

26 September 2011

**Senate Enquiry: The Administration and Purchasing of  
Disability Employment Services in Australia**

Dear Senators,

JOB *futures* Limited would like to make this submission in support of the purchasing arrangements as detailed in the last Budget announcements.

“Who are JOB *futures* Limited?”

We are a major provider of services to disadvantaged job seekers across Australia. We operate in over 180 locations nationally, with a caseload of job seekers in excess of 24,000 Australians. We deliver services in both JSA and DES Contracts, together with National Green Jobs Corps, Indigenous Employment Program, Innovation Fund and the Australian Apprenticeships Access Program. We believe that our footprint in sites, caseload and program spread ranks us in the top 5 providers to Government in job seeker services. Uniquely we deliver the services through our 43 community based members, thus delivering national capacity at a local level.

“Can you improve Program Performance?”

Obviously we believe that a commitment to quality services supported by the proper investment in people and processes will deliver quality outcomes.

JOB *futures* Limited currently manages 15 separate contracts across the ESS and DMS services delivered in 47 sites mainly across the east coast of Australia. In ESS we currently have 37% of contracts operating at 4 Star levels and above (compared to approx 15% industry level). In our experience of working in both the JSA but particularly in the DES employment services contracts, quality of services can vary greatly. As a manager of a members network operating under subcontracts, we have invested heavily in program support resources that help our sub contractors identify their areas of weakness and implement performance improvement plans where required.

Our experience is that on almost all occasions there is opportunity for some performance improvement within the contract operations. These opportunities for improvement are significantly more so in our 2 and 3 Star contracts compared to our 4 and 5 star contracts.

As part of our Performance Intervention Policy, Job Futures engages with our sub contractors where performance is less than expected. In almost every occasion this process has produced

greatly improved performance and more importantly significantly improved service quality for the job seekers.



### “Can disadvantaged Job Seekers be treated as outcomes?”

We believe that by focussing on outcomes, and in particular targeting minimum standards of 4 star and 5 star performance, then the disadvantaged Job Seekers are better off. 4 star and above means more jobs, for longer, for the job seekers. It is a simple equation and is a great result for individuals, their families and their communities. Some providers may say that 4 stars and above is just not achievable, but we believe these providers have reached a point in their service delivery where they either cannot or will not make the investment to become better providers. We believe that this may be doing their job seekers a disservice, and they would be better served passing the job seekers over to another organisation who can operate at 4 stars.

### “Should mediocrity be rewarded?”

Currently only 15.7% of DES ESS Contracts operate at 4 star and above, 52% at 3 star, and 32.3% at 2 star or less, including sites with insufficient data. This means that 84.3% of DES ESS Contracts are in the average to poor performance banding. Surely this is not good enough; certainly not for the job seekers who need better performance outcomes and should expect it from the providers and government. This is why we believe that the plan to go to market with these average 3 star and below contracts, is the correct plan. We believe that there are too many mediocre providers, with small caseloads, who may be rewarded for this mediocrity if the current Tender arrangements are watered down.

### “Stating the Obvious”

It can be challenging to introduce the concept and the practicality of market forces and tender process to the highly emotive services around Disabled Job Seekers, but unless we address this challenge and strive for better outcomes then we, in society, are failing the very people we are set up to help. That is why we at JOB *futures* Limited, a Not-For-Profit, National Organisation of locally based community members fully supports the Government initiative to go to Tender for all DES ESS Contracts currently performing below 4 stars.

Any questions should be addressed to Bill Davidson.

Thank you

Bill Davidson  
CEO  
JOB *futures* Limited