

**SENATE STANDING COMMITTEE ON  
EDUCATION, EMPLOYMENT AND WORKPLACE RELATIONS**

**QUESTIONS ON NOTICE  
SUPPLEMENTARY ESTIMATES 2009-10**

**Outcome**                      **4**  
**DEEWR Question No.**        **EW471\_10**

Senator Cash provided in writing.

**Question**

*Intermediate labour market models of social enterprise*

Has DEEWR undertaken any analysis of the effectiveness of this approach in Australia?  
Has DEEWR undertaken any analysis of the effectiveness of this approach in the UK?  
Is DEEWR aware that this model has been regarded as an expensive failure in the UK?

**Answer**

Some social enterprises in Australia have been operating for a considerable period of time. They operate in a range of industries and have a number of different structures, including the intermediate labour market model, that are designed to cater for disadvantaged job seekers facing multiple barriers to work and training. DEEWR funds social enterprises through the Jobs Fund and the Innovation Fund. DEEWR has drawn on local and international experience and resources in developing policy on social enterprises. This has included consulting with key stakeholders operating in the sector in Australia and considering international models and best practice.

The UK Government supports the continued growth of social enterprises. A report by the Joseph Rowntree Foundation (UK) suggests that a typical intermediate labour market project will achieve at least 50 per cent higher job outcomes for the long-term unemployed than will other programs. The report states that the best produce even higher increases in job outcomes.<sup>1</sup>

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<sup>1</sup> Bob Marshall and Richard Macfarlane, 'The Intermediate Labour Market: A tool for tackling long-term unemployment,' Joseph Rowntree Foundation, 2000, p. 42 in online publication at <http://www.jrf.org.uk/sites/files/jrf/1859353258.pdf> (accessed 10 November 2009).