

**1. What is the key area of concern is that 95% of ESS providers are rated 3 stars or below in WA, does this extend to other areas that you know of?**

Our major concern is the threat to continuity of service for job seekers and workers with disability. DEEWR claims that thier transition process will mitigate this risk however most of EDGE's workers are placed with large employers as a result of relationships that have been development over 25 years. Such relationships will not easily re-established by another provider. A further concern resulting from the procurement decision is DEEWR's lack of regard and respect for the Intellectual Property and capacity specific to running a services for people with disability which has been accumulated by DES providers over the last two decades.

We estimate that there are 25 ESS providers operating 113 ESS sites in WA (omitting CRS) . Only 23 sites were rated at 4 or 5 Star at June 2011. However of the metropolitan services it is only Cerebral Palsy Malaga, running a small single site operation that will have its entire business share reallocated in the next contract round without the need to tender. South Metropolitan Personnel, Rocky Bay, the Autism Association and AtWork (a new service) will have most of their business share rolled over without the need to tender. For the other services such as Intework and Workpower only a small part of their business will be rolled over. Cerebral Palsy, Rocky Bay the Autism Association and Workpower are all small providers of ESS services i.e. less than 150 clients (generous estimate). Therefore most of the business in the Perth ESAs will be up for tender.

Of the regional services Essential Personnel, Hotham and Great Southern Personnel and Forrest Personnel will have most of their business rolled over and avoid the tender process.

Of the 25 ESS service providers (excluding CRS) only 1 service in WA will not be required to tender to maintain all their current business.

Across Australia about 80% of ESS business will be up for tender. The allocation of star ratings at the site level makes it difficult to gauge the actual impact at a local level. It is not until you bore down into the detail and have a knowledge of the local providers that you are able to see the impact. I am unable to report what the impact might be at a local level outside of Western Australia.

**2. What other measures would Edge recommend be used to measure outcomes other than the Star system**

It is EDGE's view that 13 and 26 week outcomes should remain as significant KPIs along with averages hours of work per week and average wages per week. EDGE is also of the view that the measurement for workers placed in enclaves or work crews should be accorded a different status than those working in individualised positions in the open labour market.

**3. What is your staff turnover?**

EDGE's current staff turnover is 26%, rising from 15% the previous year and 11% the year before that.

**4. Given the high industry staff turnover, what is your perspective on the transportability of work entitlements across the sector**

Most of EDGE staff have left to take up higher paying jobs in private enterprise, Government and the mining industry. Although work entitlements across the sector are reasonably transportable this does little to attract DES workers to WA.

**5. Do you operate outside of Perth itself, in regional WA?**

EDGE Employment Solution works across the 3 metropolitan ESAs (Employment Services Areas) and has no regional presence.

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