Submission to the House Select Committee Inquiry into Workforce Australia Employment Services

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Executive Summary

SEEK welcomes the establishment of the House Select Committee on Workforce Australia Employment Services. The 'first principles' nature of the inquiry provides the opportunity to look afresh at how things could be done differently to improve outcomes for unemployed jobseekers, employers and taxpayers. SEEK's core purpose is to match jobseekers with employers, so we are aligned with the objectives of the Committee.

SEEK has known for a long time that our platform does well at matching jobseekers in the general labour market with job opportunities provided by employers, and that employers rate our platform highly. However, we did not know if this was the case for a more vulnerable subset of jobseekers, those on the Workforce Australia (WFA) caseload. To find out how well SEEK, other specialist jobs marketplaces and WFA were serving this cohort of jobseekers – and the employers that would hire them – we commissioned a large primary research study. The surveys received 643 responses from jobseekers who were currently unemployed or had been in the last 12 months, and 436 responses from employers from a range of industries, of varying sizes and locations. Forty interviews were also undertaken with unemployed jobseekers and employers.

The research shows that SEEK is the clear leader for all unemployed people when they are looking for a job – regardless of gender, age, whether they live in a metro or regional area or whether they are from a minority group (people with a Disability, Language Other Than English, Aboriginal and Torres Strait Islander and LGBTQIA+). Importantly, unemployed jobseekers feel they are more likely to find secure, meaningful and pay-appropriate roles on SEEK and other specialist job marketplaces than on WFA.

SEEK is also the leading jobs marketplace for employers who hire WFA participants – with 97 percent having used SEEK to recruit staff and nearly 90 percent using SEEK as their primary platform to source staff for vacancies.

The findings of the research clearly demonstrate that even for vulnerable jobseekers who are not currently in the labour market, SEEK and other specialist jobs marketplaces are better placed to support this cohort than the WFA jobs marketplace. Employers too have a strong preference for SEEK and other specialist jobs marketplaces. This is reflection of the investment and scale that SEEK and others have been able to deploy over decades, and not the commitment and capability of those in government tasked with establishing and maintaining WFA's jobs marketplace.

These findings and the Committee's inquiry present an opportunity to think innovatively about recognising and defining the role of SEEK and other specialist jobs marketplaces in the employment services system. Rather than seeking to duplicate specialist jobs marketplaces, government could instead partner with these platforms. This would allow the finite resources of government to be redirected from a jobs marketplace, which is not meeting the needs of jobseekers or employers, towards support services for jobseekers with more complex needs.

SEEK envisages a future state where WFA retires its jobs marketplace but maintains a narrowly focused digital platform to help jobseekers develop an agreed Job Plan, track progress towards goals, and to demonstrate compliance with mutual obligations (should this continue to be a requirement of future policy settings). SEEK and other specialist jobs marketplaces who choose to opt in would become partners to government for the provision of job search, matching and application processes, and for access to career advice for WFA participants. We would work with government to build data and workflow integrations between WFA and the other channels, based on agreed rules and standards. This would ensure an easy, efficient and effective experience for jobseekers and employers, and appropriate accountability and policy insights to government and policy makers. Critically, there must be an underpinning principle that jobseekers need to be always in control of their own data, and that they need to consent to all sharing of their personal data throughout their job search.

SEEK would welcome the opportunity to engage directly with the Committee on this proposition. We would also like to offer the Committee a face-to-face briefing on the findings of the research, from our research partner Lewers Research, both as it pertains to our submission, and also to its broader findings about the lived experiences of unemployed jobseekers and employers engaging with – or not engaging with – WFA.

The Key Facts: Our Survey of Jobseekers and Employers

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Who did we survey?

643 Unemployed jobseekers[a]

436 Employers[b]

Use of platforms

Jobseekers

What's the most important place to go when looking for a job?

51%	SEEK
21%	Workforce Australia
9%	Indeed
7%	Other
6%	Word of mouth
3%	LinkedIn
3%	Recruitment agency

Employers

Where do you go to find staff?

97% SEEK

52% Facebook

18% Workforce Australia

Ease of use

Jobseekers

How many said it is easy to...?

Search

87% Specialist job marketplaces **vs** **61%** Workforce Australia

Apply

88% Specialist job marketplaces **vs** **58%** Workforce Australia

Employers

How many said it is easy to...?

Post adverts

84% Specialist job marketplaces **vs** **29%** Workforce Australia

Review applicants

77% Specialist job marketplaces **vs** **25%** Workforce Australia

Outcomes

Jobseekers

How many jobseekers said employers are responsive?

68% Specialist job marketplaces

38% Workforce Australia

How many said they are optimistic they will get a...?

Secure job

71% Specialist job marketplaces **vs** **52%** Workforce Australia

Meaningful job

67% Specialist job marketplaces **vs** **45%** Workforce Australia

Job with appropriate pay

74% Specialist job marketplaces **vs** **52%** Workforce Australia

If you recently found a job, what was the most important channel?[c]

47%	SEEK
19%	Workforce Australia
9%	Indeed
9%	Other
9%	Word of mouth
4%	LinkedIn
3%	Recruitment agency

[a] People who are currently or recently unemployed (last 12 months), actively looking for work, and participate in Workforce Australia
[b] Employers who have hired 1 or more employees in the past 12 months
[c] This data only represents those who identified as "recently unemployed", meaning they had successfully found a job at the time of the survey.

1 Introduction

In August last year, the Hon Tony Burke MP, Minister for Employment and Workplace Relations, established a House Select Committee on Workforce Australia Employment Services. It was appointed to inquire into and report on:

- the implementation, performance and appropriateness of Workforce Australia Employment Services;
- the extent to which Workforce Australia Employment Services delivers services in a way that is fair, leaves no one behind, respects individuals' diverse needs, and supports jobseekers into secure work, in particular, its support for long-term unemployed and young people; and
- other matters in relation to Workforce Australia Employment Services.

SEEK welcomes the establishment of the Committee and the 'first principles' nature of the review. At SEEK our purpose is to help people live more fulfilling and productive working lives and to help organisations succeed – so we are aligned with the intent of the inquiry. We understand the power of meaningful work, particularly for people who have found themselves excluded from the labour market.

SEEK exists to match jobseekers to roles offered by employers in the most efficient and effective way. We have known for a long time that we do this well for the broad Australian labour market. We measure our success by looking at how many people we help get a job. In our most recent survey almost a third of Australians found their last role on SEEK.[1]

In preparing the evidence to underpin our submission, SEEK wanted to understand if we were as successful in matching unemployed people with job opportunities as we are in the broader population of jobseekers. So, we commissioned Lewers Research to undertake a detailed primary research project with unemployed and recently unemployed jobseekers, and with employers. From this research, SEEK is the clear leader for unemployed people, those who have been recently unemployed, and employers. We present the findings from the research that are relevant to our submission in Section 2. The full results of the research – which are detailed – have been provided privately to the Committee to support its broader deliberations on how the WFA program is functioning. Individuals or organisations wishing to receive the full research findings can request a copy, see Attachment B.

From this independent research all unemployed jobseekers – be they self-directed through Online Services or supported by a case manager from an Employment Service Provider (ESP) – are currently well-served by SEEK and other specialist jobs marketplaces. Employers too have a strong preference for SEEK and other specialist jobs marketplaces. By comparison, WFA's jobs marketplace is not as highly regarded by jobseekers or employers.

SEEK achieves these outcomes because we, like other specialist jobs marketplaces, invest heavily in attracting and supporting jobseekers and employers. At SEEK on the jobseeker side:

- We have over 13 million individuals' profiles on our Australian marketplace.
- Our platform received almost 13 million unique visitors in February 2023 compared to 654,000 for WFA.[2]
- We place jobseekers across all parts of the market, ranging from entry level graduate roles to senior executives – mechanics and tradies, aged care workers, teachers, GPs, hospitality staff, engineers and CEOs.
- There is no cost to a jobseeker to use SEEK – all the functionality and services (including SEEK Career Advice) is provided for free.

[1] Independent research conducted on behalf of SEEK. Research is reported quarterly among c.2,000 Australians who changed/started jobs in the last 12 months. Data are weighted to be nationally representative of the demographics of the Australian labour force with quotas set for age, gender, location and employment status.
[2] Source – SimilarWeb – NB: Workforce Australia unique visitors is an average for the 12 months to February 2023.

On the employer side:

- We had 205,000 organisations advertise on SEEK in Australia in the last financial year, compared to the Government's target for 25,000 employers to lodge a vacancy through the WFA jobs marketplace.
- From these organisations nearly three million ads were placed on SEEK platform over the last 12 months.
- Organisations who advertise jobs on SEEK include every state, territory and federal government, every major healthcare network, and nearly every ASX 100 company.
- More than 50 percent of the ads on our site are from small businesses, including thousands of hairdressers, tradespeople, and cafes.
- We have technical and manual processes to confirm that an ad is a genuine opportunity from a business with a confirmed Australian Business Number (ABN).

SEEK believes the Australian Government has an opportunity to build on the capability and success of specialist jobs marketplaces by, first, acknowledging our role in helping unemployed jobseekers find work and, second, establishing a more formal partnership. This submission sets out the rationale, benefits and key considerations of developing such a partnership. We would welcome the opportunity to present this to the Committee and inform its ongoing deliberations.

2 Key findings from the independent research

2.1 Overview of the methodology and sample

SEEK commissioned Lewers Research to undertake quantitative and qualitative research to inform our submission and to provide a contemporary evidence base for the Committee's wider deliberations on the WFA program. SEEK would like to acknowledge the work of the Committee's Secretariat in reviewing and providing comment on both the jobseeker and employer surveys. It was expert, thorough and value-adding. Thanks, too, to the Committee Chair, Mr Julian Hill MP for endorsing and facilitating this engagement.

The research included:

- A 25-minute survey of jobseekers
  - 643 people completed the survey – approximately 50 percent were currently unemployed, and 50 percent were people who had been unemployed in the last 12 months (recently unemployed).
- A 20-minute survey of employers
  - 436 employers completed the survey.
- In-depth qualitative interviews with 30 unemployed jobseekers
- In-depth qualitative interviews with 10 employers

The sample of the unemployed and recently unemployed jobseekers was close to 60 percent female and 40 percent male. It included people aged from 18 to 64 years old, across all major jurisdictions, including a one third regional, two-thirds metro split. There was also a spread of education levels and household compositions.

Surveyed employers came from all states and territories, with again about a one-third regional and two-thirds metro split. It represented employers of all sizes, with approximately three percent micro businesses, 60 percent small businesses, 20 percent medium businesses and 15 percent large corporates. Full details of the samples for both unemployed jobseekers and employers is at Attachment A.

2.2 Insights from surveyed unemployed and recently unemployed jobseekers

Jobseekers are currently required to record Job Plans and mutual obligations on the WFA platform, but they rarely (or infrequently) use it to search or apply for jobs. SEEK is more commonly used for this purpose and is considered the most important channel for looking for a job by one in two unemployed jobseekers. Of the 21 percent who have used WFA to search or apply for jobs, nine in ten also used SEEK (see Figure 1).

Figure 1 | Most important channel for surveyed unemployed or recently unemployed jobseekers looking for a job

When asked the most important way to find a job, unemployed jobseekers named SEEK 2.5 times as often as WFA – this is despite all being required to log into the WFA platform to record mutual obligations. This strong preference for SEEK was evident across genders, age groups, geographies and minority groups.

For those who have recently gained employment – an appropriate proxy for a successful job placement – SEEK is cited as the most important platform when looking for a job.

When it comes to searching for jobs, applying for jobs, creating a profile and uploading a resume, jobseekers find SEEK and other specialist jobs marketplaces significantly easier compared to the WFA platform.

Most importantly, unemployed and recently unemployed jobseekers were asked for views on the likelihood of obtaining a decent job through SEEK, other specialised marketplaces, or WFA. Over three-quarters (77%) thought it either likely or very likely that they could obtain a job with appropriate pay using SEEK, and only a slightly smaller proportion (74%) thought they could do so with other specialised marketplaces.

The result for WFA was significantly worse, with just 52% of job seekers responding that it was likely or very likely they could obtain a job with appropriate pay using that platform. The gap for 'meaningful job' and 'secure job' was similarly large. A much larger proportion of job seekers — 20 to 25 percentage points more, depending on the specific question — believed they were likely or very likely to find decent work via SEEK than via WFA.

Figure 2 | Likelihood of finding a secure, meaningful and pay appropriate job – perceptions of unemployed jobseekers

In summary, a majority of jobseekers rate SEEK as their most important jobs site. It is far easier to use for all the key functions of job searching, and they feel more confident about finding a decent job – one that is secure, meaningful and pays well – on SEEK than they do on WFA.

2.3 Insights from employers

Nearly all the employers surveyed (97 percent) had used SEEK to recruit staff, with nearly nine in ten using SEEK as their primary platform. Usage of WFA was far lower, with fewer than one in five employers ever using that platform. Further, fewer than one in 20 employers surveyed considered WFA their main platform.

Figure 3 | Recruitment channel usage by employers

SEEK is the main recruitment platform for organisations of all sizes irrespective of their metro / regional location. As noted earlier, employers are using SEEK to access the full range of skills and talent in the labour market. Importantly, this includes hiring jobseekers who are currently unemployed; 65 percent of employers surveyed had hired at least one unemployed jobseeker in the past 12 months.

WFA is the least used and least successful for recruitment in the eyes of employers. LinkedIn is rated as the most effective platform, though it is not as widely used as SEEK, which is also rated as highly effective. Indeed is also effective, though less commonly used.

Figure 4 | Main recruitment channel x recruitment success for employers[3]

When it comes to posting ads, searching for qualified candidates, managing job postings, reviewing applications and contacting applicants, employers consistently rate specialist jobs marketplaces as being easier to use than WFA.

In summary, a vast majority of employers rate SEEK as their main jobs platform irrespective of their size or location. LinkedIn, SEEK and Indeed are also seen as being much more successful in sourcing staff than WFA. Furthermore, for all the key functions of recruiting staff, specialist jobs marketplaces are rated significantly better than WFA.

[3] Employers were asked, in the past 12 months, how successful have you/your company been at recruiting/hiring from the job site(s) you use most?

3 SEEK's vision and proposition for supporting the employment services system

3.1 SEEK's vision for an intentional engagement in the employment services system

It is demonstrably true that SEEK and other specialist jobs marketplaces are meeting the needs of both unemployed jobseekers and employers better than the WFA jobs marketplace. This reflects the investment and scale that SEEK and other established specialist jobs marketplaces have deployed over decades (SEEK alone invests close to $800 million every year to maintain state-of-the-art systems and job matching products), and not the commitment and capability of those in government tasked with establishing and maintaining WFA's jobs marketplace.

This investment enables SEEK and other specialist jobs marketplaces to deliver a high-quality user experience. Our marketplace is engaging, intuitive, personalised to the jobseeker's circumstances and preferences, and constantly evolving. We invest in Artificial Intelligence (AI) and machine learning to reduce bias in the recruitment process and make the matching process as effective and efficient as possible. Our architecture and infrastructure capability are underpinned by expertise and sector best-practice approaches and processes.

The evidence from the research points to an opportunity for SEEK and other specialist jobs marketplaces to have an intentional and defined role in the employment services system. Rather than duplicating online jobs marketplaces, government could instead partner with those eligible jobs marketplaces who choose to opt in to pursue our shared objectives of matching jobseekers with job opportunities provided by employers. The current state, where services are being duplicated and less efficient, is depicted in Figure 5.

Figure 5 | Current duplicative allocation of responsibilities in supporting jobseekers (left) and proposed future delineation of responsibilities in supporting jobseekers (right)

SEEK proposes a future state with a clearer delineation of roles performed by different players in the system. Employment Services Providers (ESPs) would continue to support jobseekers on their caseload to undertake job searches on specialist jobs marketplaces and access career advice resources, but government would no longer provide a jobs marketplace or career resources. This would allow the finite resources of government to be redirected from a technology platform that is not meeting the needs of its users towards the provision of additional support services for unemployed jobseekers who need them (see Figure 5).

Our vision is that:

1. WFA retires its jobs marketplace and maintains a narrowly focused digital platform to help jobseekers develop an agreed Job Plan, track progress towards goals and demonstrate compliance with mutual obligations (should this continue to be a requirement of future policy settings). These are direct consequences of government policy intent and settings; it therefore makes sense for WFA and the Department of Employment and Workplace Relations (DEWR) to maintain direct control of the software that facilitates them.

2. SEEK and other specialist jobs marketplaces offer platforms for jobseekers to find work and employers to find staff – and to access self-directed career advice tools and guidance on how to do so.

3. Data and workflow integrations between WFA and these platforms are developed to agreed standards, thereby enabling: an easy, efficient and effective experience for jobseekers and employers; appropriate accountability; and the provision of policy insights to government and policy makers.

    a) Automated data transfers are subject to informed consent by jobseekers, who retain the option to inform WFA manually and separately about any actions they take, if they prefer.

    b) SEEK and other specialist jobs marketplaces would need to satisfy ourselves that the WFA participants are happy to share their data with government.

4. Resources that otherwise would be invested in maintaining the WFA jobs marketplace and career advice resources are re-directed to the provision of more intensive assistance to jobseekers with the greatest needs.

To realise this vision, we envisage a partnership between DEWR and eligible jobs marketplaces who elect to opt in. This partnership would provide the framework to address the technical aspects of implementing the proposed model and lay out agreed terms, commitments and governance. Details of what might be pursued and gained through this partnership are set out below.

3.2 SEEK's proposition for supporting the employment services system – near term

SEEK is prepared to invest in its systems to enable a more defined role for specialist jobs marketplaces in the employment services system. Within the bounds of the rules, standards and specifications outlined in Section 4, SEEK sees value in working with government on three practical priorities.

1. Regularly share aggregate data with WFA relating to jobseeker activity on SEEK, to provide program-level accountability and inform future policy direction.

SEEK would deliver this by:

- Securely linking jobseekers' SEEK profile with their Jobseeker ID, subject to jobseeker permission – jobseekers would always be in control of who sees their data and how it is used.
- Sharing agreed, relevant data on a secure and regular basis. In general, SEEK would be able provide a large volume of highly detailed information about jobs, employers and jobseeker behaviour, subject to appropriate informed consent from the jobseeker.

WFA would need to collaborate with SEEK to agree the data to be transferred and the mechanism and would need to have the capability to accept and analyse the data provided. Note that SEEK already has an analogous longstanding data sharing arrangement with Jobs and Skills Australia and is confident in being able to execute something similar in this case.

2. Build capability that allows jobseekers to automatically report job applications and other relevant activities on SEEK to WFA, to fulfil their mutual obligations reporting requirements.

SEEK would deliver this by:

- Securely linking jobseekers' SEEK profile with their Jobseeker ID, subject to jobseeker permission – jobseekers would always be in control of who sees their data and how it is used.
- Building, and then maintaining, a secure data pipeline between the SEEK platform and WFA. This would include agreement on the type and structure of data to be transferred, and technical protocols to ensure such transfers can take place securely and reliably.
- Transferring data to WFA regarding job applications made and/or other relevant activities completed on SEEK's platform, either as each application is submitted, or on a regular (e.g., daily) basis.

WFA would need to be able to validate the profile link, and securely receive and process the data transferred. The technology required to implement this in a secure way is relatively standard – similar mechanisms are widely used in, for example, payment transfers.

3. Promoting relevant content to government-supported jobseekers – for example where to find help or training opportunities – using in-flow and adjacent marketing channels.

SEEK would deliver this by, for example:

- Displaying WFA's National Customer Service Line or Digital Services Contact Centre email and 1800 numbers to jobseekers with a profile linked to WFA, which they could call to be referred to an enhanced services provider.
- Displaying targeted, regularly rotated banner adverts for offerings such as free TAFE courses for jobseekers looking at certain role types.

WFA would need to engage only in a very limited way to deliver this – for example, periodic discussions and agreement on the content to be shown to jobseekers and when it is relevant. SEEK already displays analogous content to all jobseekers on its platform today.

3.3 Potential investment over the longer term

SEEK can also envisage several areas where further integrations might be valuable in the medium to longer term. Further opportunities deriving from the proposed partnership may include the following indicative examples:

- Leverage our credential-verification solution, Certsy, to validate employment history, skills and other attributes of jobseekers – which the Lewers Research study conducted for this submission indicates would make it easier for employers to hire currently unemployed jobseekers.
- Conduct experiments on which job readiness tools should be promoted to jobseekers at different point in the job seeking process, to optimise their use and increase the chances of a successful job outcome.
- Promote relevant government-supplied content for employers (as opposed to jobseekers), such as subsidies or training support, and experiment with the right way to do so.

In all these cases, we would envisage working closely with WFA to specify the solution, sharing data on an ongoing basis to evaluate success and inform future policy.

While we have focused on potential areas of direct collaboration between SEEK and WFA, as noted above, we recognise the Government will wish to involve other market participants and ensure a level playing field. The Government can achieve this outcome through the development of a framework of rules and standards, proposed in the following section, that would apply to all those wishing to opt into the partnership arrangement. These rules and standards would be developed collaboratively and transparently. The final framework would be put into the public domain. In addition, the Government may seek to establish an ongoing governance body to review and update these as policy settings and technology evolve.

SEEK is also open to working with others from the industry, alongside WFA, to co-design solutions like these, if there is interest to engage and invest.

4 Underpinning arrangements to ensure success

What SEEK is proposing is, at its core, quite simple. Nevertheless, we understand that for the proposed partnership to work, policy makers in Government will need to solve for a few specific requirements. These include the need for effective and appropriate:

- Jobseeker accountability mechanisms – the new model needs to make it easy for jobseekers on income support to accurately record their job seeking and related activities and to share this information with WFA so they can acquit their mutual obligations (if this continues to be a feature of future policy).
- Governance arrangements – Government would need to negotiate with specialist jobs marketplaces a framework that governs eligibility for participation in the partnership, the establishment of an interface with the WFA system, and the provision of information.
- Data protections and visibility – There would be a need for parties to the partnership to comply with privacy protections and data security standards (including cyber security protections), including full and clear consent from jobseekers.

Key to addressing these challenges would be a set of rules, standards and specifications, developed in consultation with participating specialist jobs marketplaces:

- Rules regarding who is eligible to provide services – i.e., eligibility criteria for service delivery partners would need to be developed. They might encompass dimensions such as scale, track record, reputation, and reliability of systems.
- Standards for data capture, storage, sharing and reporting – including a requirement for functionality that enables record-matching and the articulation of minimum data requirements.
- Specifications for suitable interfaces – e.g., an ability to 'pull' data or receive automatic, routine data downloads.

Frameworks setting out requirements such as these have been developed and used successfully in the past, with a notable example being the establishment of rules and standards enabling data transfer to and from the Australian Taxation Office (see example below).

SINGLE TOUCH PAYROLL MINI CASE STUDY

Single Touch Payroll (STP) is an API enabled digital channel which improves how payroll data is reported to the Australian Taxation Office (ATO). Launched in July 2018, it enables the real time reporting of payroll information by employers to the ATO. This includes the reporting of salary, taxation, and superannuation data. STP reporting is now mandatory for almost all employees, with nearly 1 million employers reporting payroll data for around 10 million employees.

STP was co-designed between the ATO and industry, working closely with Business Management Software Providers and Digital Service Providers (e.g., MYOB and Xero), as well as industry representatives (e.g., the Australian Business Software Industry Association and the Australian Institute of Superannuation Trustees).

The co-design process developed common data standards and specifications for reporting payroll information using the Australian Government's Standard Business Reporting integration platform. The defined standards and definitions are shared with industry through several business and technical implementation guides.

STP was designed to leverage natural business processes, enabling employers to report data to the ATO in addition to their normal payroll processes. It has changed the way employers and employees do their tax returns, and enables the Australian Government to reduce regulatory burden, deliver better government services and improve the administration of the social welfare system.

5 Benefits of the proposed partnership arrangements – improved outcomes for key stakeholders

Based on the evidence from the Lewers Research study, and the precedents for partnership arrangements of this kind, we can be confident that this model will deliver a range of benefits for jobseekers, employers, specialist jobs marketplaces and the Government.

Jobseekers

Unemployed jobseekers will find all the activities of searching and applying for a job (including setting up profiles and uploading resumes) much easier. Further, they would no longer need to go through a manual process to alert WFA to job seeking activity on a non-WFA platform.

Assuming public funding is redirected, jobseekers facing multiple barriers to employment will benefit from better resourced case managers who can provide more tailored advice and support (as was intended with the introduction of WFA's digital stream).

> I don't use the Workforce Australia site to look for vacancies, to look for jobs, because they are clunky… the recommendations they have given me haven't been particularly helpful.
>
> Marguerite*
>
> *Name has been changed to protect respondent privacy

> I just don't see the point of using Workforce Australia. It has a smaller number of users looking for jobs. SEEK and some of the other websites have a lot more users so gets me a better list of candidates. Just because it [Workforce Australia] is free doesn't mean it is better.
>
> Medium SME, lapsed WFA user

Employers

For employers, the proposed model means they can engage with fewer platforms, choosing among those who are the established market leaders. This would simplify their recruitment processes while maintaining access to the full range of candidates available. They would also have more visibility of relevant government programs and incentives.

The Australian Government

Government benefits through the more efficient and effective use of public funding, and the opportunity to focus on WFA participants who are of highest priority. The savings relate not just to program expenditure but to ongoing capital investment in a system that is forecast to total $12-14 million per annum in the forward estimates.[4]

The Government also gains from access to a wider range of data that would be provided by participating specialist job marketplaces under the proposed partnership. In addition to maintaining visibility on job search activities for those on income support, we would propose negotiating a commitment to provide broader, aggregated data from our systems that can inform policy development – not just in the employment portfolio but also in areas such as skills and industry development. As noted above, SEEK already has an analogous longstanding data sharing arrangement with Jobs and Skills Australia, and is confident in being able to execute something similar in this case.

The greatest value from what is proposed would be the anticipated improvement in employment outcomes, which in turn supports economic productivity and social inclusion, and builds trust in government.

[4] Portfolio Budget Statements for 2022-23 indicate a $12-14m annual capital investment in Workforce Australia systems across the forward estimates.

Specialist Jobs Marketplaces

SEEK and other specialist jobs marketplaces that are eligible to opt into the proposed partnership arrangement would benefit from the ongoing network effects that stem from our established presence in the market. Put simply, we continue to benefit from being a provider of choice to employers and jobseekers alike, meaning more customers access our services, which in turn enhances our value proposition in the market. Further, as noted above SEEK is willing to invest, within reason, to develop the capability required to enable this partnership. We are not seeking funding from government to undertake and maintain this partnership.

6 Responsible risk management

SEEK recognises that there are a range of potential risks to the proposed partnership arrangements, however we are confident most can be managed appropriately.

- Reputation risks to government – the proposed partnership could be seen by detractors as an abrogation of the government's responsibility or a diminution of its role. Some might choose to frame the move as an extension of outsourcing. The key point is that the existing specialist jobs marketplaces are not taking over the role of government; they are already serving the same jobseekers as government. There is no suggestion of a reduction in resourcing of employment services (indeed it should free up capacity), nor of there being any financial incentive to enter into the proposed partnership arrangements. It is not a procurement arrangement, rather it is an agreement to collaborate in the interests of achieving jointly agreed outcomes.

- Data integrity risks – SEEK understands the increased risk for inappropriate use of private information. Guarding against such misuse is core to our business. SEEK invests heavily to protect the personal information of jobseekers and employers, and its own networks and applications, from misuse or unauthorised access. This involves a focus on cybersecurity, supported by technical solutions and internal processes. The rules, standards and specifications that govern this partnership model must be written in a way to mitigate this risk. Further, the design of the interface must allow for informed consent, and for alternative arrangements to be made available to those who do not wish to provide that consent.

- Fears of lack of visibility or quality control – from a government or parliamentary perspective, there is a risk of the online services being provided outside WFA being excluded from scrutiny. This, in turn, may generate risks about a lack of quality control or data to properly inform government decision-making. SEEK understands that accountability cannot be delegated – only responsibility. The partnership would therefore need to be constructed so that the government has sufficient visibility of the progress of jobseekers on income support towards maintaining their obligations (however they are defined going forward), and of the performance of the different partners (specialist jobs marketplaces) in terms of outcomes for similar cohorts of unemployed jobseekers.

- Competitive neutrality –with this proposal emanating from SEEK, there will be concerns about probity and the promotion of fair competition. We are not suggesting an exclusive arrangement. The involvement of SEEK in the scoping of the model and exploration of technical requirements can be justified based on our market-leading position, but we understand that the final model needs to be something that all eligible specialist jobs marketplaces could engage with. The Government can achieve this outcome by developing a framework of rules and standards, as proposed above, that would apply to all those wishing to opt into the partnership arrangement. These rules and standards would be developed collaboratively and transparently and would be publicly available.

- Significant change to the market for specialist jobs marketplaces – there may be concerns that one or more of the eligible partners is no longer able to fully meet the expectations of the partnership arrangements due to a change in competitive, operational or strategic circumstances. This is a relatively low risk. The sector has been stable for several decades. It is robustly competitive and features multiple, well-resourced players. Moreover, the nature of demand points towards ongoing stability: employers will continue to need to recruit staff and jobseekers will continue to need look for jobs, so any disruptions that do occur will come from better ways of matching the two.

7 Where to from here

SEEK welcomes the opportunity to submit this proposal for consideration alongside the evidence we have gathered on the relative strengths of specialist jobs marketplaces, SEEK's in particular. We look forward to the opportunity to discuss the details of the proposal with the Committee, and to explore any issues or concerns that may not have been canvassed here. SEEK would be pleased also to provide a more extensive briefing – with our research partner Lewers Research – on the insights gained from our commissioned research.

Should the Committee wish to further scope out the proposal – including by testing it with others – we would be happy to provide any necessary support or input. This could include, for example, a session that the Committee may wish to facilitate involving SEEK and Department of Employment and Workplace Relations representatives to consider how the technical requirements could be satisfied, and to set out the priorities and timeliness for potential implementation of the partnership.

We will, of course, be guided by you and what will be most helpful to your work to produce a robust report with recommendations to government. SEEK is committed to playing a constructive role in the further development of policy in this important area.

7.1 Attachments

Attachment A – Methodology and sample overview of the quantitative and qualitative research

Attachment B – Full report | Workforce Australia Research by Lewers Research, commissioned by SEEK Limited – available on request from Kadi Taylor (details below)

Submitted on behalf of SEEK Limited by:

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Attachment A – Methodology and sample overview of the quantitative and qualitative research

The SEEK submission to the Workforce Australia (WFA) inquiry is supported by quantitative and qualitative findings and insights obtained through independent research and analysis conducted by the research firm Lewers Research.

Quantitative survey

A quantitative survey of both jobseekers and employers was used to determine their lived experience of the WFA digital platform and their experiences engaging with specialist job marketplaces such as SEEK.

Jobseekers

Two jobseeker samples were used simultaneously for a total sample size of 760 survey respondents.

The first sample consisting of 173 respondents were drawn from SEEK's ongoing Laws of Attraction survey. This sample was targeted at those believed to be currently or recently unemployed based on previous research. The specifications for the quantitative survey were:

- Currently unemployed or unemployed in the past 12 months; participated/participating in Workforce Australia (or JobActive prior to July 2022),
- Part of the working population between 18–64 years,
- A representative mix of full-time, part-time and casual workers.

The second sample consisted of 587 respondents who were drawn from reputable market research panels and nationally representative by age, gender and location.

Their specifications for the survey were:

- Currently unemployed or unemployed in the past 12 months; participated/participating in Workforce Australia (or JobActive prior to July 2022),
- Part of the working population between 18–64 years,
- A representative mix of full-time, part-time and casual workers,
- Using or have used recruitment websites such as SEEK, similar competitor platforms or other resources as part of their job search.

Employers

Two employer samples were used simultaneously for a total sample size of 436 respondents.

The first sample consisting of 99 respondents were provided via a national research panel. The second sample consisting of 337 respondents were sourced from SEEK's customers.

The specifications for both employer samples were:

- A mix of employers with 2-200, 201-1,000 and 1,001+ employees,
- Have recruited or hired one or more employees in the past 12 months,
- A mix of employers who are or have in the past used WFA,
- Some employers who have considered but decided not to use WFA,
- Representative mix of industries,
- Australia-wide businesses.

In-depth interviews for qualitative insights

The quantitative survey above was further supported by depth interviews with jobseekers and employers. The interviews were conducted online or face-to-face where possible. Participants in the surveys were screened and given the option to participate in an interview if they were interested.

Jobseekers

Thirty jobseekers were sourced from the second jobseeker sample for the quantitative survey (drawn from reputable market research panels). Twenty were identified as enhanced stream jobseekers, while ten were identified as digital stream users.

The specifications for the enhanced stream jobseekers were:

- Unemployed and actively seeking work; participating in WFA enhanced program with an employment service provider,
- Part of the working population between 18-64 years,
- A representative mix of full-time, part-time and casual workers,
- A mix of previous job experience.

The specifications for the digital stream jobseekers were:

- Unemployed and actively seeking work; participating in WFA but not using/relying on an Employment Service Provider for regular support
- Part of the working population between 18-64 years,
- A representative mix of full-time, part-time and casual workers,
- A mix of previous job experience.

Employers

Ten employers were sourced from the employers sample for the quantitative survey (drawn from both the national research panel and SEEK customers).

The makeup of the 10 employers interviewed is outlined in the table below.

Table 1 | Demographics of interviewed employers

	Small-sized business[5]	Medium-sized business[6]	Corporate[7]	TOTAL
Current Workforce Australia users	2	2	1	5
Lapsed Workforce Australia users	1	1	1	3
NOT used Workforce Australia		1	1	2

[5] A business which employs fewer than 20 people.
[6] A business which employs between 20-199 people.
[7] A business which employs 200 or more people.

Attachment B – Full report | Lewers Research, commissioned by SEEK Limited

Full report available on request, please contact:

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