



28/10/2020

Re. Feedback on Proposed Licensing System

To Whom It May Concern,

As a long-term small provider of Government Employment Programs, Gforce supports the move to a flexible licensing system provided the panel and sub-panels are aligned with overall program objectives. Where providers will move away from a job-matching service and interventionist support for highly disadvantaged job seekers to be mostly funded to work with long-term unemployed (LTU) persons, it seems appropriate that the panel's duration would be a longer-term arrangement and no less than the option of 6 years proposed in the discussion paper.

The same could be said for a provider licence in that they ought to be commensurate with a performance framework that delivers better job seeker outcomes for the most marginalised e.g. long-term unemployed persons remaining off income support altogether for more than a year or possibly 18 months to 2 years. If that were the case then a licence should remain in place for at least 4 years (if performing well in comparison to other providers working with the same cohort/s).

Meeting employer demands is an imminent requirement but moving an individual out of long-term unemployment is generally a protracted achievement or long-game. Countless reports and discussion papers identify that successful Employment Service providers must effectively work against prevailing Australian economic conditions such as workforce casualisation and the higher demand for more skilled workers, the latter requiring careful skill building and further education over some years and in many cases at least 3 – 6 years for tertiary qualifications.

Many individuals on income support seeking higher qualifications are not in the position to commit to full-time study due to a range of factors including caring commitments or poorer health circumstances. Therefore, it takes much longer to further their education, which is occasionally supplemented by income from casual or part-time work in unskilled positions (in the current jobactive context this work is often not recognised in provider outcome payments as the employment hours are below the prescribed reductions required to generate an 'employment outcome').

The panel would likely consist of organisations with various strengths and capacities and as such could be drawn upon in other labour market initiatives or extraordinary circumstances such as natural disasters and pandemic responses, the likes of which have been acutely experienced first hand by many Australians in the past 12 months. Issuing short term licences may be a way in which to serve an immediate demand that could not readily be served by an existing licence holder, or only served by them over a longer period due to their lack of resources or undeveloped expertise e.g. working with a



group of redundant workers from a specific industry that an unlicensed panel member may be very familiar with or have a specific connection to (either through industry association or other relevant service streams such as migrant settlement; youth work; public health; apprenticeships; or labour-hire - to name a few).

Short term licences may serve to transition displaced workers into other employment more expeditiously in that the 'specialist' provider is engaged to perform a specific role with specific milestones e.g. redundant worker to be re-trained or skills augmented to meet the demand of other employment opportunities within a specific employment region or municipality. The needs of displaced workers must be addressed immediately as the longer they're out of work, the harder it is for them to remain competitive job candidates and to re-enter the workforce.

The issuing of licences should be linked intrinsically to the program's objectives and in line with the panel duration. Where a licensed provider's objectives or performance framework prioritises long-term unemployed persons moving off income support into gainful employment then a longer term licence should apply. Conversely, if a licensed provider is tasked with moving a cohort that doesn't necessarily involve moving long-term unemployed persons off income support e.g. redundant worker with recent workforce experience, then a licence could be for a shorter period (say 2 or 3 years perhaps).

Thank you for considering the above points.

Yours Sincerely,

Greg Haynes

GM – Employment Service Contracts