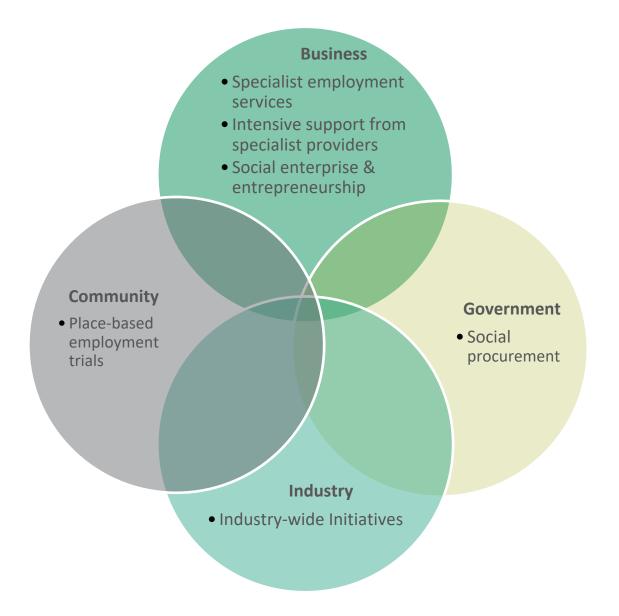
An emerging set of ideas Our assessment criteria

Criteria for determining the initiatives to pursue:

- Immediacy can we get on with them immediately? A sense of urgency
- Scalability are they or could they be of sufficient scale and ambition?
- **Significance** would they have significant impact on disadvantage, and for the most complex cases?
- Collaboration/co-design/coordination potential will they benefit from, and encourage, collaboration between actors and sectors?
- **Complementarity** will they complement and leverage the new national employment service reforms as the new system evolves?
- **Measurability** of the initiatives themselves, and also across the set of initiatives
- Sustainability long lasting outcomes/impacts, beyond the implementation period
- Prospects of success particularly attractiveness to the users or those we are hoping to assist. Also for employers to be involved

Existing responses What do we know about what's already working?

What levers work well to support people facing barriers to employment?



Place-based employment trials	Coordinating service providers and employers at local community level to facilitate employment
Social procurement & social enterprise ecosystem	Stimulating employment opportunities for disadvantaged groups by setting employment expectations/targets for certain groups in tenders
Mentoring and volunteering	Pairing jobseekers with people working in an industry of interest to provide guidance and advice
Intensive support to employers by specialist providers	Employers receive specialist support to enable their organisations to successfully hire and retain jobseekers from disadvantaged backgrounds, e.g. education, resources, networks
Specialist employment services	Specialist providers connected to disadvantaged groups provide a pipeline of suitable candidates from disadvantaged backgrounds, and support employers to hire and retain them
Industry-wide initiatives	Industries work to lower barriers to entry through programs such as work experience or tailored qualification adjustment/recognition
Social entreprises	Businesses which are established to intentionally boost employment and training opportunities for certain disadvantaged groups

What's working? Placed-based employment trials

Wyndham employment trial

Wyndham is a growing municipality on the urban fringe of Melbourne and home to a diverse community, including many refugees and other migrants.

Wyndham City Council (WCC) and its local partners have developed the Wyndham Employment Trial to boost economic participation for humanitarian migrants. The trial is based on a "Community Deals" model and commenced in mid-2019. CPD have worked alongside WCC and local partners.





As of 1 January 2020:

73 humanitarian migrants were placed in employment as a result of collaboration enabled by the trial

18 employers are involved, providing information on vacancies and actively recruiting

What's working? Social procurement & social enterprise ecosystem



EXISTING RESPONSES AND FURTHER IDEAS

What's working?



Victorian Social Procurement Framework

Embedding social and environmental objectives in state government expenditure

When a Victorian state agency or department procures goods and services or lets a tender for construction, the winning business is expected to achieve an additional social or environmental benefit, which can include employment targets for disadvantaged groups

Businesses must employ a certain number of people from disadvantaged groups or purchase goods and services from other social benefit organisations doing this work, such as social enterprises



Outlook Environmental

Creating and sustaining employment opportunities for disadvantaged groups through social enterprise

Through the delivery of waste management and employment services, Outlook Environmental helps companies it serves to deliver on mandated social outcomes and environmental standards under social procurement

Employs disadvantaged jobseekers: 40% of staff are people living with disability and over 70% identify as being from a priority employment group including refugees, asylum seekers and the long-term unemployed

What's working? Industry-wide initiatives



EXISTING RESPONSES AND FURTHER IDEAS

What's working?



Fast-Track Program

Helping refugees access the labour market in Sweden through industry-led skills & qualification recognition Government, trade unions and employers' organisations work together to create pathways to employment in their industries for people with existing experience

- Agreeing on new/more suitable qualification recognition
- Designing combinations of work experience with training and education



Apprenticeship Employment Network: Multi-Industry Pilot

Supporting young people to pursue industry careers and complete apprenticeships and traineeships

Potential employers and participants are supported to undertake a preapprenticeship program, which provides young people with three to four industry-themed short-term work experience placements. The placements are aligned with local employment opportunities

Industry experience helps young people to make choices about further study and employment pathways in apprenticeship industries, and to take pathways into industry careers

What's working? Specialist employment services



EXISTING RESPONSES AND FURTHER IDEAS



Improving employment outcomes for young people living with disability

Preparing young people for work through a combination of vocational/career development and early contact with work environment, based on the individual and their aspirations A staff member works together with a person living with disability to navigate the system and support access employment



Supporting women leaving the criminal justice and care systems into employment

A recruitment consultant provides 1-1 support for women leaving prison from, guiding them through the employment process and directing them to additional support services where needed

Working with employers to build willingness to employ exoffenders

What's working?

These services can often rely on someone playing a liaison/broker role, by navigating between and outside of systems

What's working?

Intensive support to employers by specialist providers



EXISTING RESPONSES AND FURTHER IDEAS



Refugee Employment Support Program (RESP) Helping unemployed and underemployed refugees and asylum seekers to

find sustainable and

skilled employment

Wrap-around supports which address challenges in finding long-term skilled employment, e.g. assistance with skills recognition, mentoring 300+ corporate, government and other partners providing employment opportunities





JOHN er

Large employers using specialist employment services providers, to match candidates with employers

Sourcing specialist providers which can match the skills of people from specific disadvantaged groups to the roles and cultures of employers

Providers tailor employment support to the needs of disadvantaged groups, based on cohort-specific knowledge

What's working?

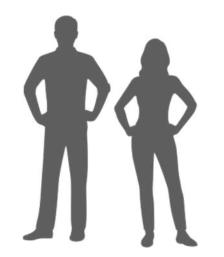
Further ideas

How can we leverage what works to meet the demands of the new COVID-19 scenario, to support employment for disadvantaged groups?

First support for individuals



FURTHER IDEA



Employment for people experiencing disadvantage is possible when they are fully supported and basic needs are met. Ensuring this would be a first priority

And provide "support for the supporters"

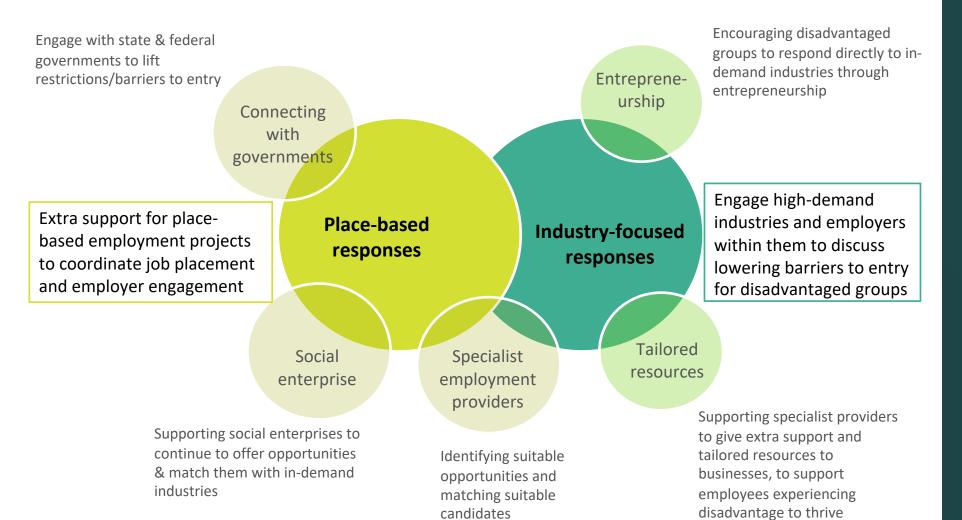


Employment for disadvantaged groups depends on an ecosystem of supporters, including specialist service providers, NGOs and businesses. These should be supported to ensure they can continue to provide the support that disadvantaged jobseekers require

Meeting the demands of the new COVID-19 scenario

It is important that groups experiencing disadvantage are supported well in their basic needs, particularly those excluded from introduced welfare measures. Services, people and businesses that support these groups should also be supported

Once basic needs are met, effective responses can be wrapped around industry and places to respond to labour market demands





FURTHER IDEAS

What could work?

When individuals and services are supported, supports to help them to gain employment can be wrapped around places and industries. Together, industries and places facilitate employment and respond to surging industries/opportunities arising from COVID-19 for disadvantaged groups

This would not only strengthen their position to compete over the next 6-12 months, but also ensure that a support ecosystem for disadvantaged groups remains strong and can continue to provide support in the long-term

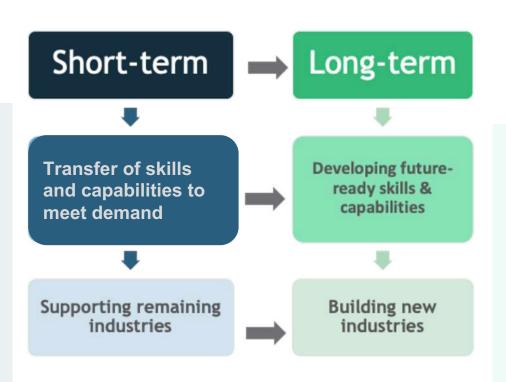
Responding in the short-term, always with an eye on the longterm

FURTHER IDEAS

Meeting increased demand from certain sectors by re-skilling those who have lost jobs, from one sector to another

Meeting increased demand from businesses rapidly scaling up to meet needs of the crisis

Supporting plans for existing projects which can go ahead post-COVID-19



Developing the workforce, equipped with skills to meet future demand

Supporting establishment (infrastructure, workforce) of new/ emerging industries

What could work?

While COVID-19 presents immediate employment opportunities, place-based and industry-based responses can also support transition to longer-term employment opportunities by identifying the vacancies and skills needed, and wrapping-around key supports to enable disadvantaged members of the community to enter industry

Existing proposals and ideas Place-based employment trials



FURTHER IDEAS

Proposals and ideas



Places rather than projects — identify places around Australia that can make the greatest economic contribution to their regions

Identify ten self-selecting places, which have key characteristics and use the city deal framework (in addition to the existing city deals)

Sit down with those communities, and get the ball rolling



Werribee Green
Wedge Initiative —
creating an
environmentally,
socially and
economically
sustainable precinct

Planning for a precinct which can provide opportunities for agricultural innovation and diversification, biodiversity conservation and investment in tourism, recreation and community

Making planning and management decisions and taking actions in line with the vision for the precinct

Global responses during COVID-19

While the focus for many is on retaining existing jobs, some places are filling gaps in the labour market based on demand. Some disadvantaged groups could benefit



The **UK'**s 2020 Budget <u>announced</u> against the backdrop of COVID-19 includes £640 billion for over the next 5 years for public infrastructure, creating jobs across sectors







Two states **New Jersey and New York** have <u>granted</u> temporary
licenses to doctors licensed in foreign



Portugal has <u>provided</u> migrants and asylum seekers with pending residency applications with residency status during the pandemic. This gives them access to welfare and healthcare, and stabilises any employment in the short-term



Canada has <u>announced</u> measures to support vulnerable Canadians suffering social and economic impacts as a result of COVID-19. The supports focus on young people, seniors, people experiencing homelessness and for people fleeing violence.



Experts in **the US, UK and Germany** have <u>called</u> for migrant and refugee doctors trained overseas to be allowed to practice as soon as possible, including fast-tracking recognition of their qualifications and easing language requirements.

For discussion:

What other initiatives are working, or are promising to work, that we know about?

What further ideas do we have?

A reminder when considering our ideas Areas of opportunity and assessment criteria

There are three areas of opportunity worth considering when identifying interventions:

- meeting the immediate needs of disadvantaged groups and ensuring they benefit from current response packages
- supporting employment for disadvantaged groups within the immediate COVID-19 labour market
- building the strength and positioning of disadvantaged groups so they can better compete in the post COVID-19 labour market

Criteria for determining the initiatives to pursue:

- Immediacy can we get on with them immediately? A sense of urgency
- Scalability are they or could they be of sufficient scale and ambition?
- **Significance** would they have significant impact on disadvantage, and for the most complex cases?
- **Collaboration/co-design/coordination potential** will they benefit from, and encourage, collaboration between actors and sectors?
- **Complementarity** will they complement and leverage the new national employment service reforms as the new system evolves?
- Measurability of the initiatives themselves, and also across the set of initiatives
- Sustainability long lasting outcomes/impacts, beyond the implementation period
- Prospects of success particularly attractiveness to the users or those we are hoping to assist. Also for employers to be involved



FURTHER IDEAS

Proposals and ideas

Agenda—Roundtable One

Time	Duration	Agenda Item	Facilitated by
11.00am	10 mins	Welcome and introductions	Jeni Whalan, PRFTravers McLeod, CPD
11.10am	35 mins	Overview of situation pre- and post- COVID	Travers McLeod, CPDAlexandra Heath, RBASandra McPhee AM
11.45am	35 mins	Existing responses and further ideas	 Annabel Brown, CPD
12.20pm	10 mins	Summary and close	Jeni Whalan, PRFTravers McLeod, CPD



Centre for Policy Development

Transitions to Employment

Roundtable Two: People living with disability

15 April 2020, 1.00pm — 3.30pm

Contact: Allison Orr, CPD Operations Director allison.orr@cpd.org.au, 0423 602 771

Agenda—Roundtable Two

Time	Duration	Agenda Item	Facilitated by
1.00pm	10 mins	Welcome and introductions	Jeni Whalan, PRFTravers McLeod, CPD
1.10pm	15 mins	Overview of situation pre- and post- COVID	 Travers McLeod, CPD
1.25pm	35 mins	Specific situation for people living with disability	Ben Gauntlett, HRCMartin Hoffman, NDIA
2.00pm	20 mins	Afternoon tea	
2.20pm	60 mins	Existing responses and further ideas	 Annabel Brown, CPD
3.20pm	10 mins	Summary and close	 Jeni Whalan, PRF Travers McLeod, CPD

Roundtable Two—Participants

Andrew Asten	Partner, Boston Consulting Group	
Chris Blake	Executive General Manager, Latitude Financial Services	
Annabel Brown	Program Director, Centre for Policy Development	
Miguel Carrasco	Global Leader, Centre for Digital Government	
Liz Collier	Project Manager, Victorian Advocacy League for Individuals with Disability (VALID) Employment	
	Projects	
Julian Cooper	Data Scientist, Boston Consulting Group	
Peter Davidson	Principal Advisor, ACOSS	
Ben Gauntlett	Disability Discrimination Commissioner, Australian Human Rights Commission	
Martin Hoffman	Chief Executive Officer, National Disability Insurance Agency	
Pieta Manning	State Manager Victoria, Mable	
Travers McLeod	Chief Executive Officer, Centre for Policy Development	
Sandra McPhee AM	Chair, Public Service Commission Advisory Board, former Chair of the Employment Services Expert	
	Advisory Panel	
David Petherick	Deputy Chief Executive Officer, Victorian Advocacy League for Individuals with Disability (VALID)	
Mary Sayers	Chief Executive Officer, Children and Young People With Disability (CYDA)	
Robyn Shannon	First Assistant Secretary - Quality, Integrity and Evidence Division, Employment Group, Department	
	of Education, Skills and Employment	
Fiona Sharkie	Chief Executive Officer, Amaze	
Sally Sinclair	Chief Executive Officer, National Employment Services Association (NESA)	
George Sotiropoulos	Group Manager, Disability, Employment and Carers, Department of Social Services	
John Spierings	Executive Officer, Mannifera	
Michelle Wakeford	National Manager, Ticket To Work	
Jeni Whalan	Chief Program Officer, Paul Ramsay Foundation	
Mary Wood	Head, Social Policy and Partnerships, Business Council of Australia	

Specific situation for people living with disability

People living with disability

Roughly 4.5 million Australians are living with a disability

Unemployment

The unemployment rate of workingage people living with disability (10%) is twice that of those without disability (5.3%)¹

Youth (aged 15–24) with disability (20%) are more likely than those aged 25–64 (8.8%) to be unemployed¹

Underemployment

About 1 in 10 (11%) working age people living with disability who are employed want to work more hours than they do, compared with around 1 in 13 (8%) without disability¹

Difficulty finding work¹

Most (95%) working-age people living with disability who are unemployed or not in the labour force report at least one difficulty finding work.

Key reasons include:

- Own ill health or disability (44%)
- Too many applicants for available jobs (25%)
- Lacked necessary skills or education (23%)
- Insufficient work experience (18%)

Disability employment services

Disability employment services is a bespoke national employment service catering to people with a disability.

They help people living with disability find work and keep a job.



APPENDIX: PEOPLE LIVING WITH DISABILITY

What do we know?

Australia ranks **21 out of 29** OECD countries for employment participation rates of people living with disability.

OECD, <u>Sickness, Disability and Work:</u> Breaking the Barriers, 2010

People living with disability & employment

- From 2008, a person's eligibility for income support payments was changed to be based on their capacity to work — rather than their diagnosis of disability
- Since 2014, those found to have a capacity to work 8 hours or more per week are required to participate in mandatory activities, like Disability Employment Services
- There is a gap. People who aren't able to work over 8 hours, but who aren't eligible for the Disability Support Pension (ie. those with the highest barriers to work) are in the mainstream *Jobactive* system instead by default
- The Disability Support Pension was not included in the recent \$550 fortnightly increase to *JobSeeker*

Barriers to full participation in the workforce

- Lack of education and training opportunities that are inclusive
- Lower digital inclusion/literacy rates than the general population
- Lack of accessible housing and transport options
- Employer & community assumptions around skills available and the cost of hiring people living with disability
- Discrimination complaints to the Human Rights Commission are highest on disability grounds
- Intersectional issues remote/regional areas, low socio-economic status
- Insufficient data on other reasons they may be out of work

Employment programs need to move beyond 'box ticking' which encourages hiring and firing, and instead encourage retention.

Source: Ben Gauntlett, <u>Opening Statement to 22nd Session of the Committee on the Rights of Persons with Disabilities</u>, 9 September 2019, Geneva; AHRC, <u>Disability discrimination tops Commission complaints</u>, 25 October 2019; Stuart Robert MP, '<u>Media Release</u>: Data and Digital Council advance National Disability Data Asset and service delivery reform' (6 September 2019).



APPENDIX: PEOPLE LIVING WITH DISABILITY

What do we know?

Opportunities

- The decade-long National Disability Strategy is due to be revised this year
- Sept 2019 announced formation of \$15m to fund pilot of National Disability Data Asset
- Need not only look at skills development, but also the demand side. Need job creation.

People living with disability in the COVID pandemic

In light of the COVID-19 pandemic, the government has announced a tailored response for the aged care sector, but is yet to do the same for disability services. However, for the 4.5 million Australians living with a disability, COVID-19 can pose unique challenges.

Particularly at risk

- Many have critical vulnerabilities, if not comorbidities. Those with serious healthcare needs are more seriously impacted by low quality or hard-to-access care.
- Social distancing is impractical or impossible for those reliant on care or in need of daily supports, particularly those in residential settings.
- Mental health impacts will be significant.
- Accessibility of information and testing (Auslan, large print, captioning, wheelchair access etc).
- Children with disability may require additional support to learn from home while schools are closed.
- There are concerning precedents overseas about the treatment of people with a disability during this pandemic, where ICU beds become full, hospitals overstretched and doctors forced to triage patients who will receive care.



APPENDIX: PEOPLE LIVING WITH DISABILITY

What do we know?

APPENDIX

Former offenders

A cohort with complex needs

Prisoners come from a group who already face difficulties in gaining employment.³

They are more likely to come from disadvantaged backgrounds, and to experience unemployment than people in the general community.⁴

They often have a background which includes "poverty, dysfunctional families, little and/or interrupted education, low levels of literacy and numeracy, homelessness, limited employability skills and poor employment history"⁵ as well as physical and mental health problems, alcohol and drug use and low selfesteem.⁷

The national employment system

The current employment service funding model does not allow broader employment-related support tailored exprisoners — there is no unique needs classification system or specialist contracts."⁶

Unemployment

More than half (54%) of prison entrants reported they were unemployed during 30 days before prison¹

Only 22% of prison leavers reported they had paid employment organised to start within 2 weeks of release from prison²



APPENDIX: FORMER OFFENDERS

What do we know?

Sources

1.<u>https://www.aihw.gov.au/reports/aus/228/justice-and-safety/adult-</u>

prisoners#employment

2.<u>https://www.aihw.gov.au/reports/aus/228</u>/justice-and-safety/adult-

prisoners#employment

3.https://www.aihw.gov.au/reports/aus/228/justice-and-safety/adult-prisoners

4. Australian Institute of Health and Welfare 2019. The health of Australia's prisoners 2018. Cat. no. PHE 246. Canberra: AIHW. 5. Hardcastle, L., Dowse, L., McGillivray, J., Newton, D., Rowe, S., Crosbie, J. (2018). A

qualitative study on the experiences of exprisoners who are seeking employment, the experiences of practitioners who work with ex-prisoners who are seeking employment and the models of practice used, p1. Sydney: UNSW Sydney.

http://doi.org/10.26190/5b4fd5e63e8c6

- 6. Hardcastle et al.
- 7. Hardcastle et al, p1.

Vulnerable migrants and refugees

In 2018–19, 18,762 humanitarian resettlement permanent visas were granted.

The majority of the other permanent migrants (162,417 in 2017-18) are here on skilled and family visas.

At December 2019, there were 2.17 million temporary migrants in Australia (9% of the population)

These include asylum seekers, people on working holidays, New Zealand citizens and international students. There were also approximately:

- 16,000 recognised refugees with temporary protection
- 60,000 "unlawful non-citizens" (some 1,200 estimated to have been here for more than 20 years)

Humanitarian migrants have poor employment outcomes

2.9 times higher unemployment (25%)

Only 0.8 times the participation rate (48%)

Female humanitarian migrants have only 0.6 times the participation rate of males, and 1.3 times the unemployment

Barriers to finding and retaining work include: limited English proficiency; lack of Australian experience; and recognition of skills/qualifications.

Humanitarian migrant taxpayers are commonly employed as: Labourers (27%); Community and Personal Service Workers (14%); and Technicians and Trades Workers (11%).

Personal Income Tax and Migrants Integrated Dataset (PITMID) FY 2016-17



APPENDIX: VULNERABLE MIGRANTS AND REFUGEES

What do we know?

Of those migrants who are working, regularly or irregularly, many are in precarious situations.

National Employment Service System – Reform Agenda

The new system is being trialled in two locations and is set to roll out in 2022. It is intended to:

- Give more help to people that need it through increased focus and investment:
 - O Digital self-servicing for those who need minimal help
 - O Digital plus/semi-assisted for those who need a little extra
 - Enhanced services/intensive support tailored to those with more complex needs,
 with smaller caseloads and more flexibility
- **Empower jobseekers** with more control and input to job pathways and activities, digital servicing, and choices between employment services providers
- A licensing framework and improved payment and performance model so employment services providers can better invest in jobseekers, staff capability and local networks
- Support local solutions and proactive employer engagement

"The future system will enable strong performing employment services providers to make decisions for the long-term by becoming licensed providers. They will be freed up to invest time in jobseekers who need the most support. Those regional jobseekers who have fewer opportunities. Those Indigenous jobseekers who first need to build their skills and confidence. Those women who are trying to break through complex barriers in their lives."



APPENDIX: THE REFORM AGENDA

What do we know?

Pre COVID 19, this two year window presented a huge opportunity, to develop initiatives, trials and investments to complement the new enhanced employment services model.

It is uncertain how the pandemic crisis will impact this reform process.