

Office of Multicultural Interests

Response to “The future of employment services in Australia: a discussion paper”

10 June 2008

Introduction

The Office of Multicultural Interests (OMI) welcomes the opportunity to provide input to “The future of employment services in Australia: a discussion paper” released by the Department for Education, Employment and Workplace Relations (DEEWR) on 16 May 2008.

For the purposes of this submission, OMI has consulted with a range of stakeholders, including Job Network Members providing specialist employment services to people from culturally and linguistically diverse (CaLD) backgrounds, and organisations such as migrant resource centres that assist people from CaLD backgrounds in their job-seeking efforts.

OMI considers the new model of employment services proposed in the discussion paper to be, in many regards, an improvement on current arrangements. OMI agrees in principle with the proposals regarding:

- Provision of a more tailored response to individual job seekers, based on their particular needs and circumstances
- Increased incentives to service providers, to encourage job seekers to take up training
- Increased linkages between service providers and employers, to improve knowledge of available positions and facilitate job placements.

However, OMI also has significant concerns regarding the capacity of the proposed new model to ensure the ongoing provision of appropriate specialist employment services to CaLD job seekers, in particular, those who have entered Australia through the Humanitarian Program. These concerns are raised below in response to the Discussion Points provided in the Discussion Paper.

Discussion Point 1

“In addition to the development of job seekers job search techniques, training and work experience, are there other activities that should be approved as an intensive activity? How should we best balance the need to ensure a job seeker receives assistance appropriate to their needs with the provider’s responsibility to manage funds effectively across their case load?”

Other intensive activities for work ready job seekers

Many new CaLD migrants require access to language training and other specialist courses during their first months in Australia.

Challenges and issues facing CaLD job seekers, as identified by DIMA in 2005, include:¹

- lack of recognition of overseas skills for employment circumstances;
- lack of recognition of overseas experience;
- lack of local work experience, in particular use of technology in the workplace;
- registration/licensing requirements for entry to the labour market for some professions and trades;
- real or perceived English language proficiency shortfalls; and
- perceptions by employers of unacceptable attitudes, and behavioural and performative traits of qualified/skilled migrants.

There is also evidence of discrimination against potential CaLD employees, especially people who are visibly different (such as people from an African or Middle Eastern background).²

Refugees and humanitarian arrivals in Australia face a further distinctive set of challenges. Many have:

- no English on arrival and take years to acquire proficiency;
- low levels of educational attainment; many also have little formal education, which makes even English language training a huge challenge;
- large families, who themselves may require significant assistance and support during settlement;
- experienced torture or trauma;
- little or no work experience due to lengthy periods spent in refugee camps; and
- limited networks for either social support or employment.

As a result of the challenges and barriers facing many migrants from CaLD backgrounds, those migrants are more likely to experience significant unemployment, underemployment and occupational downgrading, despite the prevalence of skills shortages in Australia. Accordingly, CaLD job seekers may be said to need specialised support for their efforts to become work ready and to find suitable employment.

Evidence to date is that CaLD job seekers, most particularly refugees and humanitarian entrants, do not feel well served by mainstream Job Network providers. Concerns reported to OMI in consultation processes conducted between 2005 and the present include:

- lack of cross-cultural sensitivity among Job Network employees;
- lack of awareness of the particular situations of CaLD job seekers, particularly refugees and humanitarian entrants;
- pressure to find employment more rapidly than job seekers feel is possible;
- limited knowledge of specific resources to assist CaLD job seekers; and
- difficulties in using self-help-based career counselling services due to lack of familiarity with the computers and service systems used.

Many new CaLD arrivals in Australia, including some refugee and humanitarian arrivals, are qualified and experienced, but lack skills that are important to finding suitable employment. Skills gaps include general English, professional-level English, and cultural awareness and communication in the Australian workplace.³ Without access to training in these areas, both accredited and non-accredited, some skilled CaLD job seekers will have difficulty accessing jobs commensurate with their qualifications and experience.

Unless their access to such courses is secured against some of the current restrictions, CaLD job seekers may also face pressure from Job Network Members (JNMs) to take lower-skilled positions immediately, rather than continuing with English language and other studies; they would thereby lose their opportunity to access the Adult Migrant Education Program (AMEP), and potentially lock themselves out of the higher-skilled job market over the longer-term.

OMI recommends that:

1. *Full-time study with the Adult Migrant English Program (AMEP) and Language, Literacy and Numeracy Program (LLNP) be accepted as an intensive activity for CaLD job seekers.*
2. *DEEWR identify and review the range of specialist courses available to assist people from CaLD backgrounds to obtain employment, and consider accepting some or all of these as intensive activities for CaLD job seekers.*

Work experience placements

OMI strongly supports the use of work experience placements to assist CaLD job seekers obtain work.

Work experience placements afford newly arrived CaLD job seekers insight into employment in Australia, occupational health and safety issues, employers' expectations, and the training required for work in particular areas. It also provides an opportunity to obtain local references and to encourage employers to consider employment of people from CaLD backgrounds.

However, work experience placements can require significant investment of time and effort by providers in terms of canvassing employers for places, matching jobseekers to work experience opportunities and, if undertaken thoroughly, monitoring the progress of participants. New CaLD migrants and refugees may not be aware of the availability of work experience places, or of the potential benefits to them of taking up such places.

OMI recommends that:

- 3. JNMs be encouraged and appropriately remunerated for promoting and arranging work experience placements for newly arrived CaLD migrant and refugee job seekers.*

Apprenticeships and traineeships

CaLD job seekers face particular barriers to accessing apprenticeships and traineeships and the current uptake of apprenticeships and traineeships by people from CaLD backgrounds is low. Reasons include a lack of awareness of apprenticeship and traineeship opportunities amongst people from CaLD backgrounds, the perceived low status of trades occupations and discrimination by employers.⁴ In an industry-driven system such as the proposed new model, there is therefore some risk that job seekers from CaLD backgrounds will continue to face difficulties and discrimination when seeking access to apprenticeships and traineeships.

OMI has developed, in partnership with the WA Department of Education and Training (DET), a pilot program to increase participation in apprenticeships and traineeships of people from CaLD backgrounds. This initiative is supporting the placement of apprenticeships and traineeships from a CaLD background and will develop a best practice model to establish the most effective and sustainable support and training methods for participants, Group Training Organisations and employers.

OMI recommends that:

- 4. In relation to the Productivity Places Program, and other work experience, apprenticeship and traineeship programs as appropriate, DEEWR take measures to address potential employer discrimination against CaLD job seekers.*

Discussion Point 2

“Employment service providers will be given flexibility to determine the frequency of their contacts and other activities in accordance with the needs of the job seeker. However, to ensure a reasonable level of service, providers will be expected to meet regularly with job seekers and this will be reflected in the job seekers EPP. Should there be a minimum contact requirement? For example, should providers need to meet with job seekers at least once per month?”

Minimum contact requirements

People with higher levels of disadvantage (streams 2-4) need higher levels of contact than those in stream 1; they also need contact meetings that provide them with meaningful assistance in their search for employment.

The frequency of contact meetings should be based on the level of individual need which will differ widely and need to be tailored to suit individual circumstances. Such frequency may also need to be adjusted or tapered over time to reflect reduced needs or other progress.

Contact meetings that are held simply for the purpose of compliance by Job Network Members (JNMs) will be of little value to disadvantaged CaLD job seekers. Specific steps therefore need to be taken to ensure that effective use is made of each contact meeting. JNMs also need to be culturally aware and familiar with resources available to CaLD job seekers (see response to Discussion Point 3 below).

OMI recommends that:

5. *Job seekers' Employment Pathway Plans specify the purpose/s for which each contact meeting with the Job Network Member (JNM) is to be used.*

Discussion Point 3

“What are the practical administrative issues that will need to be resolved in order to ensure the streams are as effective as possible?”

Costs associated with specialised employment services

The proposed model does not allow for the additional costs JNMs will face in providing appropriate specialist services to CaLD job seekers, such as:

- providing cultural awareness training for Job Network employees;
- identifying and providing information on resources available to assist CaLD job seekers; and
- providing access to interpreters and translators.

The final report of the Across-Government Working Party on Settlement Issues for African Humanitarian Entrants (June 2007) identified a lack of cross-cultural awareness among JNM employees as a significant failing in the current system.⁵ The same report recommends the use of Multicultural Liaison Officers in providing specialist assistance to CaLD clients.⁶ Representations to OMI suggest that payment of interpreter fees is currently vital to the financial viability of Personal Support Program service providers who specialise in assisting CaLD clients.

OMI recommends that:

6. *JNMs be required, and funded, to provide appropriate support and services for CaLD job seekers, including but not limited to:*
 - a. *Multicultural Liaison Officers to assist CaLD job seekers, and/or provision of cultural awareness training for existing staff*
 - b. *information on specific resources available to CaLD job seekers, including at the state government level, and*
 - c. *interpreter and translating services as required.*

Discussion Point 4

“What should and should not be able to be purchased with the EPF? Which is preferable, a principles-based approach to prohibited items, or an exhaustive list of prohibited items? Is there anything about the proposed EPF that may contribute to its being under-utilised? At what level should purchases be permitted on the basis of a simple invoice and without the need for detailed case by case justification?”

Items of benefit to CaLD job seekers

Obtaining a driver's licence is critical for newly arrived migrants and refugees and is an essential requirement for employment in many occupations.

Many CaLD job seekers are excluded from a range of jobs they could perform by lack of a driver's licence. The process for obtaining a driver's license in Australian states has been identified as particularly challenging to migrants with limited English.

The cost of interpreters and translations to assist with obtaining a licence, and in other aspects of job seeking, is also an expense faced by people from a CaLD background.

OMI recommends that:

- 7. Assistance in obtaining a driver's license and fees for the use of interpreters be allowable items on the EPF for CaLD job seekers.*

Expanding access to EPFs

Feedback to OMI from providers suggests that, at present, complex administrative requirements pose a significant barrier to the effective use of EPFs to assist CaLD and other job seekers.

Increased access to EPFs, and greater flexibility in their use, will benefit CaLD job seekers who have a range of needs in their job search activities, by reducing delays and uncertainty surrounding the use of the EPFs. Tying the use of the EPF to a specific job reduces the potential of the EPF to allow job seekers to engage in longer-range employment planning.

OMI recommends that:

- 8. A principles-based approach be taken to prohibited items on the EPF, with the purchase of individual items justified through job seekers' action plans.*
- 9. Use of the EPF not be directly tied to a specific job.*

Discussion Point 5

<p>“How can the legitimate interests of a job seeker to choose a service provider be balanced with the need to provide certainty for providers?”</p>

Choice of provider

Under any system for the provision of employment services, job seekers cannot be sure in advance whether the services of a particular JNM will be suitable to them, and may be disadvantaged in their job seeking activities if they are not free to change providers.

CaLD job seekers face particular challenges in locating a suitable JNM, that can provide them with appropriate and specialist services that fully meet their needs. Anecdotal evidence suggests that not all JNMs promoting themselves as capable of assisting CaLD job seekers in fact have the capacity to do so. Therefore, it is important to allow job seekers freedom to move between JNMs, to find the JNM that provides the most appropriate service for them. If JNMs are meeting the needs of their clients, then this should provide an appropriate level of certainty.

OMI recommends that:

- 10. Barriers be removed to enable job seekers to move between JNMs as they choose.*

Discussion Point 6

“Are there any further improvements that can be suggested to deriving and paying service fees? Are there alternatives to claw back mechanisms? How should fees be shaped to discourage parking?”

Payment of service fees

OMI considers that a job seeker’s level of disadvantage provides a more effective guide to the effort required for a JNM to place a client, than the time spent unemployed; fees paid for placement should reflect this.

The new employment services model seeks to reward JNMs for assisting the most disadvantaged job seekers to find work. However, it suggests that the length of time spent unemployed should be the primary indicator of the level of disadvantage faced by a job seeker. This does not take into account:

- that a disengaged job seeker may have been unemployed longer than a motivated job seeker who has the same or greater level of disadvantage; or that
- the length of training courses undertaken while unemployed impacts on time spent unemployed rather than on disadvantage.

As the Job Seeker Classification Instrument and Job Capacity Assessments can give direct information on level of disadvantage, it may be more appropriate to reward JNMs for placements based on level of disadvantage. Such an approach would also discourage parking.

OMI recommends that:

11. *Client placement fees be linked to level of disadvantage as assessed through the Job Seeker Classification Instrument/Job Capacity Assessment, rather than to length of time spent seeking employment.*

Discussion Point 7

“Should activity test requirements be made more flexible and responsive to job seekers needs? If so how? The Government has already acted to ensure that job seekers participating in approved training are no longer forced to accept work that would interfere with that training. Are there other areas in which a similar approach should be adopted? Should job seekers with recognised qualifications or skills be permitted to restrict their job search to their chosen field for a period? If so, for how long, and in what circumstances?”

AMEP and LLNP as approved training

As noted in relation to Discussion Point 1, many new CaLD arrivals in Australia benefit from accredited English language training, such as the AMEP and LLNP, and TAFE English language courses. Non-accredited training is also valuable. However, CaLD job seekers in need of such training require support from the employment services system to be able to pursue this investment in their future.

It would be beneficial to CaLD job seekers new to Australia if pressure to seek employment were removed for the period when they are studying in English language courses, including the AMEP or the LLNP, either full-time or part-time.

OMI recommends that:

12. *CaLD job seekers who are studying in the AMEP or LLNP, either full-time or part-time, should not be forced to accept work that would interfere with the completion of their studies in the Program.*

Placement fees during exemption periods

At present, JNMs who assist people to find work during an exemption period are not reimbursed for doing so; accordingly JNMs tend to ignore job seekers during their exemption periods, even where the job seekers would like assistance.

Newly arrived refugees are granted a 13 week Activity Test Exemption period upon arrival into Australia, but some wish to commence seeking work during that period, for a range of reasons. The employment services system should reward JNMs that respond to requests for assistance from job seekers during exemption periods. This will ensure that such job seekers are given the assistance they need at the time they need it.

OMI recommends that

13. If a job seeker requests access and assistance from a JNM during an exemption period, the JNM should be reimbursed if they find employment for that job seeker.

Restriction of job search to job seeker's chosen field

As noted in response to Discussion Point 1, many skilled and qualified CaLD job seekers face a range of barriers to employment in their field, including lack of professional English, lack of Australian work experience and employer discrimination.⁷

A large proportion of CaLD graduates with professional qualifications do not hold professional positions.⁸ Refugees and humanitarian entrants face particular challenges in this regard.⁹ Qualified CaLD job seekers who have initial difficulties finding employment in their chosen field also face longer-term negative ramifications. The decision to take a job in an unrelated field often means working in an unskilled job, in which their qualifications remain unused, and their skills and work experience become outdated and irrelevant. Occupational downgrading is a waste of skills, both for the individual concerned and Australian society at large.¹⁰

Allowing restriction of job searches to a chosen field, or related fields, would benefit CaLD job seekers, by reducing their risk of occupational downgrading.

OMI recommends that:

14. JNMs permit CaLD job seekers with recognised qualifications or skills to restrict their job search to their chosen field, or to jobs in areas that would assist their progression towards achieving their long term desired employment outcome.

15. Restrictions of job search should be agreed on in career planning sessions, should include short term and long term goals, should be permitted only where there is known availability of jobs in the field, and should be reviewed on a six-monthly basis.

Considered approach to additional training

Anecdotal evidence suggests that CaLD migrants are being advised to upgrade their skills in cases where qualifications will not increase the possibility of finding employment.

Additional qualifications may not always be the answer for CaLD job seekers. Other issues that may need to be addressed include:

- knowledge of the range of career opportunities available in Australia;
- knowledge of Australian workplace practices;
- local work experience;
- professional English skills; and/or
- combating employer discrimination.¹¹

It is vital that JNMs are aware of these issues and are able to advise sensitively and appropriately regarding the employment pathways for CaLD job seekers.

OMI recommends that:

16. JNMs take the lead in providing career advice to job seekers with overseas qualifications; any decision to upgrade skills/qualification must be based on work availability in the job seeker's field.

Discussion Point 17

“How can we best ensure the new employment services system retains specialist providers? Is there anything DEEWR can and should do to assist providers in delivering a quality service for the remainder of this contract period?”

The proposed phasing out of the Personal Support Program (PSP), together with the requirement for service providers to assist all four streams of job seekers, and the proposed fee structure, is highly likely to result in a reduction in provision of specialist services to CaLD job seekers. This will impact particularly on the highly vulnerable refugee and humanitarian entrant cohorts. Given that the new model of employment services is specifically intended to assist the most disadvantaged job seekers, this would be a very disappointing outcome.

(a) Proposed phasing out of the PSP: The PSP functions as a pre-employment program dealing with non-occupational barriers to employment. PSP providers deal with some of the most highly disadvantaged CaLD migrants to Australia, such as refugees who have suffered trauma or torture prior to arrival, and who face multiple barriers to employment.

Many services offered to CaLD migrants by PSP providers are not specifically job-related, but include support services, such as trauma and torture counselling, and assistance in dealing with issues such as homelessness, domestic violence or financial management problems. There is no guarantee that JNMs will ‘step up to the plate’ to provide these and other specialised services so desperately needed by some CaLD migrants, as the proposed new model neither requires, nor funds, provision of such services.

OMI recommends that:

17. DEEWR retain the PSP or put in place some alternative arrangements that will replicate the type and level of support that the PSP currently provides.

(b) Reward structure: The proposed fee structure primarily rewards job placements, and the timeframe for each stream is limited (18 months maximum). However, given that many CaLD individuals currently with the PSP experience multiple barriers to employment, they remain with the Program for many years. Under the PSP, providers are paid as clients reach milestones in their progress towards employability. Under the new model, however, costs spent on highly disadvantaged CaLD job seekers may never be recouped by service providers.

OMI recommends that:

18. For the most disadvantaged job seekers, DEEWR employs a fee structure that rewards progress towards employability rather than job placement alone.

(c) Marginalisation of specialist providers: Many specialist providers are small organisations who will need to partner with larger organisations to provide services to all four employment streams as required under the proposed new model. This may result in a loss

of autonomy and specialist focus and there is a risk that CaLD job seekers will suffer a resulting decrease in the level of service they can access.

OMI recommends that:

19. *DEEWR, together with Centrelink and DIAC, give consideration to establishing and funding employment agencies specialising in services to CaLD job seekers.*

(d) Geographically dispersed client base: Restriction of referrals to the catchment areas of single ESAs would also impact on the viability of any specialist CaLD service providers due to the CaLD client base requiring specialist services potentially being numerically small and geographically dispersed. Few ESAs would contain sufficient numbers of disadvantaged CaLD job seekers to motivate JNMs to make the substantial investment needed to provide specialist services to this group. As one individual consulted by OMI said, "CaLD clients will be lost in the crowd."

OMI recommends that:

20. *JNMs identified as providing specialist services to highly disadvantaged CaLD job seekers (or other small, geographically dispersed groups of job seekers) be permitted to accept such job seekers from beyond the boundaries of their ESA.*

End Notes

¹ Department of Immigration and Multicultural Affairs, 2005, Submission to the Productivity Commission study into the economic impacts of migration and population growth, 29 September 2005, p. 14.

² Colic-Peisker, V and Tilbury, F (2007), 'Integration into the Australian labour market: the experience of three 'visibly different' groups of recently arrived refugees,' *International Migration* 45 (1), pp.59-85; Tilbury, F and Colic-Peisker V 2006, 'Deflecting responsibility in employer talk about race discrimination.' *Discourse and Society* 17 (5) pp.651-676.

³ Information on workplace culture in Australia is provided in the WA Department of Education and Training's new Workplace Culture Guide. The guide is intended for CaLD job seekers and also for employers.

⁴ Colic-Peisker, V and Tilbury, F (2007), 'Integration into the Australian labour market: the experience of three 'visibly different' groups of recently arrived refugees,' *International Migration* 45 (1), pp.59-85; Tilbury, F and Colic-Peisker V 2006, 'Deflecting responsibility in employer talk about race discrimination.' *Discourse and Society* 17 (5) pp.651-676; Department of Education and Training, Government of Western Australia, 2005, *Pathways to apprenticeships and traineeships for people from culturally and linguistically diverse backgrounds*, p.iv.

⁵ Across-Government Working Party on Settlement Issues for African Humanitarian Entrants (June 2007). Final Report.

⁶ Centrelink currently employs a network of Multicultural Liaison Officers, who provide specialist assistance to CaLD clients.

⁷ Department of Immigration and Multicultural Affairs, 2005, Submission to the Productivity Commission study into the economic impacts of migration and population growth, 29 September 2005, p. 14.

⁸ Birrell, B and Healy, E 2008 'How are skilled migrants doing?' *People and Place* 16 (1), suppl., p.8.

⁹ Department of Education and Training, Government of Western Australia, 2005; Australian Bureau of Statistics 2008, 'Catalogue No. 6202.0' April 2008; Tilbury and Colic-Peisker 2006.

¹⁰ Joint Standing Committee on Migration 2006, *Negotiating the Maze: review of arrangements for overseas skills recognition, upgrading and licensing*, p.4.

¹¹ Department of Immigration and Multicultural Affairs, 2005, p.14.

List of recommendations

OMI recommends that:

1. Full-time study with the Adult Migrant English Program (AMEP) and Language, Literacy and Numeracy Program (LLNP) be accepted as an intensive activity for CaLD job seekers.
2. DEEWR identify and review the range of specialist courses available to assist people from CaLD backgrounds to obtain employment, and consider accepting some or all of these as intensive activities for CaLD job seekers.
3. JNMs be encouraged and appropriately remunerated for promoting and arranging work experience placements for newly arrived CaLD migrant and refugee job seekers.
4. In relation to the Productivity Places Program, and other work experience, apprenticeship and traineeship programs as appropriate, DEEWR take measures to address potential employer discrimination against CaLD job seekers.
5. Job seekers' Employment Pathway Plans specify the purpose/s for which each contact meeting with the Job Network Member (JNM) is to be used.
6. JNMs be required, and funded, to provide appropriate support and services for CaLD job seekers, including but not limited to:
 - a. Multicultural Liaison Officers to assist CaLD job seekers, and/or provision of cultural awareness training for existing staff
 - b. information on specific resources available to CaLD job seekers, including at the state government level, and
 - c. interpreter and translating services as required.
7. Assistance in obtaining a driver's license and fees for the use of interpreters be allowable items on the EPF for CaLD job seekers.
8. A principles-based approach be taken to prohibited items on the EPF, with the purchase of individual items justified through job seekers' action plans.
9. Use of the EPF not be directly tied to a specific job.
10. Barriers be removed to enable job seekers to move between JNMs as they choose.
11. Client placement fees be linked to level of disadvantage as assessed through the Job Seeker Classification Instrument/Job Capacity Assessment, rather than to length of time spent seeking employment.
12. CaLD job seekers who are studying in the AMEP or LLNP, either full-time or part-time, should not be forced to accept work that would interfere with the completion of their studies in the Program.
13. If a job seeker requests access and assistance from a JNM during an exemption period, the JNM should be reimbursed if they find employment for that job seeker.

14. JMN's permit CaLD job seekers with recognised qualifications or skills to restrict their job search to their chosen field, or to jobs in areas that would assist their progression towards achieving their long term desired employment outcome.
15. Restrictions of job search should be agreed on in career planning sessions, should include short term and long term goals, should be permitted only where there is known availability of jobs in the field, and should be reviewed on a six-monthly basis.
16. JNMs take the lead in providing career advice to job seekers with overseas qualifications; any decision to upgrade skills/qualification must be based on work availability in the job seeker's field.
17. DEEWR give consideration to the retention of the PSP.
18. For the most disadvantaged job seekers, DEEWR employs a fee structure that rewards progress towards employability rather than job placement alone.
19. DEEWR, together with Centrelink and DIAC, give consideration to establishing and funding employment agencies specialising in services to CaLD job seekers.
20. JNMs identified as providing specialist services to highly disadvantaged CaLD job seekers (or other small, geographically dispersed groups of job seekers) be permitted to accept such job seekers from beyond the bounds of their ESA.