



ADVANCED PERSONNEL MANAGEMENT

**Submission –  
A New System for Better  
Employment and Social Outcomes  
8 August 2014**



ADVANCED PERSONNEL MANAGEMENT

## Introduction

APM is pleased to provide the following submission following the release of the interim report, “A New System for Better Employment and Social Outcomes”, which has been released as part of the Australian Government’s review of Australia’s welfare system. The interim report has been compiled by the welfare review Reference Group.

While the interim report examines many different aspects of Australia’s welfare system, APM’s submission focuses on issues which are directly relevant to APM and the thousands of unemployed Australians that we assist on a weekly basis.

## About APM

APM (Advanced Personnel Management, [www.apm.net.au](http://www.apm.net.au)) is one of the world’s leading providers of employment and vocational rehabilitation services.

APM’s purpose is to optimise the social and economic participation of people with a disability, injury or health condition in their community.

APM is Australian-owned and operated, employs in excess of 700 staff and delivers employment and vocational rehabilitation services in Australia, New Zealand and the UK through a range of government programs which are all designed to increase workforce participation and social inclusion.

APM assists job-seekers to find meaningful employment and existing employees with a physical or mental illness to return to work.

In Australia, APM has more than 300 service delivery locations and operates in every State and Territory. APM’s corporate headquarters is in Perth.

Since APM was established in 1994, we have assisted more than 500,000 individuals and we currently deliver services to more than 60,000 Australians each year.

APM delivers Job Services Australia (JSA), Disability Management Services (DMS) and Employment Support Services (ESS) programs which span 52 employment service areas. APM is the largest private-sector provider of DMS in Australia.

APM has a National Panel of Assessors contract to deliver Ongoing Support Assessments, Workplace Modification Scheme and Supported Wage System assessments in 78 employment service areas.

Specific services that APM provides include pre-employment screening and assessment, capacity-building and preparation for work, employment engagement, job matching, job placement, job analysis, vocational counselling, critical incident management/support, ongoing support once an employee commences work, workplace rehabilitation, psychological services, return-to-work and redeployment services, occupational health and safety, risk assessment, education/training and workplace assessment.

APM has established a new group company, Integra ([www.myintegra.com.au](http://www.myintegra.com.au)), which is a specialist provider of disability services as part of the National Disability Insurance Scheme (NDIS). Integra has the expertise and national coverage to provide tailoring of services to meet the needs of individuals.



## **Policy Context**

APM acknowledges that on 28 July 2014, the Government released information about a new employment model for Australia which is scheduled to commence on 1 July 2015. APM is currently analysing the “Exposure Draft for Employment Services 2015-2020 Purchasing Arrangements” and intends to provide a separate submission to the Government with comment about its content.

APM’s initial perspective on the new employment model is that it will result in improved outcomes for job-seekers, employment service providers and the Government, and APM anticipates that it will maximise the chances of lifting the level of workforce participation in Australia.

## **Early Intervention**

It is the submission of APM that early intervention is one of the most critical aspects of successfully placing a job-seeker into meaningful employment. The shorter the period from when a job-seeker presents themselves to when they engage with employers, the greater the chance they have of being placed into work quickly.

## **School-Based Programs**

For young Australians, APM supports service provision commencing as early as possible, including in schools. Important components of service delivery for school students could include, but not be limited to, career counselling, promoting meaningful work experience opportunities and the provision of transition programs from school to training, based on local labour market needs.

APM opposed changes to the Disability Employment Services (DES) Eligible School Leaver (ESL) program – its policies and procedures – which were made by the previous Government in 2012. Specifically, APM opposed changes to ESL guidelines which restricted the access that full-time secondary students in the final year of study and 12-month post-school leavers have to DES. Eligibility was limited to those who had state-based funding available to them.

The changes to limit eligibility have increased the risk of there being a greater number of students with a disability moving from school to unemployment. APM’s experience is that other consequences of the changes have been:

- Early intervention has been compromised;
- The number of young people who finish up on the Disability Support Pension (DSP) has increased; and
- The focus of students on employment has decreased.

The previous ESL program helped students to develop confidence, self-esteem and other crucial life skills, therefore reducing the likelihood of adults becoming dependent on support from government.

## **Assessment**

APM notes that the interim report states:



“The need for improved up-front assessments was raised by stakeholders in consultation with the review Reference Group.”<sup>1</sup>

APM supports this perspective and holds the view that significant improvements can be made to the assessment process which will ultimately result in higher levels of employment participation and reduce the financial burden on the Government.

APM believes that the most accurate streaming of job-seekers occurs when they have access to timely face-to-face comprehensive and robust assessment of their barriers to employment. This ensures that job-seekers become part of the stream which best meets their individual needs.

Currently, for Australians who claim an unemployment benefit, Centrelink implements a Job Seeker Classification Instrument (JSCI) which is in the form of a questionnaire. Responses to this questionnaire may trigger referral to an Employment Services Assessment (ESAt) which is carried out by health or other professionals. Based on the outcome of the ESAt, the job-seeker may be referred to DES, JSA Stream 4 or a lower stream.

On 1 July 2011, following reforms which were implemented by the previous Government, ESAts commenced, taking the place of Job Capacity Assessments (JCAs). These reforms also resulted in the discontinuation of Stream Services Reviews (Stream Services Reviews involved a Centrelink JSCI review for all clients after one year in Stream Services). The replacement of JCAs with ESAts has seen:

- Increasing numbers of JSCIs and ESAts conducted by telephone;
- The instances of JSA providers seeking to transfer clients to APM’s DES programs due to a client having a disability which was not disclosed during the JSCI process markedly increase; and
- Increasing difficulty with timely face-to-face ESAt appointments taking place, notably in regional areas.

Regarding disclosure of disabilities, the Organisation for Economic Co-operation and Development (OECD) states:

“Job-seekers with significant barriers – such as literacy/numeracy, homelessness, etc – often do not ‘disclose’ them in the initial JSCI interview and subsequently, provider interviews and their placement efforts ‘reveal’ the barriers.”<sup>2</sup>

And:

“Specialist providers surveyed by Flentje et al (2010) most often reported that they had to get between 25 per cent and 50 per cent of their job-seekers reclassified.”<sup>3</sup>

The process of triggering an ESAt is not seamless and the follow-up assessment is no longer timely nor, in many instances, face-to-face, regardless of the geographic location of the job-seeker.

Given this, APM’s submission is that the review Reference Group and, by extension, the Australian Government should consider the merits of reverting to face-to-face assessments, carried out by independent assessors in each employment area to ensure broad regional and rural reach. This

<sup>1</sup> A New System for Better Employment and Social Outcomes, Interim Report, Page 105, Reference Group on Welfare Reform, June 2014

<sup>2</sup> Activating Job-seekers – How Australia Does It, Page 112, OECD, 2012

<sup>3</sup> Ibid



would result in both direct and indirect – notably, faster and more effective job-seeker referrals – efficiencies for the Government.

## **Engagement with Employers**

APM acknowledges the Government's publicly stated desire for there to be greater levels of engagement between employers and job-seekers who are being assisted by employment services providers. APM supports this policy position.

Consistent with this, APM is constantly striving to develop and implement innovative ways to engage with small, medium and large businesses. In APM's experience, raising awareness among employers of the significant contributions that employment service providers can make in addressing their workforce challenges remains a significant issue.

APM recommends that the following be considered to raise employer awareness of employment services:

- Broaden the work of employment service providers to assist employers to design comprehensive workforce development strategies, such as up-skilling employees in entry level jobs, creating entry level vacancies and providing job-seekers with career progression;
- Enhance incentives available to employers who recruit disadvantaged job-seekers or job-seekers with a disability; and
- Build community awareness by development and implementation of targeted media campaigns.

APM's experience is that the employment services system would be better utilised by employers if:

- The wage subsidy system for employers is simplified; and
- Administration (or "red tape") for employers who utilise employment services providers is reduced.

Consideration should also be given to altering the funding model such that greater emphasis is placed on post-placement support for employers.

## **National Disability Insurance Scheme**

APM has been engaging with key external stakeholders in relation to the initial implementation of the NDIS, as part of our commitment to service delivery under the NDIS through Integra. Through this contact, a number of issues have been raised, including significant workforce development issues associated with the NDIS.

Specifically, existing providers are having to come to grips with comprehending the scale and nature of the changes they will have to make to effectively operate under the NDIS model. In part, this is due to the process of adjusting to the new system and that the NDIS is expected to grow the number of individuals receiving disability support in Australia from 180,000 to 460,000 by 2020. The size of the disability services workforce in Australia will need to increase accordingly, with early estimates that it will need to rise from 75,000 to 162,000 by 2020.



ADVANCED PERSONNEL MANAGEMENT

The Queensland Government has publicly stated that another 13,000 workers will be required in the disability sector in that State, which is double the current number. The Premier of Queensland, Hon Campbell Newman MP, said:

“There is significant employment growth coming and we (the Queensland Government) want to encourage people to think of a career helping people in the community.”<sup>4</sup>

Given the magnitude of this increase and the specialised types of services which are being delivered under the NDIS, APM respectfully submits that the Australian Government should – if it hasn’t already – develop a comprehensive disability services workforce development strategy.

## **Conclusion**

APM looks forward to further engagement with the review Reference Group on the issues raised in this submission.

## **APM Contact**

Mr Hamish Arthur, General Manager Corporate Affairs

Level 1, 39 London Circuit, Canberra, ACT, 2600

0406 510 083, [Hamish.Arthur@apm.net.au](mailto:Hamish.Arthur@apm.net.au)

---

<sup>4</sup> Disability sector recruiting for NDIS jobs explosion, Brisbane Times, 27 July 2014