



Brotherhood
of St Laurence

Working for an Australia free of poverty

*Helping local people
get jobs*

The Brotherhood of St Laurence
experience in Fitzroy and Collingwood

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Introduction

Over the last few years, the Brotherhood of St Laurence (BSL) has been working closely with residents of local public housing estates in Fitzroy and Collingwood to help them gain employment. This work has involved working with State and Federal governments and has been strongly supported by the State government Neighbourhood Renewal strategy.

The BSL's approach to employment assistance in inner Melbourne has grown out of its experience on the ground. We work with long-term unemployed people with multiple barriers to employment: most have been out of work for more than two years, few have post-secondary educational qualifications, and there are often other issues such as health or personal problems. The BSL approach to working with this group includes several features explained in greater detail in this report: community engagement, work experience, personal support, pre-vocational training, job placement and post-placement support, and accredited training qualifications through traineeships. We believe this 'mixed' model is both necessary and effective when working with people with multiple barriers to employment.

This approach requires significant time, resources and expertise and the ability to bring together resources from many different government programs. We believe the success of our work has some important implications for developing more effective employment assistance systems for long-term unemployed people.

Research on labour market programs

Much of the debate about labour market programs over the 1990s has been a concern about the relative effectiveness of two discrete program approaches, the 'labour force attachment' and 'human capital' models. The labour force attachment (LFA) or 'work-first' approach emphasised immediate job search and was based on the idea that the best training for paid employment was gained 'on the job'. In contrast, the human development (HD) or education model emphasised training and education as important first steps to long-term sustainable employment, rather than immediate immersion in job search and the first available job (Theodore & Peck 2001).

The GAIN program evaluation

The LFA model gained credibility as the most effective approach due in large part to its success in the Californian Greater Avenues to Independence (GAIN) program in the late 1980s. This program trialled different approaches in four Californian counties with random assignment to treatment and control condition. It was evaluated by Manpower Demonstration Research Corporation (MDRC) who examined employment outcomes for people for the three years after they entered the program (Riccio & Friedlander 1992; Riccio, Friedlander & Freedman 1994).

Riverside county emphasised the work-first approach, and the others, especially Alameda and Los Angeles, emphasised training. In addition, Riverside and San Diego county programs worked with all people on the welfare rolls, while the Alameda and LA programs worked with people who had been on the books for longer and therefore were more likely to have more barriers to employment.

In the three years following entry into the program, Riverside had a 39 per cent increase in people employed at some point during the year compared with control groups, and San Diego had an 11 per cent increase. Programs in the other two counties showed no difference in employment compared to controls. MDRC concluded that the Riverside program, and the work-first model generally, was the most effective approach.

Short-term versus long-term results

There have been some concerns expressed about the validity of the evaluation of the GAIN program. In particular, the MDRC evaluation has been criticised for its reasonably short follow up period which would tend to show the work-first approach as more successful (Theodore & Peck 2001), and a lack of attention to longer-term outcomes.

The results of the GAIN programs were re-analysed over a longer time frame (nine years) by the US National Bureau of Economic Research (Hotz, Imbens & Klerman 2000). This study replicated the findings of the first MDRC program, that the Riverside county had the best short-term outcomes.

However, the results of the Riverside program declined over time: between seven and nine years later, there was no statistically significant difference between 'treatment' and control groups at all. On the other hand, the LA county program (which used more training and education) had little impact in the short term, but resulted in an 11 per cent increase in employment over nine years.

In other words, the work-first approach had better short-term outcomes but these declined over time, while programs focussed on long-term unemployed which included a substantial training component had better sustainable employment outcomes.

Need for a life-first approach

MDRC in the USA has been one of the most prominent advocates for a 'work-first' approach. However, after reviewing the most successful programs, it conceded that 'a mixed approach — one that blends both employment search and education or training — might be the most effective' (Hamilton, Freedman, Gennetian et al, 2001, p. 3).

This approach echoes what Dean (2003) has called a 'life-first' approach to welfare to work policy for disadvantaged job-seekers: one which includes attention to physical and mental health, housing, education and family issues, as well as more immediate employment goals.

Others have also come to this conclusion. Research shows that people facing multiple barriers require support to overcome or manage the personal and social problems they face in addition to vocational support (Pavetti et al. 1997), and that, to be effective, this assistance must provide a range of personalised interventions, be resource intensive and be provided over a longer time period (ESU 1998; European Foundation 2002).

While overseas research may provide some guidance for Australian policy makers, we need to keep in mind the very different contexts in which programs operate. For example the rate of imprisonment in the USA is around seven times higher than other comparable countries and some have argued that this serves as an alternative welfare system (Irvine & Xu 2002) which makes direct comparisons more difficult.

The BSL's approach, described below, combines elements of the work-first and human capital models with a strong personal support role more in keeping with the 'life first' approach.

What we do

Over the last few years, the BSL has been working closely with residents of local public housing estates in Fitzroy and Collingwood to help them gain employment. Residents of the Atherton Gardens Public Housing Estate experience high levels of economic and social disadvantage. Ninety-five per cent of the 2000 residents are on income support, 26 per cent of residents are single parents, 17 per cent are on disability support and 24 per cent are on Newstart. It is a culturally and ethnically diverse community with 39 per cent Vietnamese, 11 per cent Chinese, 4 per cent Turkish, 10 per cent other ethnic groups and the rest are of English-speaking background. The Collingwood Public Housing Estate has similar resident demographics. The high level of worklessness indicates an employment and education service gap in these disadvantaged communities.

Over the last eighteen months the BSL has successfully worked with 103 people through tailor-made pre-employment programs and traineeships within government, business and not for profit organisations. This group was quite diverse:

- 17 per cent were under 20 years of age, 25 per cent between 20 and 30, 33 per cent between 30 and 40 and 25 per cent over 40
- Sixty six per cent were female
- Sixty six per cent were receiving Newstart Allowance, 15 per cent were on Parenting Payment Single, and 10 per cent on Disability Support Pension (9 per cent were on some other benefit).
- Seventy five per cent had been out of work for more than two years.

Key themes

To produce quality sustainable outcomes, the following themes are embedded in our program delivery:

- *Setting a tangible goal* – an identified job or learning opportunity
- *Intensive support* – programs delivered within a supportive environment and ongoing relationships maintained with residents
- *Commitment* – from all key stakeholders and residents

Resources

The resources we use to support the delivery of employment and learning programs include:

- *Employment and Learning Coordinator* (a State Government Neighbourhood Renewal funded position)
Coordinates employment and learning strategic development and streamlines service delivery
- *Social Support Worker*
A community development worker with an employment focus who also provides ongoing personal and family support
- *Trainer*
Delivers both pre-vocational and certificate training
- *Project Development*
A project development worker sources funding and develops employment and learning projects
- *Field Officer*
Provides support to the participants and host employers during the traineeship phase and coordinates certificate training

Achievements

To date the outcomes include:

- 24 people placed in the Office of Housing work and training program
- 20 people placed in entry level government traineeships
- 14 people employed in the estate cleaning companies through the insertion of a Public Tenant Employment Clause placed within the Department of Human Services commercial cleaning and gardening contracts.
- 6 people to be employed in a not for profit cleaning company established by the BSL and the Adult Multicultural Education Service
- 27 people placed in aged care and child care services which have experienced difficulty in recruiting to entry level positions
- 12 young people placed in youth traineeships within government and community organisations.

Crucial aspects of service delivery

Our experience has shown that there are several crucial aspects to working with disadvantaged communities.

Community engagement

We know that unemployed people living in disadvantaged communities want to work if the opportunities are real and well supported. To be engaged in labour market programs, people need to trust that service deliverers are committed to the community and will deliver effective programs that will lead to a job. They will then take the risk, and engage with services, knowing that irrespective of personal issues, they will be supported in their endeavour to gain work. The BSL has earned the trust and respect of the residents of the Atherton Gardens and Collingwood Estate communities. We have a presence in the community through our service delivery, our involvement in community governance and our auspicing of the Employment and Learning Coordinator (ELC) State Government Neighbourhood Renewal initiative, which was a direct result of an identified community need to focus on increasing employment and learning opportunities.

Intensive support

To move from long-term unemployment to employment is difficult. A supportive delivery model that assists with personal issues in addition to work skill development is crucial. The BSL's Support Worker works one-on-one with individuals to manage personal issues whilst maintaining their training schedule and employment placements. If participants already have a case manager, we encourage the maintenance of this relationship. If participants need support and are not linked to an appropriate support service, we assist them with this connection i.e. Drug and alcohol support services, Legal Aid, Family Support counselling and child care. We may also advocate on their behalf when dealing with Centrelink, housing issues and essential utilities such as telephone and electricity services for example. Family issues and crises can effect attendance at work, so the Support Worker is sometimes asked to support or provide counselling to other family members. Providing this structure offering individual support and coordinating services often required by residents, greatly enhances the prospect of sustainable employment and learning outcomes. The Support Worker is known and trusted by residents and acts as a 'bridge' between residents and economic and social participation. The position also allows us to maintain long-term contact with people, helping them maintain an employment focus if they again become unemployed.

Pre-vocational training

Supportive pre-vocational training offering a combination of work skills and personal development skills such as communication, team building and conflict resolution is crucial to the successful transition from unemployment to sustainable employment. A flexible and rich program enables people to establish daily work routines, manage their personal issues whilst maintaining their training/work placement schedule and confirm their interest in the employment industry.

Our success is based on providing a holistic training program attending to both curriculum delivery and an individual's specific needs such as numeracy and literacy, culture, health and wellbeing. As an Registered Training Organisation, the BSL delivers accredited training through all our pre-employment programs, providing people with a nationally recognised qualification and the opportunity to continue learning through a traineeship or other educational options. Each program offers a Trainer and participants continue to have access to the Support Worker. The Trainer coordinates the training and works with group dynamics whilst the Support Worker works with individuals, and family members if requested.

Work experience

Work experience provides people with the opportunity to 'learn on the job' within a supportive work environment, increases self esteem and confidence, re-acquaints long-term unemployed people with a daily work routine and employer expectations and provides the experience required when applying for work. Any personal or workplace issues can be worked through during work placement and support provided to find solutions to assist with job sustainability. We provide work experience through pre-vocational training (which includes BSL and industry placement) and supported Intermediate Labour Market opportunities (explained further below).

Traineeships

Linking people into traineeships opens up a number of opportunities. Trainees gain full certificates and crucial support is continued on the job. Support for and coordination of the certificate training is provided by the Field Officer. Because we provide intensive traineeship support to both the trainee and the employer, we have a retention rate of approximately 90 per cent. From our experience, people value encouragement and support to choose to look beyond entry-level jobs. The experience gained by people through the pre-employment training program and traineeships can act as a stepping stone to career development and job opportunities.

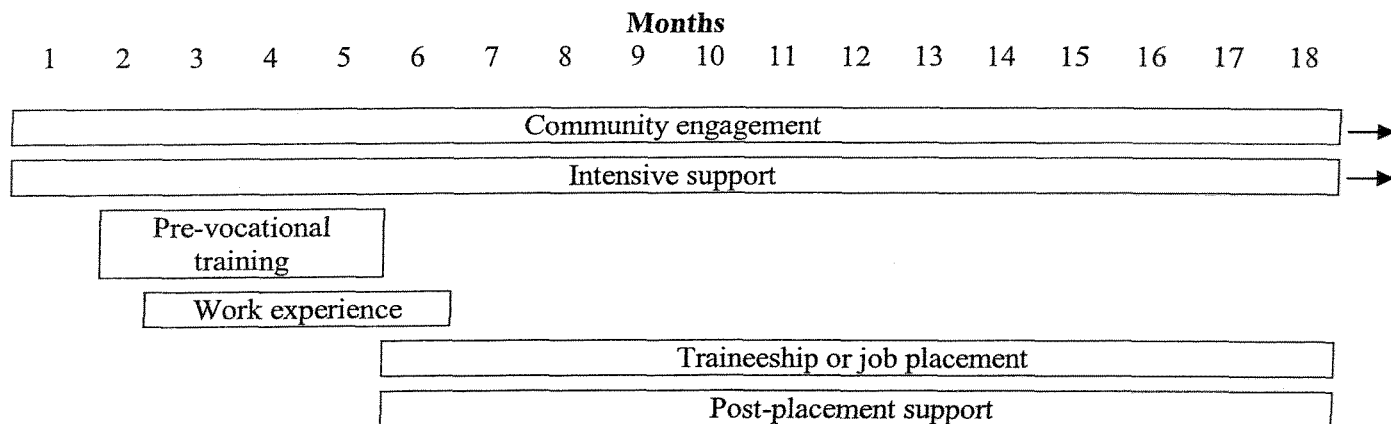
Post-placement support

We have identified that strategic post-placement support directly affects job retention. The support provided at the pre-employment stage needs to continue when people get a job. The period immediately following the start of a new job is crucial: dealing with the costs of travel and clothing, arranging child-care, getting used to a work routine and sorting out Centrelink payment changes can be difficult and stressful. Post-placement support for both the employee and the employer greatly enhances a smooth transition to work and continuing employment. It also provides a "safety-net" for people who become unemployed again and offers further support with access to alternative employment, training or support service options.

A Support Worker is once again instrumental in this process. Adequate and appropriate post placement support is crucial to ensuring that the journey from unemployment, to engagement, through personal and workplace skill development and into a job, results in personal achievement, an increased sense of inclusion and sustainable workforce participation.

The typical interventions for a long-term unemployed person over an eighteen-month period are shown below. The length of time for each activity varies according to an individual's needs, and some may continue for much longer (for example traineeships may be two or three years).

Figure 1 Time-frame for assistance to long-term unemployed people



A whole of government approach

Increasing economic participation in disadvantaged communities is challenging. Individual organisations or government departments cannot work alone. The BSL works with State and Federal government departments and uses several different funding streams for its work. These include Department of Education, Science and Technology (DEST) Group Training Organisation funding, New Apprenticeships Access Program (NAAP), Apprenticeship and Traineeship Training Program (ATTP) training income, the Community Jobs Program (CJP), and BSL donated funds.

Funded by the Office of Housing, Department of Human Services, the Neighbourhood Renewal initiative has been an important driver for change. It has invested in disadvantaged communities such as the Atherton Gardens and Collingwood Estates, adopted a whole of government approach and worked with community and residents to increase employment, training and education opportunities. Working collaboratively has mutually benefited local residents, the BSL and the government by increasing our collective knowledge of the community and ways to increase employment and learning opportunity. We believe joined up partnerships between the three tiers of government, community and business to plan, implement and continuously improve employment and learning service delivery will increase participation in paid work.

Cost of the BSL model

We have estimated the cost of implementing the BSL model with one hundred participants (mostly with no post secondary qualifications and unemployed for two years or more) based on the following parameters:

- Participants stayed in the program for around eighteen months
- The BSL is both a Group Training Organisation and a Registered Training Organisation and hence is eligible for DEST traineeship and training funding
- 50 participants undertook paid work experience (funded by the Community Jobs Program) and 50 participants undertook unpaid pre vocational training (funded through the NAAP scheme)
- The BSL delivered all ATTP training to clients during the traineeship period.

The estimated base cost of the 18 month program per person (including paid work experience for half the participants) was around \$10,000 per person.

Funding for this work comes from several government programs and funding streams:

- DEST Group Training Organisation Performance and Funding
- NAAP Training Income
- ATTP Training Income
- Community Jobs Programme

However, these sources do not cover the whole cost of the program. We estimate that the funding from current government programs, plus revenues earned from host employers (as a Group Training Organisation), amount to approximately \$9,000 per person, leaving a shortfall of around \$1,000 per person. Including establishment costs, the BSL has invested about \$150,000 of its donated funds over the eighteen months the program has operated. Replicating the model elsewhere would require additional funding to cover this component. In addition, funds or places for some programs (such as the State Government CJP places or NAAP places) are quite restricted which means that extra places would have to be made available.

There are several other Federal government employment programs which might contribute to the approach described. Below we briefly discuss the main programs which could be used to fund this model, and what we consider to be some of their strengths and weaknesses.

Strengths and limitations of Federal programs

Job Network

The Job Network is the main employment assistance program funded by the Federal government. Employment services provided through the previous Job Network (JN) contract were evaluated by the Department of Employment and Workplace Relations (DEWR). This evaluation found that JN services had only a very small effect in improving employment outcomes for long-term unemployed people (DEWR 2002). The current contractual arrangements have been modified in an attempt to focus greater attention on assistance to this group by requiring JN providers to have more regular contact with clients, and by modifying the outcome payment regime to provide a higher weighting for those who had been unemployed for longer periods. The current contract also includes a component of funding which must be spent directly on the job-seeker (the Job Seeker Account) which varies with duration of unemployment and employment barriers.

While, it is difficult to know the overall effect of these changes, feedback from some JN providers suggests they may not be as effective in improving assistance to long-term unemployed people as hoped. JN staff report being under great pressure to meet administrative requirements, especially for the Job Seeker Account, and have little time for more intensive involvement with those who need it. Some managers report that even with the funding changes, most services are financially stretched, and there is still a strong incentive to focus on those with the greatest likelihood to gain employment in order to remain financially viable, or in the case of the private sector, profitable. There seems little connection with formal training through TAFE or traineeships. It is difficult to know the extent to which funds are spent to provide work experience: anecdotally staff talk about work 'trials' of one or two weeks to give the employer and potential employee time to 'size each other up' but longer work experience placements to enable the development of skills on the job seem rare.

JN providers receive the major payment (\$4400 for someone unemployed for more than 36 months) for an outcome of 13 weeks employment and a further smaller payment (\$2200) at 26 weeks employment (these figures apply to a 100 per cent 'off-benefit' outcome). This funding structure, even though an improvement from the previous contract, still tends to direct provider behaviour towards getting long-term unemployed people into short-term jobs as quickly as possible. As mentioned above, this reflects the 'work-first' model demonstrated in the GAIN programs.

We believe that for long-term unemployed people, the funding model needs further alteration to promote investment for sustainable employment over the long term. The Job Seeker Account has enabled providers to direct more expenditure to up-front costs, but most of the funding still only occurs after an employment outcome. There is still considerable uncertainty about the returns of up-front investment in terms of employment outcomes and the timing for when this investment may 'pay off'. As Barr (2001) argues, this is an unsurprising result predicted by economic models which take into account imperfect information: investors tend to be risk averse where the probability of results is uncertain.

In this case, some form of intervention is necessary from the funding authority to promote greater investment, possibly by directing a greater proportion of funding from outcomes into the Job Seeker Account. However, the requirements of the JN contract mean that much of the resources of JN agencies are taken up with administrative tasks and regular (usually brief) contacts with a large group of clients (per case manager). These activities may or may not be helpful, but they do not easily fit into the BSL model described above.

Work for the Dole

The Work for the Dole program aims to 'develop work habits in young people', 'involve the local community', and 'provide communities with quality projects' (Nevile & Nevile 2003). It provides 'work experience and the opportunity to gain skills such as teamwork, problem solving, leadership, work processes, organisation and networking' (DEWR 2003) as part of the government's 'mutual obligation' requirements. Participants are located in an agency for two days per week of 6 months and work on structured tasks such as web design or land care. They receive an additional \$20 per fortnight.

There are 65,000 places nationally, and agencies receive around \$2,500 per person. Two recent evaluations of WfD found contrasting, although not necessarily inconsistent, results of the program. Nevile and Nevile found that participants enjoyed the experience of the program (Nevile & Nevile 2003) but a separate evaluation found that participants in WfD were less likely to find employment than jobseekers with the same characteristics who did not participate in WfD (Borland & Tseng 2003).

Two specific limitations with the current program are its poor links to formal training, and the fact that much of the experience gained by participants does not have a clear connection to employment opportunities. We believe WfD should have a clear focus on gaining employment outcomes for participants rather than the more vague notion of 'developing work habits'.

The WFD program could provide better assistance if it was restructured to offer full-time work experience at award rates, for between 13 and 26 weeks. This should be in areas with greater likelihood of employment at the end of the placement (i.e. more closely tied to areas with skill shortages or high turnover).

Green Corps

Green Corps is a Commonwealth Government 'youth development program offering people aged 17-20 the opportunity to receive quality training while participating in projects that contribute to significant environmental and cultural heritage initiatives' (Family and Community Services 2004). Participants are based at a community or government agency and work on environmental projects such as wildlife surveys or data collection, Landcare and bush regeneration for 26 weeks. Participants receive a Conservation and Land Management Certificate One upon successful completion and during the project are paid an allowance that varies from \$189 to \$361 per week depending on level of secondary schooling reached and number of years since leaving school. These rates are roughly equivalent to the national training wage.

Green Corps includes many positive features, particularly the combination of accredited training, work experience, a training wage and the development of on the job skills. Its main limitations are the fairly narrow age range (17-20) and the restriction to environmental work.

Personal Support Programme

The Personal Support Programme (PSP) provides individualised support to people with significant barriers to employment, such as physical and mental health problems, drug or alcohol abuse and homelessness. The program aims to help people overcome these barriers in order to be able to focus on employment or education, but it does not have a primary focus on getting people into work.

Funding for PSP provides an average of \$980 per person per year (Family and Community Services 2003). Providers are eligible for a total payment of \$3300 if someone stays in the program for two years, but drop-out rates from the service mean that services do not receive this for all clients. In order to be financially viable, PSP providers carry caseloads of between 55 and 70 per worker, and have virtually no discretionary funds available. There were 26,000 places across Australia in 2002-03, projected to rise to 45,000 in the

current financial year (2003-04). Clients of PSP do not have to meet the Centrelink activity test, and are not eligible for Job Network assistance except for a 6 month transition period when they are leaving PSP.

The strengths of the PSP are its focus on customised assistance, its holistic approach which considers a wide range of barriers, and the perception by clients that workers are there to provide support rather than to pressure them into activities they may not feel able to undertake. Its low levels of funding provide a constraint on how effective it can be. It is possible that, since it does not have employment as a primary goal, it may delay entry to employment, and some have argued (e.g. Hanover Welfare Services) that PSP could be more effective if it was better funded and more closely linked to employment, training and work experience programs.

New Apprenticeships

Apprenticeships and traineeships provide access to accredited qualifications through a combination of formal training and on-the-job experience and learning. Apprentices/trainees can be employed on a full time or part time basis (subject to appropriate industrial relations arrangements being in place), and incorporate flexible learning strategies (i.e. not just formal classroom lessons).

The New Apprenticeships Access Programme has been established to target disadvantaged job seekers. It provides access to pre-vocational training and is intended to facilitate access to traineeships for this group. The BSL receives NAAP funding for some of its work and it is a useful component of our approach. However NAAP participants do not get access to paid work experience.

The application process for service providers is also very time consuming, which means there are high transaction costs per participant. One BSL manager, for example, recently spent a whole day on an application for four places. The amount of time spent in these administrative tasks when attempting to combine funding from several sources adds considerable difficulty and cost. This acts to discourage coordination across programs. Traineeships generally tend to be disconnected to other programs such as JN and PSP. As a consequence, many people coming through these latter programs do not gain access to accredited training.

Key principles for success

In considering the potential of Federal programs in replicating the BSL model, it is important to highlight the main principles which we believe contribute to the success of the program. These are briefly discussed below.

Intermediate labour markets

Labour market programs need to address the problems people face in gaining a job after lengthy unemployment, due to employers' concerns about the risks of taking on someone without a recent record of good work habits. Intermediate labour markets (ILMs) have evolved to overcome some of these risks (Policy Action Team 1999). ILMs are usually non-government organisations which act as the employer, providing work experience and training, and in some cases arranging placements with public or private sector employers. Employees are expected to meet the normal work requirements, although with some leeway for 'learning on the job'. The BSL has successfully used the ILM model by using its status as a GTO to employ trainees from disadvantaged backgrounds, but funding is fragmented, and often inadequate, and it takes substantial organisational resources to make such programs work.

Taking time

People don't go from long-term unemployment to a sustainable job overnight. They need time to learn new skills and habits, to build confidence, to deal with personal or health problems and to fit into new work environments. This patient supportive approach has better long-term outcomes than a simple 'work-first' approach for this group. Employment program funding needs to be structured to allow services to invest time with people, for the sake of lasting results.

Investing in people

Current government funding for employment assistance is inadequate to meet the needs of the most disadvantaged clients. Yet our experience shows that additional spending pays off handsomely. Over the last two years, the BSL has found jobs for around 100 long-term unemployed people in Fitzroy, all of whom were on income support. We've had to invest around \$100,000 per year of our own funds from donations on top of funding from government programs, but the savings from reduced social security payments is about \$1million for this group. Greater funding for targeted programs would be effective and cost-efficient. The payment structure must also be amended to ensure that resources are available to fund investment up front – i.e. funding the inputs and not just the outcomes, and for the case of JN, that some thought is given to varying the types of activities required by the funding contract.

Multiple and simultaneous forms of help

As described above, the BSL approach uses several types of assistance. In some cases, these may follow each other sequentially, but more often, people require different types of help at the same time. There are several Federal government programs which provide funding for these activities but they tend to be disconnected and uncoordinated. Some have explicit guidelines which prevent participation in more than one program at once (for example JN and PSP except for the 'transition period'). We believe the system would be more effective if these programs were 'joined-up' for job-seekers with the greatest barriers to employment, an approach also suggested by others (e.g. Hanover Welfare Services 2003).

The way forward

The model described above which has been successfully implemented by the BSL could be implemented more widely by using some currently available programs and structures, in addition to some extra resourcing.

Group Training Organisations (GTOs) are a form of ILM which are quite widespread across Australia: there are about 170 GTOs covering many industries, although they tend to be concentrated in industries traditionally covered by apprenticeships (eg construction, automotive, rather than traineeships. GTOs were established 1980s to increase the number of apprenticeship positions available by recruiting and placing apprentices with host employers. GTOs are the employing body for trainees placed with host employers who usually would not have been able to employ an apprentice or trainee in their own right due to costs or complexity of administration.

GTOs could provide a vehicle (possibly in partnership with other agencies) through which the model outlined here could be replicated. Some GTOs are also Job Network employment agencies, and most are Registered Training Organisations (Office of Training and Tertiary Education 2004). The BSL, for example, has a GTO (named STEP) as well as being a registered training organisation. The BSL is also a Job Network provider, although in the past it has been difficult to find ways to connect JN resources with the program described here, partly due to the nature of the JN contract requirements.

An important addition to the GTO model is the need for concurrent access to employment assistance, work experience, training and personal support. Most current programs establish formal time limits for service provision. With some exceptions (such as the 6 month overlap between PSP and JN), these programs emphasise an either/or approach. Clients often need concurrent assistance, though, and while not all of these activities may occur at the same time, greater flexibility and capacity for connection is necessary.

We propose a new approach which would 'join up' existing programs and resources for a discrete group. A program for long-term unemployed people (more than 2 years unemployed or on benefits) would combine access to JN, PSP, WfD or Greencorp, and traineeships.

This would require an agreement across the Departments of Employment and Workplace Relations, Family and Community Services (FACS), and Education and Science and Training to common funding framework for a specific program targeting long-term unemployed people. Each Department would allocate a certain number of places from its existing programs as a cross-departmental initiative. A tender round would be called for expressions of interest from organisations able to provide all of these programs within the one agency (such as a GTO) or as a consortium of providers. This approach would allow for a 18-24 month program for each participant, but would need to include a substantial 'input costs' contribution as well as maintaining some outcome payments.

Links with Job Placement Organisations would be important to ensure that the work experience and training provided would be in areas in which there were employment opportunities at the end of the program.

The Work for the Dole program would be restructured to provide work experience at minimum wages or the national training wage (possibly along the lines of the Green Corps Program). It would be important to allow some flexibility in duration, say between 13 and 26 weeks, and the possibility of part-time work experience for some. During this period, the job seeker would remain eligible for benefits and concession card but would not receive any payment due to the application of the income test (unless working part-time).

Since real employment opportunities at the end of the process are very important, some consideration needs to be given to ways that these can be made more accessible to long-term unemployed people. This may be through employer subsidies or by using government and non-government agencies as ILMs in a more targeted manner. This would be particularly relevant in areas which appear to have emerging skill shortages.

Recommendations

The Brotherhood of St Laurence recommends that:

- The Federal government develop a new approach to assistance to long-term unemployed people which combines personal support, paid work experience, pre-vocational training, employment assistance, traineeships and post-placement support.
- The Department of Employment and Workplace Relations, the Department of Family and Community Services, and the Department of Education and Science and Training agree to create a unified program targeting long-term unemployed people (more than 2 years unemployed).
- Each Department provide a certain number of places from the existing JN, PSP, WfD, Greencorp, and traineeships programs specifically for this program. Clients would be able to access this assistance concurrently.
- Additional funding be made available to the three Departments to enable these places to be allocated to this program.
- DEWR, FACS and DEST coordinate a joint tender for providers (either singly or as a consortium) to run this program by combining the JN, PSP, WfD, Greencorp, and traineeships programs for the target group along the lines of the model outlined on p. 6 of this report.
- The Work for the Dole program be amended to provide full-time work experience for up to 6 months at the minimum wage, similar to the Green Corps program.
- Funding for the Job Network component of this program be amended to provide a greater proportion of the money up-front, possibly through the Job Seeker Account.
- That the Federal government conduct a trial of the proposed approach in several sites before implementing the program nationally.

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