

# New Employment Services Model Talking Points

8 December 2021

## Slide 1 - Title

Today's presentation is an overview of the New Employment Services Model, followed by some further information relating to employers in the new model, as well as information on youth employment, specifically around Employability Skills Training and Transition to Work.

## Slide 2 - Procurement phase of new model and probity

This presentation and any questions and discussion today will be undertaken with due consideration to probity, meaning acting with:

- integrity
- fairness
- uprightness
- honesty of processes.

This means ensuring every single process entered into is fair, equitable and transparent.

This includes making sure that any details shared with one stakeholder is shared with others.

By participating in, or providing information in relation to this session today you will be taken to have agreed to the following:

- the department may use information or feedback you contribute for purposes related to its development of policy
- the department may publish information contributed (where relevant) but will not publish any identifying information without first obtaining consent from you/your organisation, subject to law or a request by a Minister or parliamentary body
- any information provided by you will confer no right or benefit in any future procurement of employment or related services.

## Slide 3 - The New Model was informed by

Since 2015, jobactive has supported in excess of 1.1 million job seekers into employment however, the recruitment and workforce landscape is changing. This is underpinned by increased digital innovation.

The Government recognised an opportunity to transform employment services and announced reforms in 2019.

The new model was informed by extensive collaboration with:

- over 1400 stakeholders
- national and international research
- intensive user centred design with individuals, businesses and employment service providers during the development of the final model.

Our Vision is that our new model will:

- Provide a valuable service for businesses that provides them with candidates that have the skills they need.
- Support eligible job seekers to access the right support through digital or provider-led services based on need.
- Refocus providers on supporting high need job seekers into sustainable employment by redirecting job ready job seekers into digital servicing.
- Increase cost-effectiveness and the evidence base for policy and program improvement for the government. We want to make sure resources are directed to those that need the most assistance.

We are guided by the principles of the new model being simple, efficient, respectful and connected.

#### Slide 4 - New model in practice

The new model is a significant transformation of government employment services. It consists of policy and program changes, as well as the introduction of a Digital Services platform that will assist the majority of job seekers to self-manage their own pathway into employment.

Some elements of job seeker policy and programs will be retained in the new model, but there will also be many changes.

- The new model is being extensively trialled in two regions, which commenced 1 July 2019, and will be rolled out nationally from July 2022.
- In the next slides we will look at how the new model will operate for our key stakeholders: Employment Services Providers, Job Seekers and Employers.

#### Slide 5 - New model for Job seekers

Now let's look at the new model for job seekers.

- Stan needs a job, depending on an assessment he can find work in one of two ways.

Digital Services – if Stan is job-ready, digitally literate and likely to be able to find work himself, he will go into Digital services.

In Digital Services:

- Stan agrees to a job plan and self manages his way to employment by meeting a points target made up of job searching, studying, training or online learning or even paid work. The new points-based activation system allows give autonomy to job seekers like Stan to meet their mutual obligation requirements. It is a key feature of the new model.
- Stan has access to a range of online tools and additional supports to suit his needs as he searches for work, such as:
  - Career Coaching Support – to help him to find work independently by providing professional career guidance services to improve his competitiveness.
  - Employability Skills Training – expanded so all digital job seekers can explore career options and build employability skills, digital literacy and job search skills.
  - A digital Employment Fund for commonly used Employment Fund items, such as police checks or Relocation Assistance.

- A dedicated Digital Services Contact Centre.
- Stan also has access to some of the supports from Enhanced Services, including:
  - Tailored skills training and support to improve employability.
  - Career Transition Assistance - to help mature age (45 years+) job seekers build their confidence and skills to be more competitive in their local labour market.
  - Youth Jobs PaTH internships – for job seekers aged 17 to 24 years of age to provide on the job experience and opportunities to display their skills.

It is important to note that if at any time Stan feels he needs extra support to find a job, he can opt out of Digital Services and receive support from Enhanced Services.

After 12-months in Digital Services, Stan will automatically be transferred to Enhanced Services for more tailored assistance unless he is in work, study, training or a work placement.

### **The second level of support in the new model is Enhanced Services**

In this case, 'Stan' needs more support to move into employment.

- Enhanced Services offers Stan tailored and intensive case management through lower staff to caseload ratios.
- Providers have expertise in working with disadvantaged job seekers and strong local connections, including specialists in key job seeker cohorts.
- Stan completes a job plan with his provider which is tailored to meet his individual needs. He must meet a Points Target using job search and other activities.

Specialist providers may be available in some locations including regional areas, depending on the local labour market, employers and Stan's needs (particularly if Stan is Indigenous, Culturally and Linguistically Diverse or a refugee).

In addition to the supports available under Digital Services, Stan's provider works with him to provide support and access opportunities for:

- building up his real-life work experience through the National Work Experience Programme (if he is 25 years or older) to help gain experience and confidence.
- strengthening his skills, experience and confidence to move towards employment through Work for the Dole.

There are strong links to skills and training opportunities through the digital service, as well as the other programs such as NEIS, SEE and AMEP. The range of links to other programs and supports will increase over time.

Stan can also work with his provider to gain access to an Employment Fund or Wage Subsidies.

A new provider payment model has been strengthened to support the intensive case management that providers will give job seekers like Stan.

### [Slide 6 - New model for Providers](#)

Now let's look at what this looks like for Providers.

The way providers will operate will also be changing in the new model.

As job seekers who are more digitally literate primarily enter digital services, providers will be able to focus on those who need more support.

This time we will hear Sue's journey in delivering Enhanced Services. Sue works for a provider organisation that sits on a national panel of employment services providers.

Sue's organisation needs to be issued a licence to operate in the new model, it:

- could be a specialist licence or generalist licence
- is initially issued for three years.

This licence is reviewed regularly against a new performance framework.

Once Stan enters Enhanced Services, Sue develops a tailored, personalised plan to find employment for Stan. Activities could include:

- Career guidance
- Mentoring
- Assistance in accessing non-vocational services.

In the new points-based activation system, Sue can adjust Stan's support when his circumstances change. The points system offers:

- Sue to be empowered and flexible in the way she supports Stan
- Stan control and accountability over his employment journey.

Sue's connections and experience with employers and industries in the region creates opportunities for Stan and she can connect him with:

- Pre-employment opportunities
- Additional support in priority industries
- Opportunities to improve skills through Work for the Dole
- National Work Experience Programme.

Throughout Stan's job search efforts, Sue has access to funds and subsidies to help Stan find and keep employment:

- Employment Fund
- Wage Subsidies
- Post placement support and assistance to relocate if necessary.

A new payment structure will also allow Sue to deliver personalised services. These include:

- Upfront engagement payments
- Transfer payments
- Progress payments
- Outcome Payments – 4, 12 and 26 weeks

- Extra payment assisting those who are very long-termed unemployed.

### Slide 7 - New model for Employers

To understand how the new model will work for employers, let's look at Anna's user journey:

Anna owns an aged care business called Total Care and needs staff.

Anna will have access to a digital platform that will direct her to the employment service that best suits her needs. This could be:

- Digital Services
- Enhanced Services
- Or even Workforce Specialist Support (I'll talk about this on the next slide).

If Anna recruits through Digital Services, she can use the Digital Employment Services platform to find suitable job seekers. It provides:

- a large pool of job-ready job seekers
- tools to filter and search for suitable candidates
- assistance with internships, hiring and workforce planning.

If Anna finds suitable employees, she can access additional support to make sure they have a successful transition into their new roles, such as:

- Relocation Assistance
- The Digital Services Contact Centre for technical advice
- Employment Reporting Line is also available for more assistance with meeting recruitment needs.

If Anna recruits through the Enhanced Services – she works with a provider (Sue) with experience in:

- short-listing and pre-screening suitable candidates
- working with job seekers to increase the skills that Total Care requires.

Sue (the provider) works closely with Total Care to understand their needs and tailor pathways that may include:

- organising pre-employment opportunities to allow Total Care to trial job seekers
- where eligible, organise access to wage subsidies and other support administered through the Employment Fund
- supporting job seekers once they are employed, if required.

## Slide 8 - Workforce Specialists

Before moving on to Workforce Specialists, it's important to mention some of the other elements within the new employment services model that haven't been talked about including the Job Seeker Classification Instrument and the new points-based activation system. However, information on the new model and all of its various elements, is available on the new employment services model page on the department's website.

One of the key elements of the new model will be the Workforce Specialists initiative which is managed in my branch.

- From mid-2022 onwards, a range of projects will be delivered by Workforce Specialists to help meet the workforce needs of identified key industries and occupations. A panel of Workforce Specialists will be established to deliver strategic projects with major employment opportunities for job seekers in both Digital and Enhanced Services.
- The Government will be investing up to \$12.5 million each year for this program, which will be targeting:
  - industries and occupations with high demand for labour and strong growth prospects, particularly for lower skilled or entry-level roles or roles with a skilled pathway (such as apprenticeships and traineeships) and
  - job seekers registered in Digital Services or those being serviced by an Enhanced Services provider.
- Workforce specialists will not manage an ongoing caseload, their projects will operate in a similar way to other projects such as the Local Jobs Program.

## Slide 9 - Hypothetical examples of Workforce Specialist Projects

So what might a Workforce Specialist project look like?

Some hypothetical examples include:

- A project that aims to supply job-ready workers to help construct to support the construction of a new large development. This could include a pre-employment pathway with training and work experience. This could also include apprenticeship and traineeship pathways.
- A project that raises people's awareness of career opportunities in the agricultural industry. This could involve financial assistance for relocation and training support.
- A training and work experience project for in-home disability carers. This could potentially involve co-design with industry associations, training providers and employers experience significant staff shortages. This could for example incorporate traineeships.
- Coordinating a large recruitment exercise for a national hotel chain, including coordinating the assessment of candidates across multiple cities and towns, and an induction process.

## Slide 10 - Workforce Connections Plan

A Workforce Connections Plan will guide and inform the development, approval and delivery of Projects under the Workforce Specialists initiative. The Plan will identify industries and occupations with significant labour market opportunities for job seekers for targeted investment as part of the initiative.

The Plan is being developed by the department in consultation with industry, employers, state and territory governments and the National Skills Commission.

Workforce Specialist projects may have different durations and operate in different parts of the country; some may sit across multiple priorities.

Supporting these projects and allowing the government to respond to the identified priorities and emerging opportunities, is the Workforce Specialists Panel.

While a main objective of the Plan is ensuring a strategic and targeted approach to funding projects, we acknowledge that things can change. To ensure the approach remains relevant and is fit for purpose, all elements would be regularly reviewed.

There will also be scope for projects to support other emerging priorities (for example, in response to changing economic or environmental conditions) such as opportunities that don't neatly fit into one of the priorities but require a rapid response.

Now we'll take a look at our Youth Employment Programs area, specifically EST and TtW.

### Slide 11 - Transition to Work for disadvantaged youth

The Transition to Work (TtW) is the youth-specialist service under the NESM, aimed at disadvantaged young people aged 15-24 who are most at risk of long-term unemployment. Young people in TtW will receive intensive, wrap-around support from experienced youth-specialist providers through:

- **Flexible service delivery facilitated by upfront funding** weighted more to service fees than outcome payments to ensure upfront investment in participants and at a level which supports low consultant to Participant caseload ratios. This allows providers to work closely with participants to address vocational and non-vocational barriers in ways which work for the individual and that are aligned with opportunities in the local region.
- **Tailored engagement strategies and appropriate Activities** such as, Employability Skills Training and PaTH Internships or more broadly programs offered by state, territory and local governments, that best support each young person's development.
- **An equal focus on employment and education** supports young people to achieve outcomes that will best position them for future workforce participation. This includes returning to school to finish their education or supporting the young person to engage in further education.
- **Innovative approaches** such as provider run activities and workshops that focus on practical interventions, assist young people to understand what is expected of them in the workplace or facilitates better engagement between young people and local employers.
- **The strong local connections to employers, schools, community services and supports** TtW providers have. This includes an understanding of supports available in their local area such as housing, crisis or mental health services like Headspace. TtW providers understand the employment market, skill requirements and in-demand occupations in the local area.
- **Access to the Youth Bonus Wage Subsidy** of up to \$10,000 encourage employers to give job seekers a go, covering costs such as hiring, onboarding, or training expenses. This helps ensure that disadvantaged young people will be more competitive in the labour market.

**Enabling work experience, work trials and job placements**, including providing assistance to induct the young person into the workplace, assisting employers to understand the unique differences between young people and the broader workforce and providing post-placement support to help embed the young person in a job and give them and the employer the additional support to make it stick.

- TtW providers will also assist job seekers aged 15-24 in online and digital employment services with individual coaching through up to three, one hour **Youth Advisory Sessions** to assist with interview preparation, career advice, resume writing information on, connection to other government services and community assistance including mental health organisations, maintaining resilience or other similar employment-related barrier they're facing.

## Slide 12 - Youth Jobs PaTH and TtW eligibility

### EST

As part of the Australian Government's commitment to helping job seekers enhance their employability under NESM, not only will EST continue to be a key element of Youth Jobs PaTH, EST will also be expanded to all job seekers aged 15 and over who are on income support and with Mutual Obligation requirements.

EST will be the default activity for the Digital Services 4 Month Activity Requirement.

Disability Employment Services (DES) and TtW providers will be able to refer participants to EST for the first time, on a fee for service basis.

Participants in Enhanced Services will retain access to EST, although unlike the jobactive contract that was departmentally funded, referrals will be on a fee for service basis.

- DES providers will be expected to pay the full fee for service of \$1,250 for both Training Block 1 and 2, and Enhanced Services and TtW providers will be expected to pay the full fee for service for Training Block 1.
- The fee for Training Block 2 for Enhanced Services and TtW providers will be subsidised by \$950, reducing the fee for service to \$300.
- Participants in Digital Services will be fully funded by the department.

### Internships

PaTH Internships gives a young person the chance to demonstrate their skills in the workplace, develop vocational skills and improve their employment prospects; and gives employers an opportunity to trial a job seeker in a structured work experience placement to see if they are the right fit for their business.

- PaTH Internships will be available to young job seekers aged 17 to 24 on eligible income support payments, and with mutual obligation requirements in Digital Services, Enhanced Services (ES), Transition to Work (TtW) and Disability Employment Services (DES).

Digital job seekers will have access from 4 months in service, or earlier if they participate in either Block 1 or Block 2 of Employability Skills Training (EST) or are participating in a Workforce Specialist (WfS) project.

TtW, ES and DES participants will have immediate access to a placement.

PaTH Internship placements are voluntary, which means job seekers are not compelled to attend the activity or subject to the Targeted Compliance Framework (TCF).

- Participation in PaTH Internships can be used to meet the Digital Services Four Month Activation Point, NESM Six Month Activation Point and Points Based Activation System (PBAS) requirements.



- Host businesses must also have a reasonable prospect of employment, which means that the business has a current vacancy, will likely have a vacancy following the internship, or has a regular pattern of recruitment.
- Internships can be used as a pathway to support eligible job seekers into an apprenticeship or traineeship.

## Slide 13 - Youth Jobs PaTH

### **Training Block 1**

There will be youth-specific Training Block 1 courses for participants aged 15 to 24 years, delivered separately to 25 plus courses for participants aged 25 years and over.

Training Block 1 will focus on pre-employment soft skills and will help participants demonstrate they have the attitude and approach to work that employers want.

Participants will develop skills such as teamwork, communication, and digital literacy, learn what is expected in the workplace, such as personal presentation, attendance, punctuality, reliability, cooperation, resilience and positivity.

Training will be as work-like as possible.

- Training Block 1 will also be expanded to also include a focus on advanced job search skills to improve job seekers' prospects of employment.
- Participants will gain skills in preparing resumes, writing job applications, and preparing for and practising interviews.
- Participants will also gain a sharper understanding of the local labour market so they can identify and pursue sustainable employment opportunities.

### **Training Block 2**

Training Block 2, which currently focuses on advanced job search skills, will focus on industry specific training to address local labour market needs, deliver relevant micro-credentials, and directly link to work trials under NESM.

Generalist Courses are aimed at participants looking to decide on a career path and will cover a number of industries, offering participants a way to test their interest and aptitude quickly and easily in multiple industries.

Specialist Courses are focused on a single industry and will provide a strong foundation for participants to decide whether to commit to further industry training, such as an apprenticeship or Certificate III.

- Specialist Courses can include micro-credentials and should equip participants to be ready for entry-level employment opportunities in that industry.
- Specialist Courses must have the endorsement of a relevant employer body or industry association to ensure the content is suitably valued by these industries.
- EST providers must source PaTH Internships for suitable young Digital Services participants who undertake a Specialist Course and are incentivised to do so with an additional \$250 Placement Payment for Digital Services, Enhanced Services and TtW participants, payable by

the department upon commencement in a PaTH Internship or NWEF placement sourced by the EST provider following participation in a Training Block 2 course.

- Training Block 2 must include Industry Awareness Experiences that are targeted to the industries of focus.
- Industry Awareness Experiences expose participants to a work-like environment and provide participants with insight into the expectations of working in a particular industry.

### **Placement Management Services**

Placement Management Services, or PMA S, will be a new feature of EST, whereby EST providers will leverage their industry relationships to source and/or manage work trial opportunities with a genuine prospect of employment.

- EST providers will be required to source and manage work trials for job seekers in Digital Services, and may also manage work trial placements for Enhanced Services and TtW participants directly following their participation in EST. This will reduce red tape for job seekers and host businesses, removing the need for job seekers to return to their Enhanced Services or TtW provider after participating in EST to facilitate a work trial placement.
- Placement Management Services is not available to DES participants.