

The Department of Education, Skills and Employment

Exposure Draft for the New Employment Services Model 2022  
Purchasing Arrangements

Response submitted by:

AMES Australia



## New Employment Services Model Exposure Draft

AMES Australia Comments

AMES Australia (AMES) welcomes the opportunity to comment on the Exposure Draft for the New Employment Services Model (NESM). AMES has previously provided comment on the proposed NESM licensing approach (2020) and participated in the Expert Panel Review of Employment Services (2018). We remain supportive of the proposed reforms and in particular, we would like to reiterate our belief that enhanced, specialised services for refugees and Culturally and Linguistically Diverse (CALD) communities will significantly improve outcomes for this client cohort.

In the table below, we have made comments referencing specific sections from the Exposure Draft. Where we are seeking clarity from the Department, questions have been bolded.

Issue	Section referenced	Comments
New Quality Assurance Framework (QAF)	3.0	<ul style="list-style-type: none"> <li>The Department anticipates the introduction of an updated QAF to coincide with the NESM (i.e. 1 July 2022).</li> <li>AMES has some concerns about the proposed timeline for providers to comply with the new QAF (i.e. within 9 months of commencement of services).</li> <li>Our experience suggests the 9 month period is reasonable for providers to adapt to and comply with the new QAF (provided it is clear and reasonable). However, we are less confident that a sufficient number of assessors will be trained and prepared to complete audits of all providers within this 9 month period.</li> <li>AMES believes the implementation plan for the new QAF should allow for a period of refinement (this may already be the case) as there are often adjustments required in the implementation of new compliance and quality frameworks.</li> <li>Following this, AMES also believes a tiered approach to compliance with the new QAF is more appropriate than immediate revocation of provider licenses. This would allow for any teething problems associated with either assessment or compliance.</li> </ul>
EST payment arrangements	1.3.1	<ul style="list-style-type: none"> <li>The Exposure Draft makes reference to a fee for service payment arrangement for EST – that is one in which the provider pays for costs associated with a jobseeker’s participation in EST.</li> </ul>

Issue	Section referenced	Comments
		<ul style="list-style-type: none"> <li>• In addition, the draft says that “<i>job seekers in Digital Services not working or studying will be required to complete EST at four months of servicing</i>”.</li> <li>• Job seekers in Digital Services are not allocated an enhanced services provider – which suggests they will need to be first referred to a provider, before a referral to EST.</li> <li>• <b>Could the Department clarify how this payment arrangement will work?</b></li> </ul>
Comprehensive assessments	1.5	<ul style="list-style-type: none"> <li>• AMES is confident that the assessment tools to be used in digital servicing arrangements will be suitable for most jobseekers.</li> <li>• However, the Exposure Draft alludes to additional jobseeker assessment to be undertaken by Enhanced Service providers, who “will be expected to intervene early and identify a job seeker’s servicing needs through their own comprehensive assessments.”</li> <li>• <b>Could the Department clarify as to whether providers will be expected to develop their own assessment tools/processes?</b></li> <li>• AMES experience delivering employment and education services suggests developing assessment materials can be costly and resource intensive.</li> <li>• Furthermore, from a jobseeker’s standpoint, there may be an equitability issue if the quality of comprehensive assessments is variable between providers.</li> <li>• AMES suggests the Department should provide guidelines for comprehensive jobseeker assessments, that could be adapted to account for specialist needs and provider preferences.</li> <li>• <b>Could the Department provide guidance and additional detail about the planned jobseeker assessment process?</b></li> <li>• If providers are expected to develop their own proprietary assessment tools, we suggest the Department allow for this to be budgeted adequately at tender. Additionally, the Department should consider how best practice assessment and tailored servicing can be shared across the sector.</li> </ul>
Points system	1.6.1 & NEST PBAS Guidelines	<ul style="list-style-type: none"> <li>• AMES suggests before NESM goes to tender, providers could be informed about the progress of PBAS as it has been functioning in the NEST regions since December 2020.</li> <li>• While we support the changes to jobseeker compliance in principle, we require more information to better understand the provider’s role in monitoring / acquitting a jobseeker’s points, setting points targets etc.</li> <li>• With the PBAS, as with other Government services, there are likely to be norms and policies established over time about what activities qualify under the PBAS framework. We believe providers would benefit from the Department stepping us through the PBAS process.</li> </ul>

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Jobseeker transfer from Digital to Enhanced	1.3.1 & Appendix 1: 1.5.2	<ul style="list-style-type: none"> <li>• <b>As a self-administered system, who will be setting the standards around how PBAS is applied, and how will providers keep up to date with how it is being applied?</b></li> <li>• AMES understands jobseekers will be able to voluntarily transfer from Digital to Enhanced services.</li> <li>• Given the more nuanced approach to face-to-face services within NESM, there will be a range of options for jobseekers. This includes a variety of specialist providers to choose from (jobseekers have intersecting attributes that may qualify them for multiple specialist providers) or a choice from multiple generalist providers.</li> <li>• AMES point here is that the voluntary transfer from Digital to Enhanced services should be more than just a possibility – Services Australia should actively enable and encourage participants to participate if they require it.</li> <li>• For many in our (largely CALD) client cohort, they could be erroneously streamed into Digital Services. In this instance, they might not realise what would be available to them in the form of specialist employment support. Enhanced Services need to be clearly communicated to diverse cohorts, especially those with low English and digital literacy. The new Job Seeker Assessment Framework itself may be complicated for some.</li> <li>• Furthermore, this cohort may have difficulties navigating an online or contact centre transfer process. We suggest the Department needs to monitor this issue closely and ensure active engagement and communication with jobseekers continues, even in Digital Services.</li> </ul>
Disabled jobseekers in mainstream employment services	1.4	<ul style="list-style-type: none"> <li>• AMES is concerned there is a wide gap between the profile of jobseekers eligible to be serviced by DES and the profile of jobseekers who mainstream, generalist Enhanced Services are intended for. Many in AMES existing <i>jobactive</i> cohort live with a disability and would benefit from more specialised support.</li> <li>• We know that the bar to qualify for DES is high. Therefore many who have significant barriers to employment because of a disability are serviced by mainstream providers. Under NESM, there is an opportunity to more adequately service this capable (but unique) cohort.</li> <li>• Taken at face value, it appears inequitable that one's status as, say, an ex-offender would warrant specialised support – whereas living with a significant disability would not.</li> </ul>
Short-term licenses / industry specialists	2.2.12	<ul style="list-style-type: none"> <li>• AMES understands there may be circumstances requiring providers to enter a region, including to provide specific industry support, for a short term.</li> <li>• <b>If providers on that region's panel are not capable of carrying out this support – particularly if required to scale up a skilled service quickly – where will these providers come from?</b></li> </ul>
Refugee specialist regions	Tables 28-34	<ul style="list-style-type: none"> <li>• Additional clarity from the Department about how refugee specialist regions are selected would be useful.</li> </ul>

Issue	Section referenced	Comments
		<ul style="list-style-type: none"> <li>• While in other instances (e.g. CALD / ex-offender etc.) it might be more appropriate to base specialist licenses on caseload data for that cohort, for refugee jobseekers we believe there should be a link to the primary settlement sites allocated by the Department of Home Affairs. This would ensure consistent, integrated settlement services for all refugees.</li> <li>• In Victoria for example (Table 29) no refugee specialist license has been allocated for Wimmera Mallee- while Mildura has been a primary refugee settlement site for some years.</li> <li>• We understand the purpose of directing refugee settlement to regional areas is part of a broader goal to promote regional diversity and regeneration.</li> <li>• If newly arrived refugees in regional areas are not provided access to the same standard of tailored servicing as those in metro areas, we believe many will relocate to cities to seek these services out.</li> <li>• This raises the broader issue of disparities between various employment regions, and how the Department intends to ensure generalist providers can deliver quality, tailored and culturally sensitive services in regions without specialist licenses.</li> </ul>
Business share	2.2.9-10	<ul style="list-style-type: none"> <li>• The Department has proposed a business share cap of 10% nationally. Specialist provider licenses are fewer, and in turn, there are fewer organisations capable of providing specialist services. <b>Will there be business share caps applied to cap the share of specialist licenses by a single provider? Could the Department clarify how the national business share tolerance would be applied for specialist providers? Will a specialist provider have a 100% share of the region or will a percentage of caseload be allocated to a generalist provider?</b></li> <li>• AMES is also interested in gaining a better understanding of how the business share restrictions will play out as panel members enter into and out of licenses over time.</li> </ul>
Youth Bonus Wage Subsidy	Appendix 1 RFP: 1.11.3	<ul style="list-style-type: none"> <li>• AMES understands <i>“there will be greater flexibility for Providers and employers to negotiate tailored support to meet their business needs”</i></li> <li>• While we support the principle of greater flexibility, we have some concerns that a negotiable wage subsidy could create a competitive market for employers to select jobseekers from the provider who offers the highest subsidy.</li> <li>• A negotiable subsidy model may also create additional administrative requirements, and we hope providers would be compensated for this added complexity.</li> </ul>
Benchmarks for provider performance management	2.1 & Appendix 1 RFP	<ul style="list-style-type: none"> <li>• Employment outcomes will inevitably vary across regions and economic circumstances at the time.</li> <li>• Some Employment Regions may only have a single provider. Others may have 2-3 providers but only a single provider located in a specific town/city (for example).</li> </ul>

Issue	Section referenced	Comments
		<ul style="list-style-type: none"> <li>• Furthermore, there are likely to be marked differences in outcomes between Generalist versus Specialist Services. Regions with a single Specialist provider may not have a suitable comparison group elsewhere – compounding the issue of regional differences.</li> <li>• AMES supports nationally/regionally consistent <i>quality</i>-related benchmarks, but when comparing employment outcomes <b>how will performance benchmarks be set at the region level?</b></li> </ul>
Specialist cohorts and intersectionality	2.2.11	<ul style="list-style-type: none"> <li>• Many jobseekers will belong to multiple specialist cohorts (e.g. CALD/refugee/ex-offender) and will thus have a choice of specialist provider in some Employment Regions.</li> <li>• <b>AMES is interested to know how jobseekers will be guided to make an informed decision about which specialised Enhanced Service to participate in?</b></li> </ul>
Competent Persons (EST)	Appendix 2 RFP – 2.6	<ul style="list-style-type: none"> <li>• EST providers will be required to have appropriately qualified ‘Competent Persons’ to deliver various services.</li> <li>• In the context of EST, <b>could the Department please clarify the types of qualifications and experience that Competent Persons will be required to have?</b></li> </ul>

## AMES Australia

AMES is an autonomous adult education institute accountable to the Victorian Minister for Training and Skills. The organisation provides a comprehensive range of initial settlement support, English language and literacy tuition, vocational training and employment services to migrants, refugees and asylum seekers, in Victoria, South Australia, Tasmania and Western Sydney.

AMES work, guided by our vision of 'full participation for all in a cohesive and diverse society', is focused on maximising the economic and social participation of migrants, refugees and asylum seekers and on maximising the benefits of migration to Australia.

For further information or follow-up:



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