

30 August 2016

Submission Coordinator
Employability Skills Training
Department of Employment
Location C12MT4
GPO Box 9880
CANBERRA ACT 2601

Dear Sir/Madam,

Thank you for the opportunity to comment on the *Employability Skills Training Consultation Paper*. Catholic Social Services Australia (CSSA) is providing some broad comments on this paper which draws from our member's extensive experience of supporting vulnerable people (including youth). We agree that employment is a key way through which individuals may participate in the social and economic life of the community. From employment participation flows a number of social goods to individuals, families and the community as a whole.

CSSA is the Catholic Church's peak national body for social services. Our interest in this new Youth Employment Programme comes from our commitment to a fairer, more inclusive Australian society that reflects and supports the dignity, equality and participation of all people. Our 52 member agencies employ around 10,000 people, with 5,900 volunteers, directly assisting some 450,000 people across 650 sites nationally and are the frontline service providers caring for and assisting the vulnerable and disadvantaged in our society.

The reworking of the 'work for the dole' scheme (Youth Jobs PaTH – Prepare, Trial, Hire), an initiative to help some 100,000 young people under 25 to secure jobs is a welcome attempt to get vulnerable young people into employment. However, the policy on making payments to employers of \$10,000 after only six months engagement raises significant concerns. CSSA is concerned that this may result in young people, already a highly vulnerable workforce cohort, being terminated at the end of the six month period, resulting in workforce churn. Payments of \$10,000 to employers effectively creates a cut-price labour force that is open to exploitation by disreputable employers.

CSSA is also aware of the differences in the labour market between regions and the potential for mismatch between skills of the job seekers and jobs available. A targeted approach is therefore needed with employers in order to identify priority areas for employment and ensure that job seekers have the appropriate skills to enable them to participate in employment.

Rural and regional areas are particularly vulnerable to shifts in the labour market if a major employer leaves a region, leaving few local employment opportunities. Special consideration needs to be given to Indigenous communities in rural and remote areas as well. In this regard, CSSA supports the Federal Government's Building Better Regions Fund¹ which promotes the increase of job opportunities in areas of economic disadvantage with high unemployment.

¹ <http://investment.infrastructure.gov.au/funding/NSRF/>

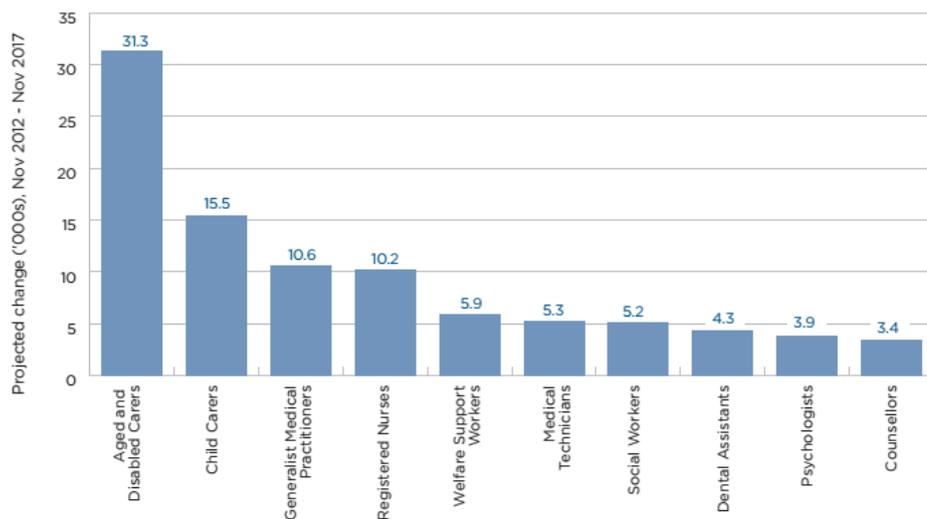
CSSA also suggests that procurement processes undertaken by Government identify opportunities available to encourage the employment of people experiencing long term unemployment. An example is the Indigenous Procurement Policy² of the Federal Government which requires suppliers to give a commitment to Indigenous employment in projects over \$5M, or \$6M for construction. This could be extended to assist with the engagement of people experiencing long term unemployment in targeted areas (such as those identified in the Building Better Regions Fund), in road building or infrastructure construction.

In addition, the job seeker must have the means to access the job either by private vehicle or public transport and affordable housing must also support job placement. Ongoing on the job support to the employer and employee is also necessary.

Social enterprises can also provide employment opportunities and fill a gap in the current labour market. This is particularly relevant in rural and remote areas where there are limited economic development opportunities. Social enterprises could be used in conjunction with traditional job creation schemes such as new infrastructure and capital works projects. The current remuneration concerns for employing people with a disability in social enterprises also needs to be addressed when looking at future opportunities for social enterprises.

CSSA is aware that attracting and retaining additional community and health service workers as shown in the figure below such as for the NDIS or in aged care, is a critical issue to support an ageing population and people who need assistance. It is estimated that an additional 31,300 new workers will be required in the Aged and Disability Carers sector alone (Community Services and Health Industry Council, 2014). The growing skills shortage in aged and disability carers provides an opportunity for additional skills and training for unemployed people, whilst recognising that not everyone is suited to this profession.

Projected Growth ('000) in Selected Health and Community Service Specific Occupational Groups, Nov 2012 – Nov 2017



Source: Occupational Projections to November 2017, Department of Employment (2013)
This figure appears on p11 of EScan 2014

² <https://www.employment.gov.au/background-indigenous-opportunities-policy-iop>

CSSA agrees that building community capacity is essential to achieve better employment outcomes for families and communities. Our own research has identified the complex and intertwined social, locational and personal factors that contribute to unemployment³. CSSA therefore calls for more place based and integrated solutions that provide opportunities for people to participate in the workforce. This involves complementary policy and programme agendas – those that target the disadvantaged individuals, families and groups within localities; and also the localities themselves.

Assisting people experiencing long term unemployment with job placements has to be more than a stand-alone programme of interviews, sanctions and skills training. There needs to be better integration with other services to address the wholistic nature of the causes of long term unemployment as well as working to improve conditions in the local community.

Investing in the community and associated infrastructure will have long term benefits for employment and social outcomes as well as creating employment. For example the *Playford Alive* initiative in South Australia is aimed at renewing a disadvantaged community with up to \$1 billion in public and private investment over the next 10 years. The funding is for regeneration of public housing, 4,000 new homes and improved community facilities, including schools and training facilities, shopping, health and welfare services. The project will benefit the community through employment opportunities and economic development, education facilities and training programmes, public transport options, safety and other services and programmes (City of Playford).

Please contact Liz de Chastel, Director Social Policy on 02 6188 6943 if you would like to discuss any of these issues further.

Sincerely,



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Chief Executive Officer

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