

SVA EMPLOYMENT DIALOGUE Communiqué

August 2013



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The Brotherhood of St Laurence began during the Great Depression, as the vision and creation of Father Gerard Tucker, a man who combined his Christian faith with a fierce determination to end social injustice.

Based in Melbourne, but with a national profile, the Brotherhood continues to work for an Australia free of poverty.

We undertake research, develop and deliver services, and engage in advocacy. Our aim is to address unmet needs in innovative ways and translate our learning from research and services into new policies, new programs and practices which can be implemented by government and others.

Our Vision is to see a fairer Australia by enabling people in need to find pathways to a better life.

Our vision: an Australia free of poverty.



Mission Australia is a non-denominational Christian community service organisation that has been transforming the lives of Australians in need for more than 150 years. Through our community and employment services we assist more than 300,000 Australians by providing a hand up, a way forward and hope for the future.

Our vision is to see a fairer Australia by enabling people in need to find pathways to a better life.

Walking alongside those in need, we help them discover:

- Pathways to strong families and healthy, happy children
- Pathways through a successful youth
- Pathways away from homelessness
- Pathways for life and work-ready skills
- Pathways to sustainable employment



Social Ventures Australia works with innovative partners to drive social change.

We help to create better education and employment outcomes for disadvantaged Australians by bringing the best of business to the social sector, and by working with partners to strategically invest capital and expertise. SVA Consulting shares evidence and knowledge to build social sector capacity, while SVA Impact Investing introduces new capital and innovative financial models to help solve entrenched problems.

FOREWORD

Despite sustained economic growth, employment exclusion is a legacy being passed from one generation to the next. A headline national unemployment rate of 5.4 per cent hides a growing crisis with over two million Australians in a cycle of long-term unemployment, economic inactivity or underemployment³.

For those Australians already disadvantaged in the labour market, the disparity is stark. More than one-in-four young people aren't engaged in education or employment⁴; Indigenous Australians are over three times more likely to be unemployed⁵; and the unemployment rate for Australians with a disability is one and half times higher than the national average.⁶

Combine this with an increasingly flexible labour market, the growth of casual labour and in many sectors of the economy, a skills shortage⁷, and the world of work is changing. Australians experiencing disadvantage are even more likely to fall through the cracks.

While there is no panacea for overcoming employment exclusion, new approaches are emerging that are proving effective. The evidence consistently shows that approaches with deep employer engagement, real work, ongoing training and 'wrap-around' support are successful. The Brotherhood of St Laurence and Mission Australia both offer examples of best practice in demand-led employment and social enterprise as solutions to tackling long-term unemployment. SVA has pioneered venture philanthropy in supporting innovative approaches to social enterprise development and demand-led initiatives.

Demand-led employment starts with the jobs that an employer has on offer and matches jobseekers to those jobs based on their skills and aspirations. Importantly the support and training required for both the jobseeker and the employer is designed specifically to ensure a successful match. Increasing employer engagement will help to ensure sustainable careers are created for people who are

long-term unemployed. The approach also ensures that employment support is tailored to the demands of industry and that training is embarked on with a line of sight to a job.

Social enterprises are businesses that operate to achieve a social purpose. They provide employment opportunities in a commercial environment and often provide 'wrap around' support for individuals with complex needs. Social enterprises are particularly effective at providing a stepping stone for people with complex needs to make the transition back into the labour market. They often provide employment for people who cannot access mainstream work opportunities.

Whilst there are pilots of demand-led models and a patchwork of social enterprises throughout Australia, scaling these approaches will require a collaborative effort between government, business, philanthropy and non-profit organisations to affect change. Australia has the opportunity to pioneer new approaches to employment creation and tackle long-term unemployment. We believe this has to be based on a philosophy of inclusive growth.

Ultimately, long-term unemployment is an issue that impacts all Australians. The social impact of improving employment opportunities is clear, but the economic advantages are also compelling. Assist a job seeker disconnected from the labour market to get a job and the taxpayer burden is lessened while the nation's wealth improves.

Businesses, governments and non-profit organisations are working together more than ever to find solutions. More can be done. Through the SVA Employment Dialogue we are committed to harnessing this collaborative energy and to expand upon it. We all share a collective interest in improving the employment outcomes for Australians who are long-term unemployed. Through partnerships and alliances we can help bring about the change so greatly needed.



Tony Nicholson
Executive Director,
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Toby Hall
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³ DEEWR Labour Market and Related Payments, September 2012. <http://foi.deewr.gov.au/node/30369>

⁴ Aged 18-24 years - Youth data from COAG Reform Council Education Report published 14 November 2012.

⁵ Ibid

⁶ Ibid

⁷ Department of Industry, Innovation, Science, Research and Tertiary Education 2012, 'National Workforce Development Fund Skilling Your Business', The Commonwealth of Australia and the Department of Education, Employment and Workplace Relation 2012, 'Industry Employment Projection Report 2012', The Australian Government

SVA EMPLOYMENT DIALOGUE



KEVIN ROBBIE

The Issue

Over two million Australians are unemployed, economically inactive or underemployed¹. Despite a resilient economy, forecast skills shortage and low headline unemployment rates, Australia still has a stubborn problem of relatively high long-term unemployment. With almost one in five unemployed Australians being excluded from the labour market for over one year², the rapidly changing face of the economy creates a risk of further reinforcing cycles of long-term unemployment.

Innovative approaches to tackling this challenge are needed. The SVA Employment Dialogue aims to stimulate debate and discussion around how to tackle this complex issue.

SVA Employment Dialogue

Cross-sector collaboration is a key ingredient in driving social change. Innovation is required to continuously improve service delivery. As public sector finances come under pressure, more enterprising approaches will be required to tackle deep social problems.

Long-term unemployment is a complex, interlinked and stubborn issue. Its causes can be structural, institutional or personal and can often begin long before an individual is even old enough to enter the labour market. The impact of long-term unemployment is not just economic. There are well documented effects in terms of poorer mental and physical health, poverty and social exclusion. These complexities mean new approaches are needed to tackle entrenched unemployment. And more partnership working is central to ensuring that these approaches are turned from ideas to established practice.

Innovative, collaborative and enterprising approaches were central to the development of the first SVA Employment Dialogue. The Dialogue was launched with an event held in Melbourne at the State Library of Victoria on 26 February 2013, supported by our anchor partners Mission Australia and the Brotherhood of St Laurence. Facilitated by PricewaterhouseCoopers' *the difference*, the event was a unique gathering of key figures from business, government, philanthropy, employment service providers and non-profit organisations, all bringing diverse perspectives to the day. The emphasis was on how employer engagement can provide solutions to long-term unemployment in Australia, with a focus on demand-led approaches, social enterprise development and tackling youth unemployment.

Participants seized the opportunity to begin important conversations that continue to generate practical solutions and catalyse new partnerships across the different sectors. The event inspired ideas that challenged the status quo and showcased new approaches, some of which are case studied in this document. This Communiqué provides insight into the key themes, quick wins and big ideas from the day.

Whilst the SVA Employment Dialogue event was a great success, it was the first step in a commitment to providing a platform to develop innovative ideas, showcase best practice, strengthen relationships and bring together the major stakeholders in Australia focused on tackling long-term unemployment. We hope that through this, deeper cross sector collaboration will emerge and provide solutions to long-term unemployment in Australia.

Kevin Robbie

Executive Director, Employment, Social Ventures Australia (SVA)

¹ DEEWR Labour Market and Related Payments, September 2012. <http://foi.deewr.gov.au/node/30369>

² <http://www.abs.gov.au/ausstats/abs@.nsf/Latestproducts/6222.0Media%20Release1July%202012?opendocument&tabname=Summary&prodno=6222.0&issue=July%202012&num=&view=>

1. DEMAND-LED EMPLOYMENT

The demand-led employment model provides an effective way to engage employers in tackling long term unemployment in Australia. It is an approach that begins with an employer that has opportunities available for people who are unemployed. These employers are involved in the design of the employment pathway for the job seekers, based upon their direct hiring requirements. The guiding principles are to tailor the employment support and only embark on work-based training with a line of sight to a job. The aim is to create more sustainable careers for people who are long-term unemployed, whilst developing a new talent pool for employers.

To achieve this there needs to be greater engagement between employment services, training providers and employers. This employer engaged approach will also help align the demands of the employer with the support services that the job seeker requires.

THEMES

Improving the engagement of employers and the relevancy of skills training were both central topics of discussion during the SVA Employment Dialogue. The key points that emerged were:

- **Training providers need to engage with employers:** Training providers could further involve employers in the design and delivery of training to ensure job seekers have the right skills for the job market.
- **Greater collaboration between employers and Employment Service Providers:** Effective engagement between employers and local Employment Service Providers will provide better pairing of job seekers with employment opportunities.
- **Payment system:** To achieve greater employer engagement, the Job Services Australia payment system needs to be more outcomes focused, with improved flexibility and reduced red tape.



QUICK WINS

- **Case studies of success:** Develop a series of case studies of demand-led initiatives that illustrate emerging best practice.
- **Demand-led roundtable:** SVA and Australian Chamber of Commerce and Industry (ACCI) to hold a national dialogue on employer engagement as a means to promote demand-led employment to their broad networks.

THE BIG IDEAS

- **Collaborative project:** Government departments at a federal and state level should look to co-fund with business, a collaborative demand-led approach. This will integrate training and employment support with engaged employers.
- **Place-based approaches:** Philanthropy, government and business should work together with innovative non-profit organisations to pioneer new demand-led approaches to place-based employment creation initiatives.



Industry Employment Initiative

The Industry Employment Initiative (IEI) is developing and prototyping a demand-led employment model that can meet the recruitment needs of national employers. The IEI is a collaborative approach between the Brotherhood of St Laurence, Mission Australia, Jesuit Social Services and Social Ventures Australia (supported by the Business Council of Australia), which seeks to improve employment outcomes for disadvantaged job seekers.

The fundamental principles for the IEI model are that it is *demand-led* and it will provide national employers with a *single contact point* to support their workforce needs. This 'one stop shop' will broker partnerships with providers at the local level to help match Job Services Australia (JSA) clients to vacancies, and provide tailored foundational and vocational training, as well as continued support in the workplace.



Brotherhood of St Laurence & ANZ – Given the Chance

Given the Chance (GtC) is an employment program that was developed in 2002 by the Brotherhood of St Laurence, to generate employment pathways for refugees. A tailored GtC program has been operating at ANZ since 2007 and is a demonstration of best practice in successful employer engagement.

ANZ offers six month paid work placement opportunities for refugees in a range of areas across

their business, including back office operations, customer service positions and retail branches across greater Melbourne. The program has been successful - 70% of 60 participants have obtained ongoing jobs in ANZ and are still employed there.

Beacon Foundation – Real Futures Generation

The Beacon Foundation's Real Futures Generation program is designed to prepare and equip young people with necessary skills to make a smooth transition from school to work. This has the combined effect of supporting a young person's chosen career path while also helping to address the issue that many businesses continue to face in attracting and retaining suitable employees.

Funded by the Federal Government, the project matches demand for talent in organisations, with young people from Beacon schools who wish to go on to traineeships, apprenticeships and entry level jobs. Beacon works with each organisation to identify their specific recruitment needs. These organisations then make a commitment to provide positions that will be opened up to students. Through working with Beacon's well established network of schools across Australia, they guide the most suited students into these opportunities, providing school based course preparation before the student exits school and starts work in the allocated position.

To date Beacon has placed 141 work ready young people into real jobs.



Woolworths Limited

Woolworths Limited has a portfolio of retail businesses throughout Australia including Woolworths, Big W and Masters. Woolworths operates hundreds of branches across urban, regional and remote areas of Australia and New Zealand and is one of the largest private sector employers in Australia, employing almost 200,000 people. The group strongly emphasises the importance of increasing employment participation for Indigenous Australians and people with disabilities into their business practices. In 2012, there were 939 Woolworths employees declared as having a disability – this is an annual increase of 472 employees recognised with a disability.

The increase in employees with a disability is largely attributed to Woolworths Limited continued relationship with Workfocus, the National Disability Recruitment Coordinator (NDRC). This program has streamlined the process for people with a disability obtaining work in Woolworths stores located in South East Victoria and in its first year placed 45 people in South East Victoria, secured disability awareness training for over 100 managers, reviewed job role competencies to support disability placements and produced a guide to disability employment for all store managers nationally.

Woolworths Limited also has an Indigenous employment program. This is a ten week pre-employment program that trains and mentors Indigenous Australians to fill roles at all levels, from checkout operators and night fillers, school based trainees, to meat and bakery apprentices. Cultural awareness training is also provided to Store Managers and Supervisors across Woolworths Supermarkets, Big W, Dick Smith, Dan Murphy's, BWS and the company's logistics operations. In the past year, 378 people have attended pre-employment training, with 333 gaining employment, and 232 currently employed with Woolworths.⁸



Crown Limited

Crown Limited is a strong supporter of diversity in the workplace. This can be seen through its Indigenous Employment Programs at Crown Melbourne and Crown Perth, and the Disability Employment Program at Crown Melbourne. Both initiatives are based around deep community engagement, practical training, staff cultural training, and ongoing support.

The Indigenous Employment Programs have been established in accordance with the Australian Employment Covenant, of which Crown Limited is a signatory. Both programs continue to grow with Crown Perth employing 65 Indigenous Australians across a variety of roles in the business.

The Disability Employment Program is run through the Crown Melbourne site. In collaboration with WISE Employment, Crown's Disability Employment Program has assisted more than 45 people to gain employment, and has achieved an outstanding retention rate of 95%.⁹

⁸ http://www.woolworthslimited.com.au/icms_docs/136625_Corporate_Responsibility_Report_2012.pdf

⁹ <http://www.crownresorts.com.au/CrownResorts/files/56/56ae4bbf-b99f-4def-9c7b-1825a81066bd.pdf>

2. SOCIAL ENTERPRISE DEVELOPMENT

Social enterprises are also a key component of the employment continuum. They are particularly useful for groups of people facing entrenched disadvantage through multiple barriers to employment or within disadvantaged communities where there is a lack of job opportunities.¹⁰ At a Federal level the Department of Education, Employment and Workplace Relations (DEEWR) Jobs Fund and the Innovation Fund were identified as ideal approaches to develop the social enterprise sector, if they were framed in context that social enterprises, like mainstream private businesses, often take three to five years from start-up to viability. It was recognised that a number of philanthropic foundations such as Ian Potter Foundation and Westpac Foundation have been pioneering approaches within philanthropy to fund the start-up of social enterprises and that lessons could be learned from this.



THEMES

The SVA Employment Dialogue participants considered issues around scaling social enterprises, improving financial viability and maximising social impact. Conversations took place on cross-sector collaboration, expanding social procurement and reinvigorating social enterprise hubs. The challenges facing social enterprises were acknowledged, but balanced with the big ideas that could inspire their growth.

- **Incentivising employment creation:** The need for an employment system that recognises the role social enterprise plays in providing employment opportunities for people who are long term unemployed.
- **Social procurement:** Greater use of social procurement¹¹ contracts for social enterprises at a Federal, State and Local government level will support the employment of people disadvantaged in the labour market. This approach is a cost effective way of developing the social enterprise sector.
- **Development funding:** The best practice approach of the WA Government in developing the social enterprise sector was acknowledged in terms of supporting both business development and business start-up. The potential impact of the Social Enterprise Development and Investment Fund (SEDIF) was also welcomed.
- **Innovation Funding:** It was recognised that to continually improve the employment system there needed to be an ongoing commitment to innovation funding. This innovation funding needed to be based on a set of principles around how to integrate innovation into public service delivery.

¹⁰ Mestan K. & Scutella, 2007, 'Investing in people: Intermediate Labour Markets as pathways to employment', Brotherhood of St. Laurence: http://www.bsl.org.au/pdfs/Investing_in_people_ILMs_summary.pdf#page=1 pg. 4

¹¹ Social procurement involves purchasing a good or service that also generates a social outcome. A model of social procurement encourages partnerships as it has the ability to bring cross-sector organisations together, such as employment service providers, social enterprises and private or public contractors. Social procurement is also an essential conduit for the development of social enterprises in Australia. Greater levels of social procurement will readily translate to increases in the amount of work available to social enterprises, and therefore extend their reach and sustainability.



QUICK WINS

- **Social enterprise mapping:** Mapping of social enterprises and social procurement opportunities to encourage greater purchasing for purpose.
- **Improving awareness:** Greater public information and more marketing materials are needed to improve the general understanding and benefits of social enterprise.
- **Greater use of social procurement:** A program of awareness raising across State and Federal Government targeted at procurement officers to encourage greater use of social procurement.
- **Social enterprise development funding:** Encourage State and Territory Governments to follow the best practice emerging in WA and establish Social Enterprise Funds to support modernisation of the non-profit sector and encourage entrepreneurial behaviour.
- **Case study:** The approaches and lessons learned by pioneering philanthropic foundations around funding and investment into start-up social enterprises.
- **Social Enterprise Development and Investment Funds (SEDIF):** Promotion of the new investment approaches available through the SEDIF Fund Managers to the Job Services Australia and Disability Services Australia networks.



THE BIG IDEAS

- **Social enterprise precincts:** The development of 'Social Enterprise Precincts' where business and social enterprises work together to create and develop new approaches to tackling long-term unemployment.
- **Shared value:** Greater inclusion of social enterprises developing joint ventures with private businesses and/or being used in the supply chain of private companies. This should be represented in procurement contracts, corporate social responsibility commitments and product development activities to create shared value across sectors.



STREAT

STREAT is a social enterprise that provides a highly supported pathway for homeless and disadvantaged young people aged 16-25 years to enter the hospitality industry. STREAT offers young people the opportunity to receive a hospitality qualification in addition to on-the-job experience. As a model, STREAT has successfully scaled as a social enterprise while maintaining high levels of 'wrap around' support to their employees.

STREAT's program is delivered at three café sites, a coffee roasting business, office and training rooms based in Melbourne. Programs include pre-vocational training, Certificate I and a 6 month traineeship including a Certificate II in Hospitality from William Angliss Institute and over 350 hours experience. This training provides the young people with the skills and experience they need to transition into mainstream employment. To date, STREAT have trained and secured employment for 60 people, boasting a 69% graduation rate. Of this, 72% have moved onto other employment and/or training opportunities.

Fair Repairs

Fair Repairs is a social enterprise that provides employment opportunities for the long term unemployed in repairs, maintenance and cleaning. They do so by securing work contracts and recruiting, training and employing disadvantaged individuals (mostly public housing residents), to carry out the work in their local area. Fair Repairs started operating in Campbelltown in 2009, has since opened in Redfern, Nowra and Wollongong in New South Wales and has created over 100 ongoing employment opportunities for people who would otherwise struggle to find work.

Fair Repairs undertakes both private and government contracts on a competitive basis from Spotless (a publicly listed company) and Housing NSW to source repairs, maintenance and cleaning work on public housing estates. It is also in the process of establishing further partnerships with corporations who will direct specific work to Fair Repairs to provide opportunities to the long-term unemployed and disadvantaged in the local area. It is a fee-for-service model supported by a range of in kind services from its partners, providing the organisation its competitive edge.

The program's innovation comes from combining training, work, and local community improvement under the one scheme. The business has high staff retention rates and a history of internal promotion because of the importance placed on an integrated employment strategy with three core components:

Specialised recruitment – works with community organisations and JSA to engage long-term unemployed and discouraged job seekers who do not have the capacity to access standard recruitment channels.

Training and support – provides trade based training through partnerships with TAFE and support and mentoring to build up personal and professional skills and confidence.

Real work at award wages – provides direct work for employees immediately after they have completed the necessary training programs, subject to work availability. These jobs are remunerated with real wages at slightly above the award rate and the intention is to provide pathways to long-term, permanent employment for each employee.



BoysTown

BoysTown provides employment services and pathways for disadvantaged citizens throughout Australia, with a particular focus upon youth. These employment services are delivered through recruitment assistance, training programs, transitional employment enterprises, ongoing mentoring and wrap-around support.

A suite of programs are available for young people throughout Australia based on their needs, including:

- Programs to assist the transition from school to work.
- Employability skills training where young people can develop skills for searching and applying for jobs.
- Vocational and pre-employment training where young people can acquire the necessary skills as well as learn about the obligations of work and succeeding in the work environment.
- Social enterprises where young people can gain real work experience (e.g. horticulture, graffiti removal, and tree-planting services).
- Job-seeking programs to place young people into jobs in the open labour market.

The BoysTown youth programs have enjoyed broad success, with a 77% retention rate of youth in these programs, connecting 61% of participants to either full-time employment, education or training, with 89% were still engaged after 13 weeks and 80% after 26 weeks.¹²

WA Social Enterprise Fund

In 2010, the State Government of Western Australia announced the creation of a \$10 million Social Enterprise Fund (SEF). The Government has contracted the management of the SEF to a consortium of partners led by SVA. The Fund aims to increase the number, effectiveness and efficiency of social enterprises in WA. Creating sustainable employment pathways for people experiencing disadvantage is a central objective of the SEF. The consortium has run information sessions across WA for applicants seeking investment from the Fund. Furthermore the consortium provides due diligence on applications and advises Government on which organisations to invest in. For successful applicants the consortium provides business support for the duration of the grant.

There has been a high level of interest in the SEF to date. The Fund has engaged over 800 organisations through one-to-one support and has distributed more than \$3.7 million to a variety of organisations across WA.

The Westpac Foundation

Corporate and philanthropic foundations have played an essential role in the development of social enterprises in Australia. Both the Westpac Foundation and the Ian Potter Foundation are Australian leaders in supporting social enterprises, and have established successful processes to assist their development.

The Westpac Foundation has developed a strategy designed to support social enterprises over the long-term, taking into account the different stages of their lifecycle. They align their support with four stages of social enterprise development:

1. Explore: Incubate and develop ideas, and assist with the development of a business plan.
2. Start-up: For organisations with a developed business plan, provide seed funding to assist the establishment of the social enterprise.
3. Strengthen: Reinvest with proven social enterprises to expand and strengthen their operations.
4. Grow: Once proven to be sustainable, further support is provided to increase their scale and impact. The Westpac Foundation also supports the social enterprise to become investment-ready and to potentially receive traditional sources of finance.

The social enterprise and innovation grants provided by the Westpac Foundation are a minimum of \$50,000 and may be made over a number of years. Types of grants include seed capital, reinvestment, investment in a not-for-profit's infrastructure and the commissioning of research.

¹² <http://www.boystown.com.au/downloads/rep/BT-Reconnecting-Disaffected-Youth-Through-Successful-Transition-to-Work-Report.pdf>

Ian Potter Foundation

The Ian Potter Foundation is a philanthropic foundation that is also developing the capacity of social enterprises in Australia. The foundation provides support through financial grants, assisting a range of social enterprises at various stages of development.

An excellent example of the Ian Potter Foundation creating social impact through their support of social enterprises is STREAT. This social enterprise is now undergoing a phase of expansion, with plans to open at least three cafés a year over the next three years. Scaling STREAT to this extent will enable the program to assist up to 100 homeless young people a year. The Ian Potter Foundation have provided a grant of \$150,000 to support this expansion.

In addition to STREAT, the Ian Potter Foundation has recently assisted many other social enterprises including The Big Issue Women's subscription service, Catherine House, The Bread and Butter Project and many more. The commitment of the Ian Potter Foundation to social enterprises in Australia is well established. Providing \$1.5 million to social enterprise development since 2009 illustrates their leadership in this area.¹³



Ability Enterprises

Ability Enterprises is a social enterprise that partners with Toowoomba Clubhouse and Personnel West to operate waste management sites. The focus of the social enterprise is to provide employment opportunities for jobseekers with a disability. Ability Enterprises was awarded a social procurement contract in 2012 from the Toowoomba Regional Council to operate the gate houses of 13 waste transfer stations throughout the Toowoomba region.

As an organisation, Ability is an innovative example of a social enterprise that has successfully combined social procurement with social finance. By accessing debt financing from the SVA Social Impact Fund, Ability has received secure finance to fulfil its social procurement contract.

The SVA Social Impact Fund provides loans and equity investments to Australian social enterprises. The Fund was seeded by a \$4m grant from the Australian Government which was matched with \$4.6m from private investors. While the primary purpose of social enterprises such as Ability is to create lasting social impact, securing the working capital to achieve its social goals is a constant challenge. The Fund attempts to address these capital flow problems by extending finance to social enterprises, which perhaps wouldn't receive a loan through traditional debt markets or mainstream banks, but have the capacity to scale.

With financial stability, Ability is expected to create up to 60 jobs for people who have difficulty finding work, specifically those with disabilities or people suffering mental illness. To date 34 such jobs have been created in the Darling Downs and South Burnett areas.

¹³ <http://cdn0.blocksassets.com/assets/ianpotter/ian-potter-foundation/jB80WTIPWQw1XQv/1239-IPF-Annual-Grants-Report-2011.12.pdf>

3. YOUTH UNEMPLOYMENT

With the youth unemployment rate in Australia over two times the national average,¹⁴ this issue was a primary concern of the participants. It was acknowledged that when young people fall into long-term unemployment there is a risk of creating a 'lost generation' who never return to the labour market. This leads to higher social costs in other areas of public policy.

Where young people have additional layers of disadvantage, the challenges arising from unemployment are compounded. For instance, in 2010, numbers of young people classified as not in education, employment or training (NEET) were approximately three times higher among Indigenous young people and young people with a disability than among the general youth population.¹⁵ In a marketplace where employers need to meet the labour demands of a changing economy, effectively engaging with the next generation of workers is in everyone's interests.

THEMES

With the world of work changing, young people need to be better prepared for a more flexible labour market. Consequently a more youth-centred employment approach is required.

- **Wrap-around support, ongoing training and career development:** These themes were universally acknowledged for young job seekers experiencing disadvantage. The best outcomes were recognised as those which ensure training is flexible, takes into account specific barriers faced by the individual and helps them to develop transferrable skills. Pre-employment and career development programs were identified as valuable employment strategies that improve the retention and employment outcomes of highly disadvantaged jobseekers and employees.
- **Greater employer involvement in education and the training process:** With the current disconnection of education and training programs from the labour market, improving the level of employer engagement in such programs will ultimately better serve the demands of employers and ensure more directed training, effective recruitment and retention of young people.

- **Place-based initiatives:** Supporting young people to find sustainable employment and build careers in their home communities was a central discussion point. Place-based employment initiatives were viewed as advantageous for both employment outcomes and also community development.
- **Invest to save:** It was widely acknowledged that if we are unable to engage young people and improve employment outcomes, we'll be at risk of losing a generation of workers. The costs in public expenses and losses of productivity as a result of under-investment were discussed. A greater level of public and private investment is required to effectively tackle this issue based on an 'invest to save' principle.



QUICK WINS

- **Cross-sector collaboration:** Specialist youth organisations should be incentivised to collaborate more effectively to improve outcomes for young people.
- **Improved career guidance:** Targeting career services for young job seekers experiencing disadvantage.
- **Case studies of success:** There needs to be a better method of knowledge exchange and documenting evidence-base of what program characteristics are successful or unsuccessful.
- **Better coordination:** There needs to be better coordination of the range of youth focused training and employment services that already exist, to increase opportunities for young people to make the transition from school to work.

¹⁴ Youth unemployment at 12.2% compared to 5.5% for the general population - ABS March 2013: <http://www.abs.gov.au/ausstats/abs@.nsf/mf/6202.0?OpenDocument>

¹⁵ FYA, 2012, How Young People Are Faring: http://www.fya.org.au/wp-content/uploads/2012/10/AAG_DIGITAL_HYPAF2012.pdf pg. 16.

THE BIG IDEAS

- **My First Job:** This initiative, under current development by the Service to Youth Council (SYC) seeks to drive positive change around youth unemployment. My First Job is pursuing a commitment from the Australian Government to halve youth unemployment by 2020.
- **Career development:** Greater collaboration between organisations and specific projects to deliver true 'cradle to career' outcomes for youth, needs to occur at a greater scale. The Foundation for Young Australians (FYA) and the Beacon Foundation are at the forefront of these developments, combining FYA's Worlds of Work program with Beacon's Real Futures Generation initiative.

Mission Australia – Queensland Reds Indigenous Employment Program

The Queensland Reds Indigenous Employment Program (IEP) is an innovative youth engagement initiative that assists Indigenous youth towards employment. The program involves professional rugby union players from the Queensland Reds as mentors for Indigenous youth.

The Player Mentors provide assistance through pre-employment mentoring and training, support through the employment process, and ongoing mentoring. All staff on the project, as well as the Reds Player Mentors, completed a Certificate IV qualification in Diversity Mentoring (Indigenous) to most effectively assist the IEP participants.

There have been 35 employment outcomes achieved through the program, with a 100% placement rate and an 83% retention rate after six months of employment. The successes of the Queensland Reds IEP initiative are largely attributed to its engaging approach, 'wrap around support', and ongoing assistance.

Ganbina

Ganbina operates learning and self-development programs for young people living in the Greater Goulburn Valley region, which has one of the largest Indigenous communities in Australia, comprising over 6,000 people. Ganbina's program activities concentrate on education, employment, incidental skills and also offer a range of scholarships.

Ganbina's methodology is to work with individual young Indigenous people to empower them to eradicate the broad based issues of long-term generational unemployment and welfare dependency prevalent in Indigenous societies today. It is a method of early intervention, providing holistic

support to Indigenous youth to ultimately prevent the burdens of entrenched disadvantage.

Specifically, Ganbina is equipping young people with the education, jobs training and life skills they need to become meaningfully employed and act as positive role models for others. In this way, they become effective 'agents of change' within their own communities.

Ganbina partners with primary stakeholders that assist the development of youth. These include:

- Teachers within primary and secondary schools
- The young people themselves
- Their extended families
- Prospective employers

Working together cohesively with educators, family members and prospective employers, Ganbina has consistently achieved success rates of above 85% for placing youth in employment, further education and training since 2008. These exceptional outcome rates can be largely attributed to the level of community engagement that Ganbina practises with families, educators and employers.





CareerTrackers

CareerTrackers creates professional career pathways for Indigenous university students. CareerTrackers takes the time to understand students' career aspirations and links them with private sector employers who provide in-depth work experience with the support and structure of the CareerTrackers program.

As interns, students apply their classroom learning, develop their skills and prepare for full-time employment upon graduation. Paid summer internships for university students provide safe learning environments to begin their professional development.

CareerTrackers provides training and ongoing support to ensure that students and companies get the most out of the internship experience. Students are provided with pre-employment and ongoing leadership development training throughout their internship.

Before the students begin employment, CareerTrackers helps the organisation prepare for their intern. This includes facilitating cultural awareness training and providing structure to the interns' workplace assignments. The relationship between the students and the companies is monitored by CareerTrackers to ensure the students receive meaningful work experience and constructive performance feedback.

Since it was established, CareerTrackers has assisted 287 Indigenous students to obtain internships in private sector organisations such as NAB, Worley Parsons, Lend Lease, Qantas, Leighton Contractors, and many more. In 2012, CareerTrackers ensured an impressive internship completion rate of 88 out of 91 students, or a 97% retention rate.

World of Work – Foundation for Young Australians

World of Work (WOW) is a national initiative building the skills and professional capabilities of Australian young people to assist the successful transition from school to work. WOW is run intensively over a week, involving Year 10 students and Australia's leading workplaces through FYA-facilitated workshops. By connecting students with working professionals, WOW aspires to develop the employment skills of the students through increasing awareness of education and employment options. WOW builds the confidence of students and helps create goals to achieve chosen employment pathways.

From 2008-2011, WOW worked with over 2,500 Year 10 students to help improve employment pathways. Additionally, WOW has partnered with more than 50 leading Australian workplaces and engaged with over 2,000 workplace volunteers by facilitating conversations between youth and working professionals. This initiative has involved more than 200 secondary school teachers to strengthen teacher-student relations and has explored more inspiring ways of operating within the classroom.¹⁶

4. CONCLUSION

Looking Ahead

The SVA Employment Dialogue provides a platform for collaborative approaches designed to tackle long term unemployment in Australia.

Renewed energy is exactly what is needed. We hope that the outcomes from the Employment Dialogue help to foster this and provide meaningful solutions to tackling long-term unemployment in Australia. Through greater employer engagement, improved delivery of innovative approaches and integrating social enterprises into the employment system, we believe that outcomes can be improved for those distant from the labour market. Tackling youth unemployment will require greater collaboration between business and the education and employment systems to improve school to work transitions.

The SVA Employment Dialogue event was the first step in a year-long process where we and our partners seek to engage in debate and discussion around how to improve employment outcomes for those disadvantaged in the labour market. We look forward to your continued engagement in this process.

Again, we would like to thank the pro bono support of PricewaterhouseCoopers' *the difference* for their dedicated guidance; their professionalism was clearly reflected in both the planning and delivery of the event.

Lastly, we greatly appreciate the ongoing support provided by our anchor partners, *Mission Australia* and the *Brotherhood of St Laurence*. The Employment Dialogue would not be possible without their expertise and commitment.

¹⁶ <http://www.fya.org.au/initiatives/worlds-of-work/>



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