



DEPARTMENT OF EMPLOYMENT AND WORKPLACE RELATIONS

Shaping the Future of Employment Services Discussion Paper

SARINA RUSSO JOB ACCESS

**A More Responsive Employment Services System:
Building Pathways to Sustainable Employment**

JULY 2026

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Job Access

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Introduction

Sarina Russo Job Access (SRJA), part of the Sarina Russo Group (SRG), welcomes the opportunity to contribute to the Department's Employment Services reform process.

Founded in 1979, SRG delivers employment, higher education, skills training, and allied health services across Australia. Through Workforce Australia, Parent Pathways, Inclusive Employment Australia (IEA), Self-Employment Assistance (SEA), and related programs, we have supported thousands of participants to enter, retain, and progress in employment, resulting in more than 29,000 employment outcomes since 2022.

Our experience spans participant recruitment, assessment, vocational education and training, employer engagement, allied health services, post-placement support, and workforce development. Supported by more than 250 consultants, trainers, coaches, and extensive employer networks, we work with participants and employers across metropolitan, regional, specialist, and culturally diverse communities throughout Australia, including Aboriginal and Torres Strait Islander people.

This submission draws on SRJA's operational experience together with insights gathered through ten workshops conducted across our programs and services during June 2026 and our international knowledge of delivery models. The recommendations reflect the practical experiences of our frontline teams, partners, and participants, and are informed by lessons from service delivery, data analysis, and emerging reform models.

Applying lessons learned

Parent Pathways, Inclusive Employment Australia (IEA), and others

As Australia's largest provider of Parent Pathways and a provider of IEA, SRJA has observed the benefits of service models built around participant-centred support, coaching conversations, personalised pathways, and flexible service delivery.

Parent Pathways demonstrates the value of participant-led goal setting, strengths-based engagement, and empowering people to pursue goals aligned to their circumstances and aspirations. Similarly, IEA highlights the importance of flexible, ongoing support, and regular reassessment – and recognises that progress towards employment is rarely linear.

Across both programs, participants engage more effectively when services are built on trust, shared ownership of goals, and support that adapts to changing circumstances. These principles should inform future Employment Services reforms, particularly in relation to participant engagement, service planning, and mutual obligation settings.

More broadly, one of the clearest lessons from SRJA's experience across Workforce Australia, Parent Pathways, IEA, and SEA is that outcomes improve when services are designed for the specific needs of the cohort being served. Participants with caring responsibilities, young people, people pursuing self-employment, and people with disability often require different engagement approaches, staff capabilities, service models, and success measures.

Therefore, reforms should retain distinct specialist programs and pathways where participant needs differ significantly.

Global environment, international evidence, and UK parallels

International employment service systems, offer useful insights into how governments have approached challenges such as quality assurance, provider accountability, employer engagement, participant assessment, and performance measurement.

Common themes emerge across international reform efforts, including:

- Clear service quality standards and accountability frameworks
- Strong emphasis on provider capability and workforce development
- Employment services designed around participant need rather than administrative categorisation

- The importance of the advisor/participant relationship as a key driver of successful outcomes
- Genuine employer engagement as a core system function
- Measurement frameworks that recognise participant progress as well as employment outcomes.

International experience demonstrates that employment services systems continue to evolve in response to changing labour market conditions and participant needs. While no international model should be adopted uncritically, SRJA actively monitors these developments and is using international insights to inform service innovation and pilot activities.

In particular, the United Kingdom's recent employment service reforms provide a useful point of comparison for Australia. SRG has maintained a long-standing interest in employment services reform internationally, including through our experience and ongoing engagement with the United Kingdom employment services environment since 2008. Through this work, we continue to monitor policy developments, commissioning approaches, performance frameworks, and service innovations to identify lessons relevant to the Australian context. While the policy context differs, several themes emerging in the UK align closely with the direction outlined in this Discussion Paper:

- Greater segmentation of services based on participant need
- Stronger integration of employment and intensive support services
- Increased emphasis on sustained employment through intensive in-work support
- More flexible funding models recognising participant complexity
- Increased focus on local decision making rather than prescribed activations
- Ongoing assessment and adjustment of support intensity
- Stronger local partnerships and employer engagement.

UK insights highlight the importance of combining participant-centred support, skilled advisers, effective employer engagement, and sustainable provider capability. It also demonstrates that increasingly segmented and cohort-specific services achieve stronger engagement and employment outcomes than broad, one-size-fits-all programs. These themes are reflected throughout our recommendations and reinforce the direction of current Australian reforms.

Quality, sustainability, and service design

Our experience has reinforced a consistent lesson: **high-quality outcomes require investment in skilled staff, employer engagement capability, quality self-assurance frameworks, technology enablement, community partnerships, and feedback loops driving continuous improvement.**

These investments are only possible when providers have **sufficient scale, market share, and funding certainty to operate sustainably**. Excessive fragmentation may increase the number of providers but can also reduce the capacity of providers to invest in service quality, workforce capability, employer partnerships, and innovation.

We have also learnt that **effective service design depends on accurate assessment and triage**. Our detailed recommendations regarding assessment, reassessment, and stream movement are outlined in Discussion Point 2.

Finally, our experience has shown that **participants achieve the best outcomes when employment-focused services and intensive supports operate in a coordinated way**. Throughout this submission we discuss the relationship between Stream 2 and Stream 3 and recognise that this may be delivered through different models. In some regions, appropriately qualified organisations may deliver both streams, while in others, separate specialist providers may work collaboratively around the participant.

Regardless of the delivery model, **future system design should ensure incentives promote genuine participant outcomes, clear accountability, service quality, and collaboration** rather than administrative transfers or service duplication.

These lessons underpin the recommendations contained throughout this submission and inform our views on service streams, assessment, commissioning, incentives, and continuous improvement.

Response to Discussion Points

Discussion Point 1: Service streams

1. What are the key factors that should place a person in online and brief intervention services, targeted provider services or intensive services?
2. What types of support should be offered under each of the service streams?

RECOMMENDATION FOR GOVERNMENT

Adopt a three-stream system that reflects participant complexity while maintaining a clear employment focus.

- Maintain Stream 1 as a short-term, digitally enabled service for participants with minimal barriers.
- Stream 1 participants are reviewed regularly and referred to higher-intensity support when circumstances change and/or time in the digital system exceeds six months.
- Position Stream 2 as the employment specialist stream responsible for labour market engagement, employer relationships, workforce brokerage, job placement, and retention support.
- Position Stream 3 as an intensive support stream for participants experiencing complex and intersecting barriers.
- Ensure participants retain access to core digital employment resources and self-service tools regardless of service stream.
- Support either integrated or collaborative delivery of Streams 2 and 3, with shared accountability and outcome incentives, continuity of participant support, strong referral pathways to specialist services, and safeguards and QA processes for stream allocation decisions.
- Design funding and service arrangements around participant outcomes and service quality rather than organisational structure alone.

RECOMMENDATION FOR GOVERNMENT

Recognise that long-term unemployment is driven by cumulative disadvantage rather than single barriers.

- Future service design and funding should reflect the complexity of participant circumstances and support needs.
- Stream design should recognise that many participants require coordinated support across employment, health, housing, education, and community systems.
- Service models should support flexible service intensity and continuity of support as participant needs evolve.

RECOMMENDATION FOR GOVERNMENT

Apply participant-centred design principles from Parent Pathways and Inclusive Employment Australia across the future Employment Services system.

Government should incorporate proven elements, including:

- Flexible support tailored for participant need, including facilitating access to culturally responsive supports
- Strong participant-provider relationships
- Planning and goal setting that are participant-led, and labour market informed
- Coaching-based engagement
- Recognition of non-linear progress, as well as performance measures that recognise progress toward employment
- Service models that adapt as circumstances change
- Greater emphasis on meaningful engagement and support rather than compliance
- Intensive focus on in-work support to optimise retention in employment.

These principles should inform service streams, Employment Goal Plans, mutual obligations, and participant engagement practices.

SRJA supports the proposed three-stream structure and agrees that future Employment Services should better align support intensity with participant need. Our recommendations reflect the need for future service stream design to consider not only participant allocation, but also how providers collaborate, share accountability, and support participants as their needs change over time – ensuring funding incentives encourage providers to act in participants' best interests.

As shown in Figure 1 (overleaf), we support:

- Stream 1 as a short-term, low-intensity service
- Stream 2 as the primary employment-focused stream
- Stream 3 as an intensive support stream for participants facing complex and intersecting barriers.

Regardless of delivery model, **participants should experience Streams 2 and 3 as a connected support pathway.** Delivery may occur through either integrated or collaborative provider arrangements, as outlined later in this section. This ensures the future system is designed around participant goal plan milestones achievement, shared accountability for outcomes, and quality of service delivery – without being restricted by organisational structure.

Key factors for placing participants in streams

Based on our experience providing support to a range of participants, the factors that indicate a participant belongs in each defined Stream revolve around skills, work history, language/digital fluency, and non-vocational barriers. We have broken this down in Table 1 below.

Table 1: Factors Indicating Stream 1/2/3. The more complex the barriers to work, the higher the stream number.

	Barriers to work	Factors
Stream 1: Online and brief intervention services	Low barriers	• Recent work history or recent graduation from vocational or tertiary education • Short-term unemployment, noting this may not always appear as short-term on JobSeeker Payment, as the participant could have recently changed allowance • Digital literacy • English fluency (speaking, reading, and writing) • Self-motivation • No significant non-vocational barriers • No criminal record.
Stream 2: Targeted provider services	Moderate barriers	• Recent retrenching, 3-6 months' unemployment, and/or limited work history • Limited education/qualifications and/or the need to upskill with relevance to local labour market opportunities • Low language/literacy levels • Confidence issues • Caring responsibilities • Transport limitations • Health or disability needs • Financial stress • Criminal/juvenile justice system history • Cultural barriers.

Stream 3: Intensive services	Complex barriers	• Drug, alcohol, and addiction issues • Severe mental health conditions • Ex-offenders with critical support needs • Newly arrived refugees with significant settlement barriers • Functional language/literacy barriers • Family and domestic violence • Legal issues and justice involvement • Housing instability and homelessness • An extended history of prior engagement with employment services.
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Only participants that are recently unemployed/graduated with minimal non-vocational barriers will be suited to Stream 1 alone. Persons juggling housing instability, mental health, caring responsibilities, and repeated interaction with Centrelink are unsuited to online services.

As such, people placed in Stream 2 should include people with employment gaps, lower educational attainment, or cycling patterns of work who need more than brief digital support but do not face the complex, interconnected barriers that characterise Stream 3.

Additionally, we agree with the Discussion Paper’s consideration that early access to Stream 2 should be available for retrenched workers and their eligible partners who need additional help identifying how their existing skills transfer and what further skills they may need. We know that these individuals may have additional barriers and pressures – and are more likely to avoid long-term unemployment if they get support early on. In some cases, even recently unemployed participants should qualify for Stream 3 if their situation and recent pressures/barriers suggest the need for intensive support.

LESSONS FROM OUR WORKFORCE AUSTRALIA DATA

Analysis of nearly 7,000 SRJA participants unemployed for more than five years found that long-term unemployment is rarely caused by a single barrier.

- 17% experienced three or more barriers simultaneously
- 48% had a disability
- 42% had Year 10 education or below
- 64% were classified as High JSCI participants from commencement.

What we learnt: Participants in long-term unemployment are typically experiencing cumulative disadvantage rather than one isolated issue. This reinforces the need for a Stream 3 model that combines employment support with intensive barrier reduction and coordinated wraparound services.

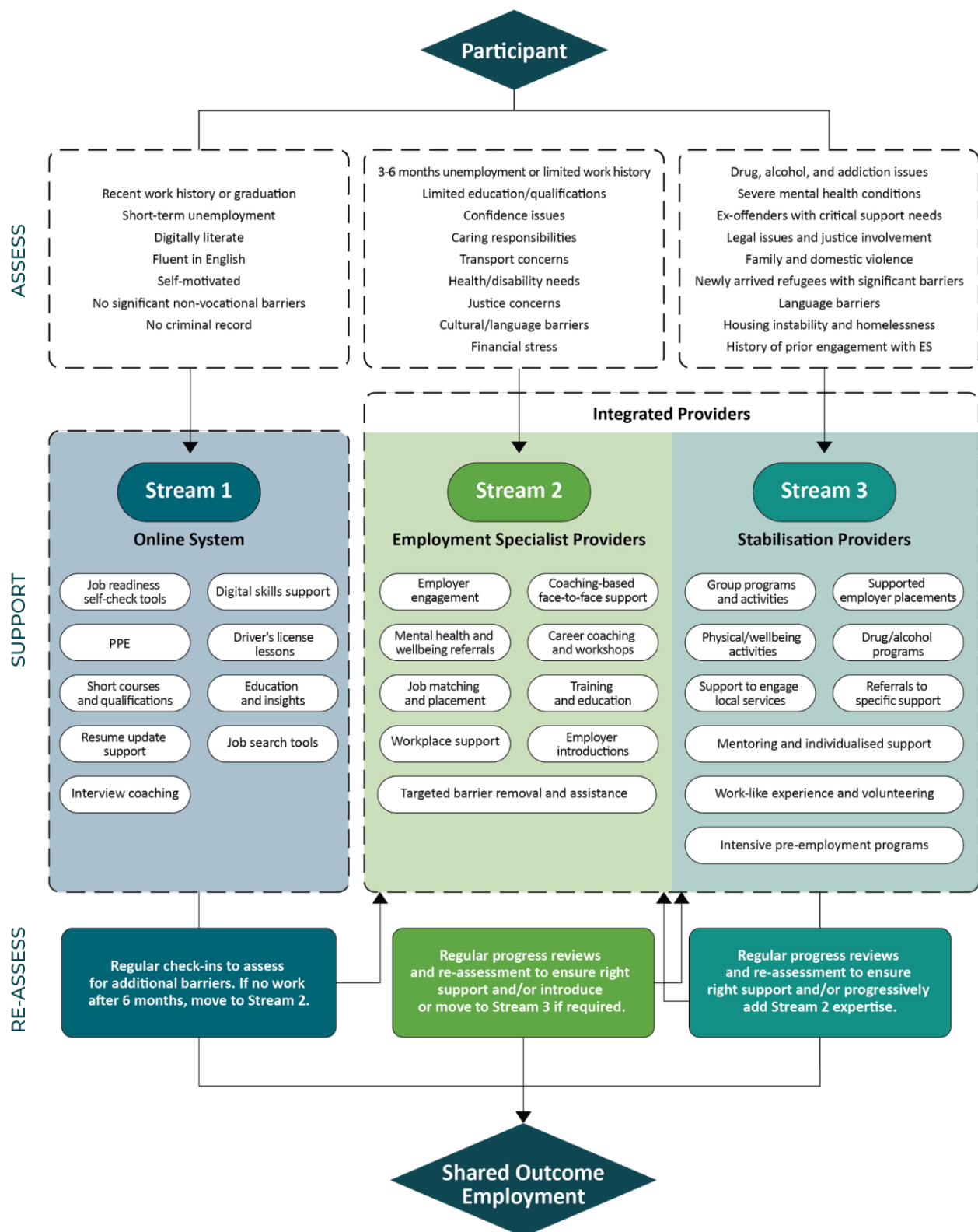


Figure 1: Stream 1-2-3 Model. Integrated support for each Participant, with built-in re-assessment mechanisms to ensure the right support for the right participant at the right time.

Support aligned to the needs of each Stream

In Table 2 below, we have outlined the support elements we believe should be retained from the current service model and proposed reforms, along with additional recommendations for each Stream.

Table 2: Support Options and Recommendations for Each Stream. Practical, flexible recommendations aligned to participant goals and requirements.

	Retain current support options or reform recommendations	Consider new recommendations
Stream 1: Online and brief intervention services	Independent access to flexible, participant-directed supports, including: • Job readiness self-check tools. • Digital skills support. • PPE, including safety gear and uniforms. • Driver's license lessons. • Short courses and qualifications, such as First Aid, White Card, and RSA. • Referrals to online learning modules. • Resume update support, including resume reviews, guidance, and AI-assisted resumes. • Job search tools, including personalised job matching feeds, one-click applications, job alerts via SMS and email, and application tracking tools. • Interview coaching, including mock interview preparation and practice. • Labour market information and insights. • Education on mutual obligation requirements in return for income support.	In addition, Stream 1 should include: • Regular check-ins: To prevent participants drifting into long-term unemployment and to enable early intervention if barriers emerge. • Automatic re-assessment and triage: After six months within this stream, a participant who has not found work should move to a higher stream – reflecting observed patterns where participants incorrectly triaged into low-support streams accumulated barriers over time.

	Retain current support options or reform recommendations	Consider new recommendations
Stream 2: Targeted provider services	Employer specialist support, linking participants to job-focused skills, resources, and opportunities via employer engagement. Includes: • Active coaching-based, face-to-face support. • Employability support and employer connections. • Skills development and training linked to in-demand jobs. • Targeted barrier removal, such as driving lessons, transport assistance, clothing, and presentation support. • Specific training options, such as accredited training and education, short courses, soft skills development. • Career-focused coaching and hands-on support, such as regular coach/mentor appointments, career planning, vocational guidance, personal job plan development, group job search support, resume development, job readiness workshops, and interview coaching. • Employer connections and workplace support, including local employer introductions, employer connections, job matching, work experience, internships, job placement officers, and workplace support. • Referrals to external services, including mental health and wellbeing, housing/homelessness services, and legal/justice support.	Enable providers to better address skill gaps and prepare participants for vacancies through: • Access to digital self-service tools: Participants should continue to have access to the digital resources available within Stream 1, including online job search tools, labour market information, training resources, AI-assisted resume support, and vacancy matching tools. • Enhanced in-work support and retention services: Providers should be supported to deliver structured in-work support to improve employment sustainability. • Tailored job fit and job redesign: Providers should be supported to work with employers to customise roles, redesign tasks where appropriate, and identify job-carving opportunities that better align participant capabilities with workplace needs. • Employer-informed pathway planning: Strengthen the connection between training investments, participant pathways, and identified labour market and employer demand. • Shared support networks: Specialist community providers (including culturally responsive support pathways) should be viewed as a shared support network available to participants across Streams 2 and 3. • Ongoing assessment: Regular progress reviews to ensure support remains aligned to participant needs.

	Retain current support options or reform recommendations	Consider new recommendations
Stream 3: Intensive services	Intensive case management linking participants to local services/activities to address barriers build future employment. Includes: • Personalised, wrap-around support. • Specialist-led. • Case management at its core. • Delivered in partnership with (or directly through) community organisations with a strong local presence and established connections to local services, employers, and communities. • Frequent, intensive services, including mentoring, work-like experience, volunteering, and skills development. • Support to navigate/engage with local services to address barriers. • Referrals to external services, including mental health and wellbeing, housing/homelessness services, and legal/justice support.	Provide a comprehensive menu of support options to maximise each case manager's ability to tailor support to individuals. Our specific suggestions include: • Individualised support: Counselling, cultural/settlement support for refugees, and life skills/stabilisation support. • Programs: Drug and alcohol programs, intensive pre-employment programs, and group programs for non-vocational barriers. • Supported employment pathways: Supported employer placements, work experience opportunities, gradual workplace exposure, and coordinated employment-focused support delivered in partnership with Stream 2 providers where employment readiness is emerging. • Workplace readiness: Group teamwork-based activities to build workplace readiness, and physical/wellbeing activities, such as exercise to support physical work readiness. • Shared support networks: Specialist community providers (including culturally responsive support pathways) should be viewed as a shared support network available to participants across Streams 2 and 3.

LESSONS FROM OUR WORKFORCE AUSTRALIA AND PARENT PATHWAYS DATA

Our Workforce Australia participant data highlights the diversity and complexity of participants engaging with employment services.

Among Workforce Australia participants, 61% were born overseas, 20% had a refugee background, 21% required interpreter support, and 23% were principal carers. And among Parent Pathways participants, 92.5% identified as female, 34.9% were culturally and linguistically diverse, 19.3% had a refugee background, and 57.6% were single parents.

What we learnt: Our experience demonstrates that participant cohorts often require different service models, workforce capabilities, and engagement approaches. Additionally, effective employment services require strong links to community, health, housing, family, and settlement support systems. This supports maintaining dedicated cohorts and specialist programs, including Parent Pathways, Transition to Work and Self-Employment Assistance, rather than incorporating these participants into a single mainstream service stream.

LESSONS FROM INTERNATIONAL EVIDENCE

Following NAO and academic evaluations, recent UK reforms have progressively moved away from single-program models toward more segmented service approaches, with distinct services for mainstream job seekers and participants facing complex health, disability, or social barriers.

The growing use of supported-employment models has also reinforced the value of combining employment-focused services with more intensive, specialised support where required. Evidence shows job outcome rates of 30-55% for high-fidelity Individual Placement and Support (IPS) services supporting people with severe mental illness, compared with single-digit percentages under traditional activation.

What we learnt: International experience supports not only differentiated service intensity, but also cohort-specific program design. Recent UK reforms have reinforced the importance of maintaining specialised programs such as Parent Pathways, SEA, and Transition to Work, rather than combining these cohorts into a single mainstream service model.

The relationship between Stream 2 and Stream 3

SRJA views Streams 2 and 3 as complementary components of a connected service model, rather than isolated programs:

- **Stream 2** should lead employment-focused activities, employer engagement, job placement, and retention support.
- **Stream 3** should focus on stabilisation, barrier reduction, and intensive case management.

Participants should have the opportunity to experience both streams as coordinated components of a single pathway, regardless of provider structure.

This means that the future system should support a delivery framework which allows collaboration between providers *and* standalone integrated providers, as described in Table 3.

Table 3: Two Delivery Models. Enabling Stream 2 and 3 to be delivered by integrated or separate providers.

	Model A: Integrated Providers	Model B: Collaborative Providers
Provider(s)	Suitably qualified providers deliver both Stream 2 and Stream 3 services.	Separate providers deliver Stream 2 and Stream 3.
Arrangements	• Employment specialists and intensive support staff operate within the same organisation. • Participants can access increased or reduced support intensity without changing providers. • Information sharing is simplified. • Service continuity is maximised for both participants and employers. • Employment expertise and intensive support capability remain distinct functions with separate quality controls.	• Stream 3 focuses on stabilisation, engagement, and barrier reduction. • Stream 2 focuses on labour market engagement and employment outcomes. • Participants do not necessarily transfer between providers at a single point in time. • Participants access support from both providers concurrently where appropriate, with support delivered in a coordinated way around a shared Employment Goal Plan, which supports servicing, reassessment, and decisions regarding support intensity over time. • Complementary expertise from Stream 2 is introduced to Stream 3 progressively as employment becomes a realistic and achievable goal. • Shared outcome measures and funding arrangements encourage collaboration rather than handovers, recognising that sustainable employment outcomes often depend on the combined contribution of employment-focused support and intensive barrier reduction services.

Both approaches can succeed provided the funding model promotes participant outcomes and shared accountability rather than streams operating as silos. Participants should experience a seamless service regardless of provider structure, with providers rewarded for collaboration, shared progress, and successful outcomes rather than participant ownership. This ensures stronger employment outcomes for participants with significant barriers while enabling employers to engage through a consistent employment interface.

As discussed earlier in relation to IEA, support intensity should be capable of increasing or decreasing without unnecessary disruption to established participant relationships.

Safeguards against inappropriate stream allocation

If providers are allowed to deliver both Stream 2 and Stream 3 services, robust safeguards will be required to maintain confidence in stream allocation decisions.

SRJA supports:

- Independent assessment and initial triage processes
- Clearly defined eligibility criteria for Stream 3
- Provider validation of assessments, supported by evidence
- Regular quality assurance reviews of stream allocation decisions
- Audits of participant movement between streams
- Departmental oversight of stream distribution patterns
- Financial incentives that reward participant outcomes, collaboration, and successful progression between support levels.

The objective should be to ensure participants receive the support they need while maintaining smooth movement and collaboration between Stream 2 and Stream 3 where support needs change.

LESSONS FROM INTERNATIONAL EVIDENCE

UK experience demonstrates the risks of earlier payment-by-results models. A review found that prime contractors reduced planned expenditure on the hardest-to-help groups over the life of the contract, resulting in participants with the greatest support needs receiving less intensive support. More recent reforms have introduced stronger oversight, cohort-specific payment structures, rewards for above-target performance, and tripartite performance management (with DWP, the prime contractor, and the relevant Mayoral Strategic Authority).

What we learnt: Assessment quality, stream allocation safeguards, and funding design must work together to ensure participants receive support based on need rather than system incentives.

Shared accountability for participant progress with differentiated goals

Regardless of whether Streams 2 and 3 are delivered by the same organisation or separate providers, the future model should encourage collaboration around participant outcomes, with performance measures that reflect the different roles in supporting participants.

The current employment services system largely rewards individual provider performance. Future reform incentives should recognise the contribution of all providers involved in helping participants progress toward sustainable employment. This is particularly important for participants who require both intensive barrier reduction and employment-focused support at different stages of their journey.

Consistent with the Stream 2/3 model outlined earlier, performance measures should reflect the distinct but complementary roles of each stream.

Where a single provider delivers both streams, internal funding models and performance measures should similarly reward collaboration between employment specialists and intensive support teams rather than encouraging participants to remain unnecessarily within higher-intensity services.

In summary: maintain flexibility and participant-focus

Future arrangements should reflect the integrated Stream 2/3 model outlined above, enabling support intensity to change while maintaining continuity for participants. Participants should be able to access the right mix of employment-focused and intensive supports as circumstances change, while maintaining continuity of relationships, minimising administrative disruption, and ensuring shared accountability for outcomes across providers.

This principle is equally important whether Streams 2 and 3 are delivered by one provider or many.

Discussion Point 2: Assessment and triaging

3. What factors should be considered to support the development of a new, high-quality assessment and triaging process?
4. What information should be collected during the assessment process to support better identification of barriers to employment and triaging to the right service?
5. What factors or circumstances should result in a participant moving between service streams?

RECOMMENDATION FOR GOVERNMENT

Establish assessment as a shared responsibility between Government and providers.

Government should:

- Conduct initial triage and risk identification
- Use digital tools to support assessment while ensuring human review and professional judgement remain central
- Enable provider validation of assessment outcomes, with formal review mechanisms for disputed stream allocations
- Allow providers to trigger reassessment where circumstances change
- Integrate assessment information across government, providers, and specialist services where appropriate
- Support direct referral to specialist programs where eligibility is identified, minimising unnecessary servicing transitions and duplicate assessments
- Recognise assessment as a continuous process that informs Employment Goal Plans, service delivery, and support intensity throughout a participant's journey.

This would improve assessment accuracy while ensuring participants receive support aligned to their current circumstances.

RECOMMENDATION FOR GOVERNMENT

Ensure assessment reflects the whole person, not just work history.

Assessment should capture:

- Employment history and skills
- Education and qualifications
- Physical and mental health
- Housing stability and financial stress
- Transport access
- Caring responsibilities and social supports
- Language, literacy, and digital capability
- Participant aspirations and career goals.

Accurate assessment is the foundation of effective service delivery. SRJA's recommendations reflect operational experience showing that participant circumstances frequently change over time and that initial assessments do not always capture the full complexity of employment barriers.

Factors to be considered in the new assessment and triage process

Assessment should combine government triage, provider expertise, Employment Goal Plans, and professional judgement, supported by regular reviews. Outcomes from assessment should inform service delivery, with reassessment driving movement between Stream 2 and Stream 3 as participant needs evolve, as illustrated in Figure 2.

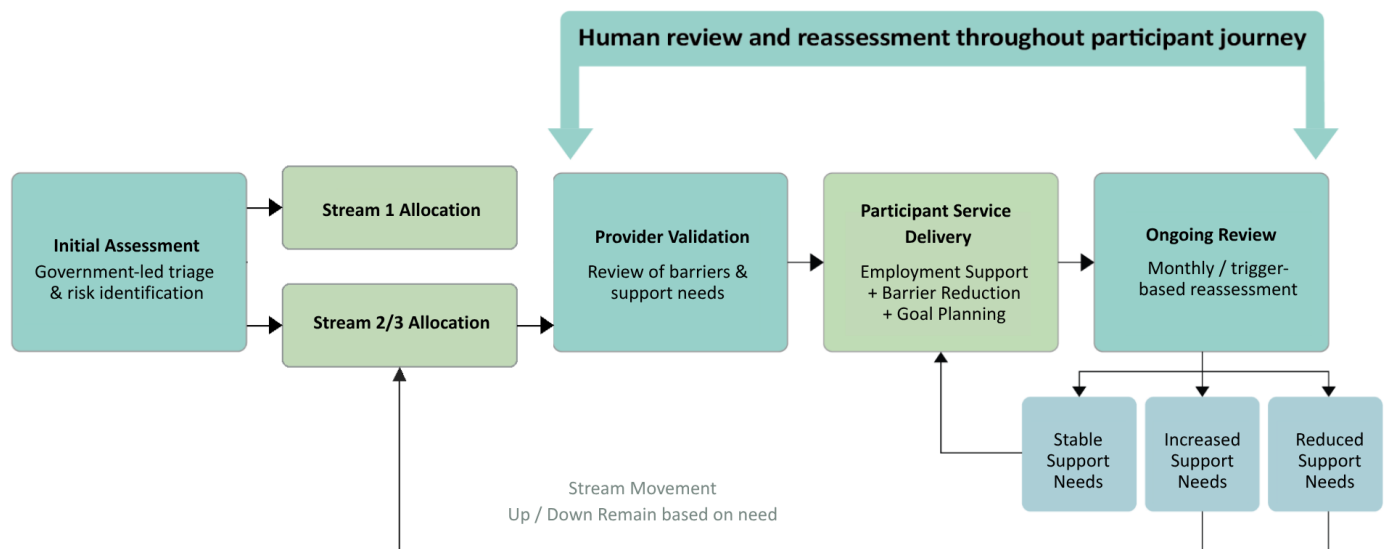


Figure 2: Assessment and Re-Assessment Process. Incorporating provider expertise, human reviews, and regular reassessment to ensure the right level of support.

International experience reinforces the importance of assessment as a continuous process rather than a one-off gateway activity – ensuring providers have opportunities to validate eligibility and allocation processes.

LESSONS FROM INTERNATIONAL EVIDENCE

The UK's Restart Scheme widened eligibility several times as referral volumes and participant needs evolved, while DWP evaluations found the program was less effective for participants with significant health and language barriers. The successor programme, Future Employment Support (FES), addresses this by incorporating cohort-specific eligibility criteria and strengthening performance management with local authorities.

The NAO also observed that advisers routinely relied on professional judgement to identify circumstances not captured within formal eligibility settings.

What we learnt: Effective assessment combines structured triage, professional judgement, and ongoing reassessment rather than relying solely on a one-off gateway process.

Assessment as the foundation of service quality

The quality of the future Employment Services system will depend heavily on the quality of its assessment and triage processes.

International reform experience consistently highlights assessment quality as one of the strongest predictors of service effectiveness. Accurate assessment is the mechanism through which participants receive the right support, providers receive the resources necessary to meet participant needs, and public investment is directed efficiently.

SRJA supports the development of a comprehensive assessment framework. However, assessment should not be viewed as a single gateway process completed prior to service commencement. Participant circumstances change, barriers emerge over time, and some individuals do not disclose significant challenges until trust has been established.

For this reason, we recommend a shared assessment model that combines initial government-led triage with provider validation, ongoing review, and professional judgement throughout a participant's journey. This will ensure support remains aligned to need.

Assessment should be a shared responsibility

While initial assessment may occur before a participant enters Employment Services, providers will continue to play an important role in validating assessment outcomes, as frontline staff frequently identify additional support needs that were not apparent during the initial assessment process.

Future system design should, therefore, recognise providers as active contributors to assessment quality rather than passive recipients of assessment outcomes. Providers should have the ability to recommend reassessment, submit evidence of changing circumstances, and initiate stream reviews where support needs appear inconsistent with the participant's assigned service level. Employment Goal Plans should provide the primary mechanism for documenting changing support needs over time.

That said, assessment and participant planning should be viewed as complementary but distinct functions. Assessment is primarily concerned with determining service eligibility, support intensity, and stream allocation. Participant planning tools, such as the Parent Snapshot model used in Parent Pathways, serve a different purpose by supporting coaching conversations, identifying goals, understanding circumstances, and co-designing support strategies. Future reforms should incorporate strengths from both approaches, using assessment to determine the appropriate service response and participant-led planning to guide ongoing engagement and support.

Support direct allocation to appropriate specialist services

Additionally, assessment and referral processes should prioritise direct allocation to the most appropriate service wherever eligibility is evident. Where participants meet the eligibility requirements for specialist programs such as IEA, referral should occur as early as possible to minimise servicing disruption, avoid unnecessary transfers between programs, and support continuity of participant relationships.

Make assessment an ongoing process

Assessment should operate as a continuous process rather than a single point-in-time event. Reassessment should occur whenever participant circumstances change and should guide adjustments to Employment Goal Plans, support intensity, and movement between Stream 2 and Stream 3 where appropriate.

This reflects a growing international recognition that participant circumstances, barriers, and employment readiness are dynamic rather than fixed. Effective systems increasingly treat reassessment as a core feature of service delivery rather than an exception process.

LESSONS FROM OUR WORKFORCE AUSTRALIA DATA

One of the most significant findings from our analysis was that many participants who remain unemployed for extended periods had already been identified as requiring higher levels of support.

64% of participants unemployed for more than five years had been classified as High JSCI participants from the beginning of their employment services journey.

What we learnt: The challenge is not simply identifying disadvantage. The challenge is ensuring participants receive the right intervention at the right time and that support evolves as circumstances change. This reinforces the importance of ensuring support remains aligned to participant need over time.

Build in capacity to capture hidden barriers

Some barriers are not disclosed during initial engagement and may emerge as trust develops. Assessment processes should therefore be flexible, trauma-informed, and capable of capturing additional information over time.

Human judgement must remain central

While technology can improve consistency and efficiency, assessment decisions should not be determined solely by digital tools or self-service processes.

This is particularly critical where participant circumstances are complex or not readily identified through structured assessments. Participants should, therefore, have the right to receive human oversight before allocation to online-only servicing, before movement between service streams, and at key review points throughout their employment journey.

LESSONS FROM INTERNATIONAL EVIDENCE

UK supported-employment programs such as IPS treat assessment as an ongoing process rather than a single event. Employment Specialists maintain active caseloads of around 20-25 participants and a formal 25-item fidelity scale. This scale outputs a score ranging from 0-125, with a minimum score of 74 required, and targets set to 100+. Specialists continually update vocational profiles and scores as participant circumstances, goals, and readiness evolve.

What we learnt: Assessment quality improves when skilled practitioners can gather information over time, apply professional judgement, and adjust support accordingly.

Combine system data with staff judgement

Assessment decisions should draw on both structured data and trained assessor judgement, with professional discretion remaining the final determinant where participant circumstances are complex, unclear, or evolving.

A triage framework built on labour market information, participant characteristics, and known barriers should sit alongside the discretion of appropriately trained staff, ensuring placement reflects the true complexity of a participant's circumstances rather than how well they present during a single appointment.

Treat assessment quality like service quality

Future reforms should place the same emphasis on assessment quality as service quality.

Incorrect stream allocation can result in participants receiving insufficient support, unnecessary servicing, or delayed access to specialised interventions. It can also reduce the effectiveness of public investment.

The future system should therefore include:

- Assessment quality frameworks
- Regular placement reviews
- Stream allocation audits
- Escalation pathways where placements are disputed
- Monitoring of stream movement patterns
- Quality assurance oversight at provider and system levels.

Strong assessment governance will improve consistency, fairness, and confidence in the integrity of the system.

Ensure cultural safety and accessibility

Assessment processes must be accessible and culturally appropriate for First Nations participants, culturally and linguistically diverse communities, refugees, people with disability, and other cohorts who may face additional barriers engaging with standard assessment approaches.

Information that should be collected during the assessment process

To support accurate triage and service planning, the assessment process should collect information across five key domains:

Employment capability

- Employment history and experience
- Qualifications, licences, and certifications
- Skills, strengths, and transferable capabilities
- Digital literacy and job search capability.

Health and wellbeing

- Physical health conditions
- Mental health and wellbeing
- Disability and workplace support needs
- Alcohol and drug dependency where relevant.

Vocational readiness

- Career interests and aspirations
- Training and education needs
- Job goals and preferred industries.

Social and community factors

- Language, literacy, and communication capability
- Support networks
- Criminal justice involvement
- Experience of family and domestic violence.

Personal circumstances

- Housing stability
- Financial stress
- Caring responsibilities
- Transport access.

Importantly, assessments should capture both the existence and severity of barriers, recognising that the same issue may affect participants differently depending on their circumstances.

This approach draws on the strength of other processes like the Jobseeker Snapshot and Parent Snapshot tools for assessment, servicing, and planning to enable a more holistic view early on, without replacing planning tools that support coaching, engagement, and ongoing delivery.

Because not all information will be available at commencement, future assessment models should allow additional information to be gathered as trust develops and participant circumstances change. Integration with existing government systems should be considered to reduce friction experienced by participants when providing information during assessments. Consent must be provided to ensure the participant's privacy is protected.

Factors or circumstances that should result in movement between Streams

Stream placement should be reviewed periodically and adjusted when participant circumstances no longer align with their current level of support.

We recommend establishing clear, trigger-based rules for movement between Stream 2 and Stream 3 in either direction.

Additionally, the future model should also include clear escalation pathways from Stream 1 into provider-led services. Participants in Stream 1 should be reassessed where they remain unemployed after a defined period, demonstrate declining engagement, or disclose barriers not identified at commencement. Where reassessment indicates provider-led support is required, participants should be referred into Stream 2 or Stream 3 based on their level of need.

This will ensure Stream placement reflects a participant's actual circumstances at any given point.

What should trigger stream movement?

Participants should move between Stream 2 and Stream 3 whenever reassessment identifies that support needs no longer align with their current service level. Employment Goal Plans should be reviewed as part of this process to ensure activities, responsibilities, and supports remain appropriate.

The most common triggers are:

- **New information:** Previously undisclosed barriers, health conditions, caring responsibilities, family violence, housing instability, justice involvement, or other information affecting employability.
- **Changes in circumstances:** Significant changes in health, housing, family circumstances, employment status, or financial stability.
- **Changes in barrier intensity:** A barrier becoming substantially more severe or reducing significantly following intervention.
- **Lack of progress:** Extended periods without employment outcomes, improvements in capability, or meaningful engagement despite appropriate support.
- **Demonstrated readiness:** Evidence that barriers have reduced and the participant is ready to move from Stream 3 into a stronger employment-focused service within Stream 2.

We further recommend that stream reviews are conducted at defined intervals, with our teams suggesting monthly reviews as a minimum. These should be conducted by experienced staff with the authority to act on findings without requiring additional departmental approval. Assessment should never be completed by the participant alone on a digital platform. Digital tools should support the review process, but stream allocation and reassessment decisions should remain subject to human judgement and professional oversight.

Discussion Point 3: Employment Goal Plan

6. What elements will be important to capture in the Employment Goal Plan?
7. How can the system encourage effective use of the Employment Goal Plan by participants and providers to ensure it is meaningful and relevant?

RECOMMENDATION FOR GOVERNMENT

Apply participant-centred design principles from Parent Pathways to Employment Goal Plans.

Government should ensure Employment Goal Plans:

- Support participant-led goal setting
- Use coaching-based and strengths-focused conversations
- Remain flexible and regularly updated
- Recognise non-linear progress
- Support participant ownership of planning and decision-making
- Focus on progression, achievement, and employment outcomes rather than compliance.

RECOMMENDATION FOR GOVERNMENT

Position the Employment Goal Plan as the primary participant engagement tool.

Government should ensure Employment Goal Plans:

- Guide service delivery, reassessment, and ongoing pathway planning
- Support coordinated movement and collaboration between Stream 2 and Stream 3 services
- Inform reassessment decisions for participants requiring additional support
- Record both employment and non-vocational progress
- Capture responsibilities for both participants and providers
- Remain accessible and editable throughout the participant journey.

The Plan should be used as a coaching and pathway-planning tool rather than a compliance document.

These recommendations draw heavily on lessons from Parent Pathways and IEA, where participant-owned planning and regular review processes have supported stronger engagement and more personalised service delivery.

Employment Goal Plans should drive engagement, not compliance

SRJA strongly supports the introduction of an Employment Goal Plan as a central feature of the future Employment Services system.

Unlike the current Job Plan, which is often viewed as an administrative or compliance document, the Employment Goal Plan should function as a participant-owned roadmap that guides service delivery, tracks progress, and supports meaningful conversations about employment goals and barriers. Mutual obligation requirements should, wherever possible, be linked directly to the Employment Goal Plan so that required activities are purposeful, relevant, and aligned to the participant's pathway toward employment.

This document should also inform decisions about support needs and service intensity over time.

That said, the Employment Goal Plan should not function as an assessment tool or determine service eligibility. Rather, it should operate as the participant's roadmap once assessment and stream allocation have occurred, supporting goal setting, pathway planning, progress reviews, and ongoing engagement. This reflects lessons from Parent Pathways, where planning conversations are used to guide support rather than assess disadvantage.

Our experience delivering Parent Pathways and IEA demonstrates that participants engage more effectively when goals are co-designed, regularly reviewed, and linked to outcomes that are meaningful to them. The future Employment Goal Plan should therefore support participant ownership, recognise non-linear progress, and provide a practical framework for both participants and providers to work towards sustainable employment outcomes. It should be a living document that guides service delivery, rather than a static compliance record.

LESSONS FROM IEA

SRJA's experience delivering IEA highlights the value of a service model that recognises participant circumstances can change over time and that support should adapt accordingly. The introduction of Meaningful Engagement Job Plans and Meaningful Engagement Agreements has also demonstrated the benefits of reduced administrative reporting requirements and support for more participant-centred engagement. In the first months of delivery, this approach has been positively received by participants, leading increased engagement.

What we learnt: Flexible planning tools, participant ownership of goals, and reduced administrative burden can strengthen engagement while maintaining accountability and service quality. Elements of this approach could inform the future Employment Goal Plan, even within a system that retains mutual obligations, especially if obligations are derived from the participant's agreed pathway and goals.

LESSONS FROM INTERNATIONAL EVIDENCE

The UK's 2024 Restart evaluation found that adviser continuity, personalised support, and the quality of the adviser-participant relationship were among the strongest contributors to employment outcomes. Where these relationships were consistent and coaching-led, participants achieved a 38% employment rate at Wave 2 – a 21% improvement on Wave 1. Conversely, where advisor continuity was interrupted or the plan was treated as a compliance document, engagement fell sharply. Similarly, IPS and supported-employment models place participant goals, strengths, and aspirations at the centre of service delivery.

What we learnt: The quality of the planning conversation and adviser-participant relationship matters more than the structure of the planning document itself. Employment Goal Plans should therefore be participant-owned, coaching-led, and actively used throughout the participant journey.

Elements to capture in the Employment Goal Plan

To be effective, Employment Goal Plans should capture employment objectives, support needs, and agreed actions.

Key elements should include:

Employment and career goals

- Short and long-term employment objectives
- Preferred industries, occupations, and career pathways
- Clearly defined vocational outcomes.

Strengths, skills and experience

- Qualifications, licences, and certifications
- Transferable skills and existing capabilities
- Prior work experience and achievements.

Barriers and support needs

- Identified vocational and non-vocational barriers
- Barrier severity and impact on employment
- Relevant referrals and supports required.

Pathway actions

- Agreed activities and responsibilities for both participant and provider
- Training, education, and work experience activities
- Milestones and next steps.

Progress and review

- Progress measures and achievements
- Review dates
- Updates reflecting changing circumstances.

Importantly, plans should be written in clear language, provided in participant-friendly formats and community languages, and accessible to people with disabilities. They should be accessible to participants at all times, integrated with skills passports and credential records over time, and flexible enough to evolve as circumstances change.

One of the key lessons from Parent Pathways is that people engage more effectively when they feel ownership of their goals and understand the purpose behind agreed activities. While Employment Services will continue to include participation requirements, future Employment Goal Plans should help make engagement feel purposeful, rather than imposed. Participants are more likely to commit to actions they have helped to design based on their own aspirations.

Making Employment Goal Plans meaningful

Employment Goal Plans will only be effective if they become active tools used throughout a participant's journey, rather than documents completed at commencement and rarely revisited. To encourage effective use, the future system should:

Embed plans into every interaction

Plans should guide conversations, reviews, referrals, training decisions, and employment activities throughout the participant journey.

Support participant ownership

Participants should be able to easily access their plan, understand its content, and contribute to updates whenever circumstances change.

Focus on progress

Plans should track achievements and milestones, helping to build motivation and engagement.

Promote shared accountability

The plan should clearly identify the commitments of both the participant and the provider, reinforcing shared responsibility.

Link directly to employment outcomes

Activities should have a clear connection to employment goals, capability building, or barrier reduction.

Balance structure and flexibility

A prescriptive template supports consistency but constrains coaching; an open template supports coaching but reduces comparability. As such, plans should have a structured core with flexible surround design.

When used effectively, the Employment Goal Plan becomes a practical coaching tool that helps participants understand where they are, where they want to go, and how they will get there.

Discussion Point 4: Mutual obligations

8. How do we change the way that providers and participants engage with mutual obligations to focus on positive engagement that helps people move towards employment?

RECOMMENDATION FOR GOVERNMENT

Redesign mutual obligations to support engagement, progress, and employment outcomes.

- Maintain clear participation expectations and accountability
- Link obligations directly to Employment Goal Plans and participant goals
- Tailor requirements to participant circumstances and stream intensity
- Emphasise coaching, problem-solving, and early intervention before compliance action
- Recognise progress towards employment as a legitimate outcome
- Ensure obligations support meaningful engagement rather than administrative activity.

The future model should measure success not by the number of requirements imposed, but by the extent to which participation contributes to sustainable employment outcomes.

Our recommendations seek to retain accountability while improving the quality of participant engagement and the connection between required activities and employment outcomes.

From compliance to engagement

SRJA supports the retention of mutual obligations as part of Australia's Employment Services system. Participants receiving income support should continue to engage with activities that help them move towards employment and greater economic participation.

However, mutual obligations often become disconnected from a participant's employment goals and individual circumstances, reducing activities to administrative requirements rather than meaningful steps towards work or building capacity and addressing non-vocational barriers. Future reform provides an opportunity to redesign mutual obligations to reinforce Employment Goal Plans, support participant ownership, and encourage sustained engagement – not just compliance.

LESSONS FROM IEA

IEA provides a useful example of how participant planning and accountability can operate together. The program incorporates both Meaningful Engagement and Detailed Job Plan approaches, enabling engagement requirements to be tailored to participant circumstances. Early operational experience suggests participants respond positively when planning conversations focus on goals, supports, and progress rather than administrative reporting requirements alone.

What we learnt: Engagement frameworks are most effective when they balance accountability with participant ownership of goals, flexibility, and meaningful support conversations. These lessons should inform the design of future Employment Goal Plans and mutual obligation settings.

LESSONS FROM INTERNATIONAL EVIDENCE

Recent UK reforms have moved toward greater differentiation of participation requirements across cohorts. Future Employment Support (FES) is expected to combine mandatory participation for mainstream long-term unemployed participants with more voluntary arrangements for cohorts such as carers, lone parents, and participants with significant barriers. This reflects a widely cited body of UK welfare conditionality research which found that while conditionality can produce modest positive effects on some cohorts, coercive requirements applied to participants facing complex barriers can produce disengagement and worse outcomes.

What we learnt: Mutual obligations are most effective when they are proportionate, tailored to participant circumstances, and focused on engagement and progress rather than compliance activity alone.

What should be retained

SRJA believes several elements of the current framework remain important and should be retained within the future system:

- Clear expectations regarding participation in employment-related activities
- Regular engagement between participants and providers
- Appropriate safeguards to ensure public accountability
- Processes for addressing sustained non-engagement
- A shared expectation that participants actively contribute to achieving their Employment Goal Plan.

Reform should focus on improving how obligations are implemented, rather than removing accountability altogether.

Principles for a modern mutual obligation framework

Make obligations purposeful

Every activity should have a clear connection to a participant's Employment Goal Plan, barrier reduction strategy, training pathway, or employment goal. Activities that do not contribute to participant progress should not be required simply to satisfy administrative requirements.

Personalise expectations

Obligations should reflect individual circumstances, service stream, capability, and readiness for employment. Participants in Stream 3 should have obligations aligned to stabilisation and capability-building, while Stream 2 participants should focus more heavily on employment preparation and labour market participation.

Shift from enforcement to coaching

The primary role of Employment Services should be helping participants succeed, rather than identifying reasons to apply compliance action. Consultants should be

encouraged to explore barriers, identify solutions, and support progress before considering enforcement responses.

Recognise progress

Many participants, particularly those in intensive services, achieve important milestones before securing employment. Activities such as securing stable housing, engaging with treatment services, obtaining a driver's licence, completing training, or addressing mental health barriers should be recognised as legitimate progress toward employment.

Intervene early when engagement declines

Rather than relying on compliance action as the first response, providers should investigate the reasons for disengagement and intervene early when participation begins to decline. This approach enables barriers to be identified and addressed before participants disconnect from services entirely.

Making mandatory feel purposeful

Participants engage more effectively when they understand the purpose of an activity, have some influence over the pathway being pursued, and can see how activities contribute to their goals. While Employment Services will continue to operate within a framework of mutual obligations, future reforms should seek to create a more empowering experience.

Participants are more likely to engage when obligations:

- Are clearly linked to their goals
- Are discussed and agreed through coaching conversations
- Recognise individual circumstances
- Support progress over measuring attendance
- Feel relevant to their future employment aspirations.

In practice, this means making participation feel purposeful, even when aspects of the system remain mandatory.

Discussion Point 5: Employer engagement

9. How can employment services best partner with industry and large employers?
10. How can employment services best support small to medium enterprises?
11. What is the value of having a government job matching platform? How can we increase this value?
12. What supports do employers need to recruit and retain people?

RECOMMENDATION FOR GOVERNMENT

Recognise employer engagement as a core funded capability of the Employment Services system.

Government should:

- Recognise employers as key customers of the Employment Services system
- Establish Stream 2 as the primary employer-facing function while enabling collaboration with Stream 3 where appropriate
- Fund dedicated employer engagement capability, workforce brokerage, and recruitment partnership functions
- Support workforce planning, job redesign, workplace adjustment, and retention services
- Increase employer awareness of Employment Services and available workforce solutions
- Enable providers to co-design training and pathways with employers
- Measure employer satisfaction alongside participant/retention outcomes
- Reward quality candidate matching and sustainable employment outcomes.

Stronger outcomes will come from treating employer engagement as a core capability rather than a supporting activity.

RECOMMENDATION FOR GOVERNMENT

Prioritise investment in employer engagement capability over government-operated job matching technology.

Employers consistently report greater value from trusted relationships, pre-screened candidates, workforce planning support, and post-placement assistance than from vacancy listing platforms. If a national job-matching platform is retained, it should operate as an optional supporting tool that complements provider-led employer engagement rather than acting as a primary recruitment channel.

These recommendations reflect employer feedback that provider relationships and workforce support services deliver the greatest value.

Employers must be treated as customers

The Employment Services system cannot be truly demand-led unless employers are recognised as key customers of the system, with reforms delivering value to participants, employers, and communities by addressing labour market priorities.

While much reform attention is rightly focused on participants, employment outcomes ultimately depend on employers creating opportunities, taking recruitment risks, and investing in their workforce. This should happen in partnership with local employment services providers, enabling employers/providers to codesign opportunities for participants.

LESSONS FROM INTERNATIONAL EVIDENCE

Programs such as the UK's Sector-Based Work Academy Programmes (SWAPs) have demonstrated the value of co-designing with industry sector bodies and combining short pre-employment training with a guaranteed interview. This program has become one of the UK's most consistent employer engagement instruments because it starts from employer workforce needs, rather than participant characteristics. Similarly, IPS services treat employers as an equal customer, with advisors and employer engagement teams building long-term partnerships with local employers, and treating recruitment support, job analysis, and workplace adjustment as core services rather than referral-time activities.

What we learnt: Strong employer engagement is achieved when employers are treated as active partners and employment services are designed around workforce demand as well as participant need.

Clear roles support strong employer engagement

Employers should not be expected to understand or navigate different participant service streams. Their primary interest is accessing suitable candidates and workforce solutions. Future arrangements should, therefore, enable employment-focused providers to source, screen, and place suitable candidates regardless of whether those participants are receiving employment-focused services or intensive support, ensuring employers experience a single workforce interface.

Consistent with our proposed service model, Stream 2 should remain the primary employer-facing function while Stream 3 contributes participant readiness, stabilisation, and specialist support expertise. This ensures employers experience a clear and coordinated interface with Employment Services.

Role distinction becomes particularly important where multiple providers operate within the same region. Clear responsibilities will reduce employer confusion, minimise duplication of effort, and ensure employers engage through a consistent employment-focused interface, while still benefiting from the specialist support and participant insights provided through Stream 3.

Increasing awareness and visibility

A common misconception is that employers are unwilling to recruit people connected to Employment Services. Our experience suggests the challenge is often one of awareness and system visibility rather than employer resistance. Many employers successfully employ people receiving income support without ever engaging directly with Workforce Australia or recognising their employees as Employment Services participants.

Therefore, employer engagement should not assume that reluctance to hire is the primary barrier. It should also consider how Employment Services can be made more visible and relevant to businesses already employing people on benefits that may not be aware of the supports, workforce development opportunities, and recruitment assistance available to them.

Building a genuinely demand-led system

Many of the activities commonly described as "employer engagement" are currently at the discretion of individual providers. However, these are functions that the future system should actively support through funding, performance measures, and commissioning arrangements.

Government should support employment services providers to:

- Invest in dedicated employer engagement capability
- Develop long-term employer relationships
- Codesign training pathways with industry
- Deliver workforce planning support
- Undertake candidate screening and preparation
- Provide post-placement retention support
- Implement job redesign, job carving, workplace adjustment, and other initiatives that expand opportunities for participant.

The objective should be to create a system where providers are rewarded for meeting employer workforce needs, not simply filling vacancies. This will support continued evolution of employer engagement to address future of work issues, such as climate transition, AI/automation, an aging workforce, and care economy growth.

Different employers require different levels of support

Across our operations, employers consistently value quality candidates, responsive service, and ongoing support. These needs are broadly consistent across employers of all sizes. The difference is not what employers value, but how employment services respond to those needs.

While the principles of employer engagement are consistent, the delivery approach should vary according to employer size, workforce demand, and recruitment complexity.

Large employers often require:

- Workforce planning support
- High-volume recruitment capability
- Coordinated training pathways
- Recruitment campaigns and assessment centres
- Consistent engagement across multiple sites.

Small and medium enterprises often require:

- Faster recruitment support
- Simplified hiring processes
- Pre-screened candidates
- Assistance with wage subsidies and onboarding
- Ongoing support after hire.

The future system should provide flexibility for providers to tailor employer engagement approaches while maintaining consistent service quality and accountability.

Supporting dedicated employer engagement capability

Strong employer relationships require specialist expertise. Future funding models should recognise employer engagement as a distinct capability rather than assuming it will be delivered incidentally alongside participant servicing.

This may include:

- Dedicated employer engagement teams
- Workforce brokerage functions
- Recruitment specialists
- Industry engagement specialists
- Strategic account management for large employers.

The organisational structure used to deliver these functions should remain a provider decision, but the future system should recognise and support the capability itself.

Partnering with small to medium enterprises

Small and medium enterprises (SMEs) form a significant part of Australia's labour market and often face different recruitment challenges to larger employers. Unlike major corporations with dedicated HR and recruitment functions, SMEs typically require responsive, practical support that reduces the time, cost, and complexity of hiring.

Based on our experience, the most effective support for SMEs includes:

A single, responsive point of contact

SMEs value consistency and simplicity. Dedicated employer contacts allow providers to build trusted relationships, understand workforce needs, and respond quickly to emerging vacancies.

For example, our partnership with a recruitment agency in Werribee has evolved into an ongoing workforce relationship, with the employer regularly engaging our team as a preferred recruitment partner due to our understanding of their operational requirements and workforce needs. Similarly, our partnership with a laundry services company has resulted in 83 employment placements and regular engagement to support recruitment and retention outcomes.

Pre-screened candidates and streamlined recruitment

Employers consistently tell us they are looking for quality rather than volume. Employment Services providers can add value by screening candidates prior to referral, coordinating interviews, and reducing the administrative burden associated with recruitment.

This approach has proven successful with recruitment agencies, security firms, and other employer partners, where pre-screening, recruitment coordination, and employer-led information sessions improved candidate quality and reduced recruitment effort. At one manufacturing partner, this approach resulted in 47 commencements from 51 referrals, demonstrating the value employers place on candidate screening, workplace familiarisation and recruitment coordination.

Training and workforce development pathways

SMEs often face skills shortages but have limited capacity to design or coordinate training solutions themselves.

Employment Services providers should be supported to work directly with employers and training providers to

develop recruitment and training pathways aligned to actual workforce demand. Demonstrating this, SRJA's Hospitality Launchpad programs delivered with major hotel partners resulted in 28 employment outcomes for CALD and refugee participants by aligning candidate preparation with identified employer needs.

Post-placement support

SMEs benefit from structured post-placement support that helps sustain employment and address issues early.

Our experience with employers, such as a Werribee recruitment agency and a Melbourne-based wholesale supplier, demonstrates that regular post-placement support can strengthen retention outcomes and improve employer confidence in recruiting through Employment Services.

Reducing recruitment risk

Wage subsidies, onboarding assistance, licensing support, and Employment Fund assistance can significantly reduce hiring risks for SMEs while expanding opportunities for participants facing barriers to employment.

These supports are particularly effective when combined with strong employer relationships and quality candidate preparation.

LESSONS FROM INTERNATIONAL EVIDENCE

The UK's IPS model provides unlimited in-work support to participants after job entry, with active caseloads deliberately kept small (20-25 participants) to enable regular workplace contact, employer liaison, and rapid problem-solving. Systematic reviews have concluded there is "a strong economic case" for this approach. One five-year longitudinal study of IPS participants demonstrated 44% were employed for at least 50% of the time, versus 11% of a comparison group receiving traditional pre-employment services – with IPS participants also recording 50% fewer inpatient hospital days.

This also points to the strategic significance of viewing employment as an intervention rather than an endpoint. Participants placed rapidly into competitive employment with structured in-work support consistently outperform those who receive extensive pre-employment preparation before placement.

This "place, train, maintain" logic underpins UK Connect to Work delivery and is a central plank of plans to reach an additional 140,000 people with severe mental illness by 2028/29.

What we learnt: Employment should not be viewed as the end of service delivery. Structured in-work support is a critical contributor to sustainable employment outcomes and should be reflected in service design, funding arrangements, and performance measures.

Government job-matching platform and its future role

Job-matching platforms can add value where they improve efficiency and accessibility within the broader employment services system. However, our experience suggests that technology delivers the greatest value when it operates as a complement to provider-led servicing rather than as a standalone recruitment solution.

The future role of any government platform should therefore be assessed through three lenses:

- Its ability to improve efficiency and customer experience
- How it supports employer engagement activities
- How it assists participants throughout their employment journey.

Digital tools can add value

Technology should be evaluated on its ability to improve efficiency, accessibility, and user experience.

Where digital investment can demonstrably improve service delivery, reduce administrative burden, support better job matching, or increase accessibility to employment services, continued investment may be justified. However, digital tools should support professional judgement rather than replace it.

Employer relationships remain the key differentiator

Many employers already use a range of recruitment channels, including commercial job boards, internal recruitment systems, labour hire providers, and social media platforms. A future government platform should therefore complement these channels rather than attempt to compete with them.

Employment Services create the greatest value through candidate preparation, workforce planning, employer engagement, post-placement support, and tailored recruitment solutions. These functions are delivered through relationships and professional expertise rather than technology alone.

Technology should support the employment journey

Technology can support participant preparation and job matching. However, successful employment outcomes require far more than vacancy advertising. Screening, coaching, employer confidence, workplace fit, training, and post-placement support remain fundamentally relationship-based activities. Additionally, no platform can replace the professional expertise and employer relationships that underpin sustainable employment outcomes.

Future reform should prioritise employer engagement capability, with digital platforms operating as supporting tools rather than primary recruitment mechanisms.

Improvements for a retained government job-matching platform

If retained, a national job-matching platform should complement provider-led employer engagement and recruitment services. In that context, we would recommend the following improvements:

Integration with provider servicing models

The platform should integrate directly with provider systems, allowing consultants and employer-facing staff to combine automated matching, labour market information, and vacancy management with professional judgement and participant support.

Improved matching and recommendation capability

Artificial intelligence and data analytics should be used to provide tailored job recommendations, identify transferable skills, and support more accurate candidate matching, while ensuring providers retain oversight of referrals and participant suitability.

Real-time labour market intelligence

The platform should provide current vacancy information, hiring trends, skills shortages, and regional labour market intelligence to support both participants and providers in making informed decisions.

Employer-focused design

The system should be simple, mobile-friendly, and designed around employer needs. Vacancy management, candidate shortlisting, application tracking, and communication tools should minimise administrative burden on employers.

Provider-supported screening

Any automated matching process should be complemented by provider-led assessment and screening to ensure employers receive candidates whose skills, capabilities, and support needs have been appropriately considered.

Quality over volume

The platform should prioritise the quality of matches and successful employment outcomes rather than the volume of applications submitted.

The strongest value proposition employment services can offer employers is not access to a platform, but access to appropriately prepared and supported candidates. Accordingly, the future system should place increased emphasis on the employer supports required to recruit and retain workers successfully.

What employers need to recruit and retain workers

Many employers already recruit candidates who are receiving income support, either directly or indirectly, without any formal engagement with Employment Services. This suggests the challenge is not necessarily employer willingness to hire, but ensuring employers understand the value Employment Services providers can add through candidate preparation, workforce planning, recruitment support, and post-placement assistance.

Across employers of all sizes, a consistent set of themes emerges around the factors that lead to successful recruitment and retention outcomes.

Quality candidate matching

Employers value candidates who have been appropriately assessed against role requirements, workplace expectations, skills, and capability. In some cases, this may require providers and employers to work collaboratively on role design, workplace adjustment, or task customisation to achieve a stronger and more sustainable participant-employer fit.

Poor matching damages employer confidence and increases turnover. Future performance frameworks should therefore reward quality and sustainability of placements rather than referral volumes alone.

Recruitment support

Employers benefit from providers acting as workforce partners by sourcing candidates, coordinating interviews, facilitating training, and delivering recruitment campaigns where required.

This is particularly important in sectors experiencing labour shortages or high-volume recruitment demand.

Transparency of matching

Participants, providers, and employers should be able to understand how matches are generated, reducing the risk of inappropriate referrals and improving confidence in the system.

Optional participation

Use of the platform should remain voluntary for employers. Mandatory participation would risk reducing engagement and repeating many of the shortcomings experienced by previous government-operated recruitment platforms.

Workforce development

The future system should support stronger collaboration between employers, providers, and training organisations to ensure participants develop skills aligned to genuine workforce demand rather than generic training outcomes.

Workforce development should also include collaboration with employers to identify alternative recruitment pathways, redesign roles where appropriate, and create opportunities for participants whose capabilities may not align with traditional recruitment models but can still succeed with the right supports in place.

Incentives that reduce recruitment risk

Wage subsidies, work trials, apprenticeships, traineeships, and training support remain important tools that encourage employers to recruit candidates they may not otherwise consider.

However, these incentives should increasingly reward retention and workforce development rather than initial recruitment alone.

Post-placement support

Employers consistently value support following commencement.

Regular contact, workplace problem-solving, mentoring, and early intervention improve retention outcomes and help employers feel confident engaging with Employment Services over the long term. Future arrangements should place greater emphasis on structured in-work support, recognising that sustainable employment outcomes are often achieved through ongoing support after placement rather than solely through pre-employment preparation.

Workforce planning and long-term partnerships

Many employers, particularly larger employers, require support that extends beyond individual vacancies.

Employment Services providers should be supported to engage in workforce planning, pipeline development, industry partnerships, and employer-led training initiatives that create sustainable pathways into employment.

LESSONS FROM OUR EMPLOYER PARTNERSHIPS

Across our employer partnerships, we have observed that recruitment outcomes improve when employment services providers act as long-term workforce partners rather than vacancy referral services.

Examples include:

- **Gerbik Laundry Services**, where SRJA has brokered 83 placements and become the employer's primary recruitment partner through ongoing workforce engagement and post-placement support.
- **Corium Hide & Skin Exports**, where 47 of 51 referrals commenced employment and more than 68 outcome claims have been achieved through intensive pre-screening, job matching, and structured post-placement support.
- **Hospitality Launchpad programs** delivered with Accor, Novotel, and Mövenpick, where five CALD and refugee-focused programs resulted in 28 employment outcomes through employer-designed pathways linked to identified workforce demand.

What we learnt: Sustainable employer engagement is built through trusted relationships, strong understanding of workforce needs, quality candidate preparation, and ongoing support after placement. Employers are most likely to remain engaged when providers become workforce partners rather than simply vacancy referral channels.

Measuring what matters to employers

If employers are to be treated as customers of the Employment Services system, their experience should be reflected within performance frameworks.

Potential measures include:

- Employer satisfaction
- Repeat business rates
- Employer willingness to recruit from the system again
- Retention outcomes
- Vacancy fill rates
- Employer partnership longevity.

These metrics would encourage providers to focus on quality relationships rather than short-term placement activity.

Discussion Point 6: Service delivery

13. What qualifications and experience should be expected of frontline staff within each stream?
14. How could the future service accommodate the needs of diverse cohorts, including better linkages to other services?
15. How can a nationally consistent service respond to local circumstances?

RECOMMENDATION FOR GOVERNMENT

Build the workforce around capability and quality, not qualifications alone.

Government should:

- Establish minimum workforce standards and maintain nationally consistent quality expectations
- Recognise prior learning and industry experience
- Support ongoing professional development
- Require structured supervision for intensive service streams
- Invest in cultural capability and trauma-informed practice.

RECOMMENDATION FOR GOVERNMENT

Build a quality-focused service delivery model that combines capability, integration, and local responsiveness.

Government should:

- Support workforce models that reflect the diversity of participant cohorts and local communities
- Support integrated wraparound services and specialist partnerships
- Strengthen referral pathways to community supports
- Establish nationally consistent quality standards
- Allow local flexibility in service delivery and partnerships
- Recognise workforce capability as a key determinant of participant outcomes.

High-quality employment services require more than employment expertise alone; they require capable staff, strong community connections, and service models that reflect the realities of local labour markets and participant needs.

These recommendations reflect our experience that high-quality employment services depend on more than program design. Workforce capability, strong community connections, integrated support arrangements, and responsiveness to local labour market conditions all play a critical role in achieving sustainable outcomes for participants and employers.

Delivering high-quality services in diverse communities

SRJA believes high-quality employment outcomes are achieved when participants are supported by skilled staff, connected to appropriate services, and assisted through approaches that reflect local labour market conditions and community needs. While national consistency remains important, service delivery models must retain sufficient flexibility to respond to the differing needs of regional communities, metropolitan labour markets, culturally diverse populations, and participants facing complex barriers.

Our recommendations focus on three interconnected priorities:

- Building workforce capability
- Strengthening wraparound support and service integration
- Balancing national consistency with local responsiveness.

Formal qualifications for frontline staff

As a baseline, frontline Employment Services staff should hold a Certificate IV in Employment Services (or equivalent qualification and experience). Ongoing professional development should be encouraged, particularly in Mental Health First Aid, Motivational Interviewing, Trauma-Informed Practice, Cultural Capability, Disability Confidence, Career Development, and Employer Engagement and Recruitment practices.

Capability should matter as much as qualifications

While minimum qualification requirements are important, qualifications alone do not determine service quality. The future system should focus on workforce capability and demonstrated experience, especially for high-performing staff who have developed specialist skills through years of frontline service delivery. Capability is supported through:

- Relevant qualifications
- Practical experience
- Professional development
- Structured supervision
- Ongoing coaching and mentoring
- Cultural competency
- Labour market knowledge.

While Stream 2 remains primarily employment-focused, staff must also be capable of identifying and responding to moderate non-vocational barriers that may affect employment outcomes. This reflects the reality that many Stream 2 participants require support beyond job search assistance alone. Stream 3 requires additional specialist capability to support participants whose barriers are the primary focus of intervention and who require intensive, coordinated support.

We have identified workforce capability requirements by Stream in Table 4.

Table 4: Staff Capability in Each Stream. Recognising formal qualifications and demonstrated experience.

	Staff capability requirements
Stream 1	• Digital service support and navigation • Labour market and vacancy knowledge • Career information and pathway guidance • Ability to identify emerging barriers and trigger reassessment or referral where required.
Stream 2	• Employment coaching • Vocational planning for local labour market • Employer engagement • Knowledgeable about skills and training pathways • Recruitment and job matching • Post-placement support • Motivational interviewing and behaviour-change techniques • Mental health awareness and Mental Health First Aid • Trauma-informed engagement practices • Ability to identify and respond to moderate non-vocational barriers impacting employment participation • Community referral and support coordination • Employment-focused case coordination, referral management, and in-work support.
Stream 3	• Case management • Trauma-informed practice • Mental health awareness

	Staff capability requirements
	• Community service navigation • Intensive participant engagement • Referral and specialist service coordination.
All	• Cultural capability • Lived experience where appropriate • Ability to effectively engage with diverse cohorts across different communities and labour markets.

LESSONS FROM OUR WORKFORCE AUSTRALIA DATA

Analysis of participant outcomes found that participants supported by a single Employment Consultant achieved employment outcomes more quickly than those supported by multiple consultants, regardless of unemployment duration.

- Non-VLTU: 56 days to placement with one consultant vs 132.5 days with multiple consultants
- VLTU: 108 days vs 267 days.

What we learnt: Workforce capability alone is not enough. Continuity of relationships and consistent support contribute to stronger employment outcomes, reinforcing the importance of staff retention, manageable caseloads, and service models that minimise unnecessary changes in participant support.

Supporting diverse cohorts through integrated services

Participants often require support from services beyond the employment services system. Future service models should therefore support stronger integration between employment services and broader community support systems.

Key priorities include:

Culturally responsive services

Providers should be supported to employ First Nations and culturally diverse staff, use interpreters where appropriate, and deliver culturally safe services for participants from diverse backgrounds. Workforce composition should, where practical, reflect the diversity of the communities being served, helping build trust, improve engagement, and strengthen participant outcomes.

Strong referral networks

Providers should maintain active partnerships with housing, mental health, disability, settlement, justice, family support, and financial wellbeing services, recognising these specialist organisations as an essential component of the broader employment support ecosystem. For First Nations participants, this should include culturally safe referral pathways to Aboriginal and Torres Strait Islander community-controlled organisations, including health, housing, justice, family support, and legal services where appropriate.

Wraparound support

Employment outcomes improve when providers can coordinate support across multiple service systems rather than treating employment barriers in isolation. This includes effective engagement with specialist community organisations that provide expertise beyond the traditional scope of employment services.

Flexible service delivery

Participants should be able to access support through a mix of face-to-face, outreach, telephone, and digital channels depending on their circumstances and preferences.

Specialist capability

Staff working with participants experiencing complex barriers should have access to additional training and specialist support resources.

LESSONS FROM DELIVERY IN WORKFORCE AUSTRALIA, PARENT PATHWAYS, IEA & OTHER PROGRAMS

Across multiple programs and regions, we have consistently observed that participants are most likely to achieve sustainable employment when employment services are delivered alongside support for housing, health, transport, settlement, justice, and family-related barriers.

What we learnt: Employment services achieve the greatest impact when they operate as part of a broader support ecosystem rather than as a standalone intervention. It also demonstrates the value of specialist programs designed around the needs of particular cohorts, supported by workforce capability and service models tailored to those participants.

National consistency with local flexibility

Future reforms should establish nationally consistent service standards while allowing providers flexibility to respond to local labour market conditions and community needs.

National consistency should include:

- Service quality expectations
- Assessment standards
- Participant rights
- Workforce standards
- Performance measurement.

Local flexibility should include:

- Employer engagement approaches
- Partnership models
- Recruitment pathways
- Community referral networks
- Program and activity design.

The most effective employment services combine strong national quality frameworks with local decision-making and community knowledge.

LESSONS FROM OUR WORKFORCE AUSTRALIA DATA

Analysis of our caseloads demonstrates that participant profiles and barriers vary considerably between regions, reflecting local populations and challenges. For example:

- Sydney South West experiences higher levels of settlement and interpreter-related need
- Western Melbourne supports large refugee populations
- Darling Downs experiences higher rates of transport and housing-related barriers.

What we learnt: Effective service delivery requires both local knowledge and organisational capability. It also requires workforce models that reflect local community characteristics, cultural diversity, language needs, and participant demographics.

LESSONS FROM OUR PROGRAMS

Across Workforce Australia, Parent Pathways and IEA, we have observed that participants often engage more effectively when they can access support from staff who understand their community, speak their language, or have experience working with similar cohorts.

What we learnt: Workforce diversity and cultural capability are important service quality considerations that help build trust, improve engagement, and support better participant outcomes.

Discussion Point 7: Incentives

16. How should providers be incentivised to support participants into suitable, sustainable jobs?
17. How should employment outcomes and progress towards employment be measured? How should this differ between targeted provider services and intensive services?

RECOMMENDATION FOR GOVERNMENT

Design funding and performance frameworks that reward quality, collaboration, and sustainable outcomes.

Government should:

- Increase the weighting of long-term employment outcomes
- Recognise participant complexity within funding models
- Reward progress toward employment, particularly within Stream 3
- Reward successful progression from Stream 3 services into Stream 2 services where this reflects increased work readiness
- Support shared outcome incentives between Streams 2 and 3
- Measure participant and employer satisfaction alongside employment outcomes
- Recognise post-placement support as a core service activity

Include safeguards that maintain the integrity of stream allocation decisions.

The future incentive framework should encourage providers to invest in sustainable employment outcomes rather than short-term placement activity.

RECOMMENDATION FOR GOVERNMENT

Recognise progress toward employment as a legitimate outcome.

For participants facing significant barriers, performance frameworks should recognise:

- Stable housing
- Engagement with treatment or counselling
- Completion of training or education
- Improved work readiness
- Participation in work experience
- Sustained engagement with services
- Progression toward employment.

These achievements often represent critical milestones on the pathway to sustainable employment and should be reflected in funding and performance arrangements.

These recommendations reflect our experience that participant complexity, employer engagement, and long-term retention all influence sustainable employment outcomes, but are not always adequately recognised through traditional performance measures.

Incentives should reward value, quality, and sustainable outcomes

Funding and performance frameworks are among the most powerful drivers of provider behaviour. The future Employment Services system should ensure incentives encourage providers to invest in participant outcomes, employer relationships, workforce capability, and service quality.

In SRJA's experience, employment outcomes are achieved through a combination of assessment, coaching, employer engagement, training, barrier reduction, and post-placement support. However, many of these activities occur long before an employment outcome is recorded.

The future system should, therefore, reward progress toward employment, recognise participant complexity, and incentivise collaboration, quality, and long-term retention rather than focusing predominantly on initial job placement.

LESSONS FROM INTERNATIONAL EVIDENCE

The UK's 15-year experience with payment-by-results funding has demonstrated both strengths and limitations. While outcome payments can drive employment performance, reviews of the Work Programme found challenges in supporting participants with the greatest barriers, likely due to incentive weight based on outcome payments alone. More recent programs such as Restart and Future Employment Support (FES) have adopted more balanced funding approaches that combine service fees, outcome payments, and recognition of participant complexity.

What we learnt: Incentive frameworks should reward sustainable employment outcomes while recognising participant complexity, service quality, and progress toward employment.

LESSONS FROM OUR WORKFORCE AUSTRALIA DATA

The needs of participant cohorts differ significantly. Our analysis found:

- Homeless participants achieved a 14.7% 12-week outcome rate in the 5+ year cohort
- Ex-offenders achieved only 14.2% at 12 weeks and 8.6% at 26 weeks
- Refugee participants showed stronger sustainment outcomes than several other disadvantaged cohorts.

What we learnt: A single performance framework will not accurately reflect participant complexity. Incentives should recognise the additional effort required to support participants facing structural barriers and should reward progress alongside employment outcomes.

Designing incentives that support participant outcomes

Reward sustainable employment

The strongest incentives should be aligned with employment retention rather than short-term employment outcomes, as the current system does not incentivise job placement. While job entry is important, long-term employment is the outcome that creates lasting benefits for participants, employers, and government.

Future funding models should therefore place greater weighting on 26-week outcomes, long-term employment sustainment, and reduced return-to-income-support rates.

Recognise participant complexity

Participant cohorts require different levels of support and investment. Funding arrangements should recognise differing levels of participant complexity and support need.

A single funding and performance framework is unlikely to accurately reflect these differences.

Reward progress toward employment

For many participants, employment is not the immediate next step. Progress measures should recognise achievements such as:

- Stable housing
- Training completion
- Engagement with treatment or counselling
- Improved work readiness
- Participation in work experience
- Increased workforce participation capability.

These milestones often form the foundation for future employment outcomes.

LESSONS FROM INTERNATIONAL EVIDENCE

Supported-employment models increasingly measure the full employment journey. UK IPS records and rewards a range of intermediate outcomes, including sustained engagement, first-time paid employment, sustained employment at defined milestones, and progression into more sustained or higher-quality roles. The IPS Grow national reporting infrastructure captures both fidelity scores and outcome data in real time, allowing services to demonstrate their contribution across the full participant journey – not just at the point of job entry.

What we learnt: Performance frameworks for intensive services should recognise meaningful progress toward employment (such as stable housing, engagement with treatment, and training completion), as well as employment outcomes themselves.

Support quality over volume

Performance frameworks should encourage providers to focus on sustainable employment outcomes rather than high volumes of placements.

Indicators such as retention, participant satisfaction, and employer satisfaction provide a more complete picture of service quality than placement rates alone.

Align incentives across Stream 2 and Stream 3

Funding arrangements should reinforce collaboration across the Stream 2/3 model outlined earlier, regardless of provider structure.

Where separate providers operate, shared outcome payments can encourage collaboration by recognising the contribution of both employment support and barrier reduction activities.

Consider introducing a recognised progression outcome where a Stream 3 provider successfully addresses a participant's primary barriers and supports their transition into Stream 2 employment-focused services. This would acknowledge the contribution of intensive support providers and encourage active progression toward employment rather than prolonged servicing within higher-intensity streams.

Where a single provider delivers both streams, internal performance, and funding arrangements should similarly encourage collaboration between employment specialists and intensive support staff, rather than creating incentives to retain participants unnecessarily within higher-intensity services.

The objective should be to reward successful outcomes for participants, not ownership of participants by a particular stream or provider.

Incentives must be supported by accountability measures

Funding models influence behaviour and must include safeguards that protect the integrity of the system, reflecting participant need rather than organisational preferences.

Potential safeguards include:

- Independent assessment and triage processes
- Quality assurance reviews of stream allocation decisions
- Monitoring of participant movement between streams
- Audits of stream composition by region and provider
- Oversight of participant outcome trends across service streams.

Ensure self-employment outcomes are sustainable

For some participants, self-employment may represent the most appropriate pathway to economic participation and long-term financial independence. Future Employment Services should recognise this pathway and ensure participants with viable business aspirations can be identified early and connected to Self-Employment Assistance (SEA) where appropriate. Rather than duplicating SEA services, Employment Services should complement the program by supporting participant assessment, readiness, pathway planning, and referral into specialist self-employment support.

Performance frameworks should focus on sustainability, viability, and participant benefit rather than simply recording business commencement.

Recognise provider contribution, regardless of participant Stream

Lastly, incentive arrangements should not discourage providers from engaging job-ready participants outside their direct caseload. Where employment-focused providers contribute to successful placement outcomes for complementary programs (EST/SEA), funding arrangements should recognise and encourage this contribution.

Measuring what matters

Performance measures should reflect both shared and distinct objectives of each service stream.

Shared measures may include:

- Employment sustainability
- Employer satisfaction
- Participant satisfaction
- Job suitability and quality
- Reduced return-to-income-support rates.

Additional measures should then vary by stream as per Table 5 below.

Table 5: Measuring Outcomes in Stream 2 & 3. Reflecting specific objectives for each stream.

Stream	Stream 2	Stream 3
Measurement focus	• Employment entry • Employment retention • Training completion • Job readiness improvements • Employer engagement outcomes.	• Barrier reduction • Stable housing and wellbeing • Engagement with support services • Capability building • Progress toward employment • Employment retention where achieved.

LESSONS FROM IEA

IEA recognises that employment progress is often non-linear and that participant success cannot always be measured through employment outcomes alone.

Participants frequently achieve important milestones before securing employment, including improved confidence, increased community participation, greater workplace capability, stronger wellbeing, and engagement with support services.

What we learnt: Future Employment Services performance frameworks should reward meaningful progress alongside employment outcomes, particularly for participants with significant barriers where employment may be a longer-term objective.

Discussion Point 8: Commissioning

18. What commissioning approaches will best support increased provider diversity?

RECOMMENDATION FOR GOVERNMENT

Design commissioning arrangements that support quality, capability, and sustainability.

Government should:

- Ensure providers have sufficient scale to invest in workforce capability, employer engagement, technology, quality assurance, and innovation.
- Promote diversity through partnerships, consortium models, and specialist service arrangements rather than excessive market fragmentation.
- Support strong local service presence while maintaining sustainable regional footprints.
- Enable specialist community and First Nations organisations to participate through flexible commissioning models.
- Align funding arrangements with the genuine cost of delivering high-quality employment services.

A well-designed market should balance diversity, competition, capability, and sustainability to ensure participants and employers receive consistently high-quality services.

Our recommendations recognise that service quality depends not only on frontline delivery, but also on investment in workforce capability, employer engagement, quality assurance, technology, and community partnerships. These investments are more difficult to sustain in highly fragmented service markets.

Commissioning should prioritise quality, capability, and sustainability

SRJA supports provider diversity and recognises the important role played by community organisations, First Nations organisations, specialist providers, and social enterprises within the Employment Services ecosystem.

We also acknowledge that the government's role is not just to procure services, but to actively steward the market – including managing transitions, protecting specialist capability, and ensuring participant continuity when providers exit.

However, the number of providers in a market is not, by itself, a measure of quality or effectiveness. Rather, commissioning reform should ultimately focus on delivering high-quality participant and employer outcomes.

Our experience suggests that the strongest employment services systems balance:

- Provider capability and quality
- Commercial sustainability
- Local responsiveness
- Diversity and specialisation
- Competition and accountability.

Future commissioning arrangements should therefore seek to create markets that are capable of sustaining investment in staff capability, employer engagement, quality assurance, technology, partnerships, and innovation – while maintaining strong local connections and participant choice.

The relationship between quality and scale

Service quality depends on sustained investment in workforce capability, employer engagement, quality assurance, and continuous improvement. While scale alone does not guarantee quality, sufficient scale and funding certainty help create the conditions for long-term investment and service improvement. On the other hand, a commissioning model that significantly fragments participant volumes across many providers may unintentionally prevent them from making long-term investments.

Commercial sustainability and service quality are closely linked, as sustainable providers are better positioned to invest in capability and continuous improvement. A model like the Darling Downs example (Figure 3) shows balance between scale, competition, and local coverage. Major service hubs (like Toowoomba) can support multiple providers, while a single dedicated provider for each regional community, like Gatton, Dalby, and Warwick ensures sustainable delivery.

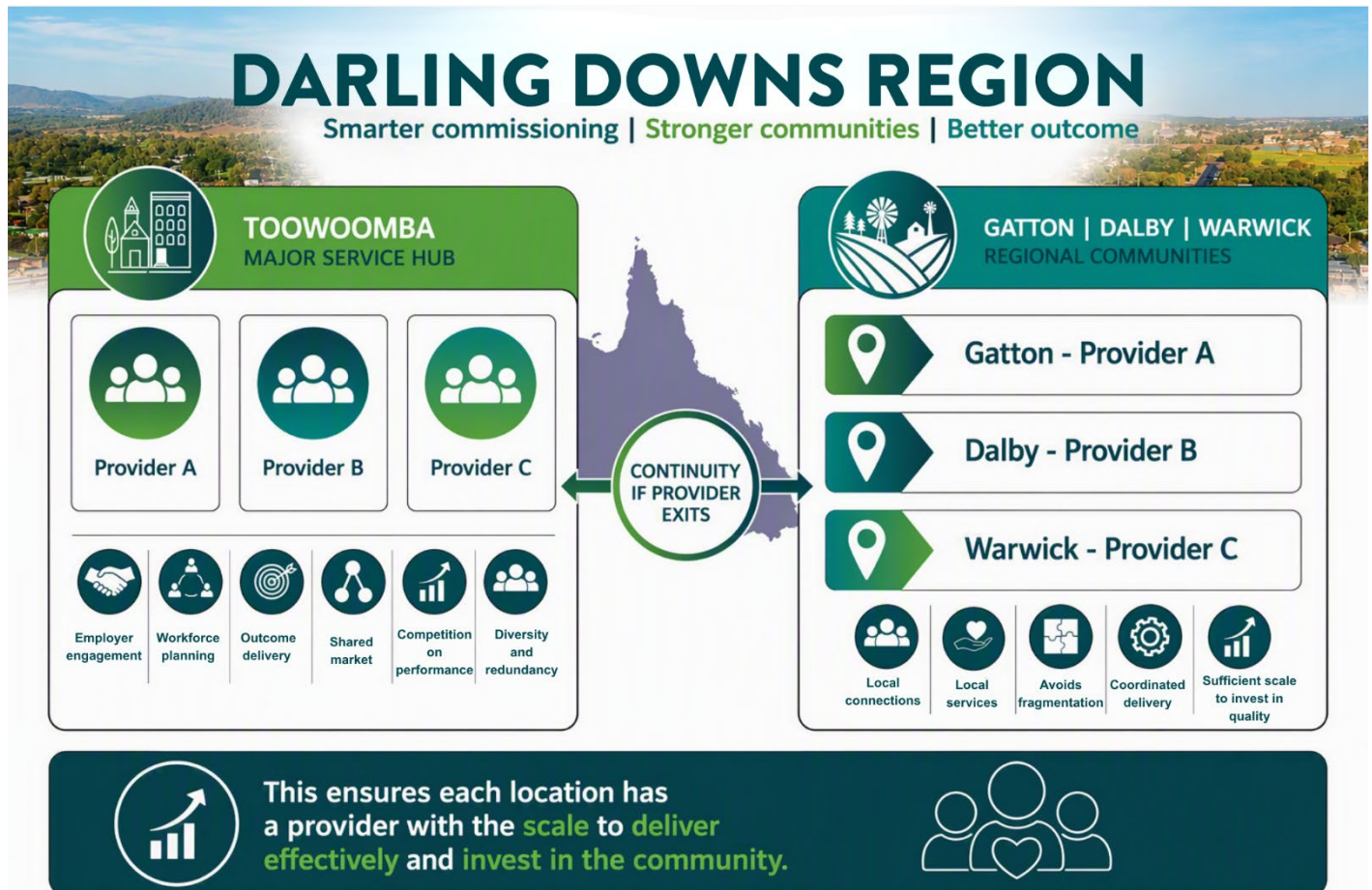


Figure 3: Darling Downs Region Example Commissioning Model. Ensuring each provider and location has sufficient scale to invest in effective delivery.

Market design should support investment

The future system should recognise that providers require sufficient participant volumes to justify investment in quality initiatives.

While healthy competition remains important, excessive fragmentation can reduce investment capacity, workforce capability, service innovation, and local service sustainability. We have seen this firsthand in IEA, where providers need sufficient scale and funding certainty to invest in specialist staff, quality systems, employer engagement functions, digital platforms, training, and participant support infrastructure.

The objective should not be to maximise the number of providers within a region, but to ensure providers have sufficient scale to deliver high-quality services while maintaining participant choice and market competition. Future commissioning must consider both diversity and the practical operating conditions required to sustain quality service delivery.

The distribution of participants across streams will also have important implications for provider sustainability. Indicative modelling suggests that a relatively small proportion of participants may enter Stream 3 compared with Stream 1 and Stream 2. Future commissioning and funding arrangements should, therefore, ensure that providers delivering intensive services receive sufficient participant volumes and funding certainty to maintain specialist capability, workforce expertise, and community partnerships.

LESSONS FROM INTERNATIONAL EVIDENCE

UK commissioning reforms have sought to balance provider scale with specialist participation, as demonstrated by recent evolutions:

Work Programme (2011-2017): 18 prime contractors delivered across 40 contracts in 18 CPAs, with market concentration and PbR pressure combining to erode specialist voluntary and community sector supply chains, resulting in several established charities reporting sector exits by contract end.

- **Restart Scheme (2021):** Eight prime contractors delivered across 12 Contract Package Areas, with hybrid funding but limited formal supply-chain diversity requirements.
- **UK Shared Prosperity Fund transition (2022-24):** Disruption to established specialist providers as European Social Fund transitioned to UKSPF has been widely documented as an unintended market consequence – underscoring the importance of active market stewardship during commissioning transitions.
- **Connect to Work (from 2024):** Delivered via procurement from local Accountable Bodies (mayoral combined authorities and local councils) using either IPS or SEQF fidelity models, with strong preference for specialist providers either as primes or subcontractors/partners.
- **Future Employment Support (from 2028):** England-only £1.2bn programme covering approximately 395,000 participants over 3 years, with a minimum 25% SME supply-chain requirement, co-design with Mayoral Strategic Authorities, and tripartite performance management.

What we learnt: High-quality employment services require sufficient provider scale and funding certainty while creating meaningful opportunities for specialist and community-based organisations (including First Nations and social enterprise organisations) to contribute. Active stewardship also is important during commissioning transitions to protect capability and service continuity.

Diversity through partnership and specialisation

Provider diversity is important because it brings community knowledge, cultural capability, specialist expertise, and innovative service approaches into the employment services ecosystem. However, diversity does not require fragmentation.

One of the strengths of a mature commissioning model is its ability to combine:

- Large-scale providers with employment services expertise
- Specialist organisations with cohort expertise
- First Nations-led organisations
- Social enterprises
- Community service providers
- Local referral partners.

A partnership-based approach enables participants to benefit from specialist expertise while retaining access to provider capability, employer networks, and broader support infrastructure.

Designing for local presence

Future commissioning models should ensure providers remain visible and connected within the communities they serve.

For example, in a region such as Darling Downs, government could support:

- Multiple providers within Toowoomba where participant volumes justify competition
- Dedicated service delivery for each satellite community, such as Warwick, Dalby, and Gatton
- Strong partnerships with local community organisations
- Shared investment in employer engagement, specialist services, and workforce capability.

Commissioning arrangements should reflect likely participant volumes across service streams and support sustainable delivery models in regional markets. This type of model balances local responsiveness with sustainable service delivery.

Creating pathways for specialist participation

Specialist and community-based organisations should play an important role in the future system.

Rather than requiring every organisation to become a stand-alone Employment Services provider, commissioning models should encourage:

- Consortium arrangements
- Partnership models
- Subcontracting opportunities
- Local specialist service delivery
- First Nations-led partnerships.

This enables community organisations to contribute their expertise without forcing unsustainable administrative and compliance responsibilities onto smaller organisations.

Funding should reflect the true cost of quality

The future model expects providers to invest across a broad range of quality, workforce, employer engagement, and participant support functions. These activities create value but are not always directly linked to individual employment outcomes.

Commissioning and funding arrangements should, therefore, recognise the full cost of delivering high-quality services and avoid over-reliance on outcome-only funding models.

A system that funds quality appropriately is more likely to achieve sustainable participant outcomes, stronger employer engagement, and better long-term value for Government.

Discussion Point 9: Continuous improvement

19. How can employment services foster continuous improvement? For example, what strategies would improve the sharing of best practice?

RECOMMENDATION FOR GOVERNMENT

Embed continuous improvement as a core feature of the Employment Services system.

Government should:

- Establish nationally consistent quality and continuous improvement frameworks
- Collect, publish, and act on participant and employer feedback
- Support provider benchmarking, best-practice sharing, and communities of practice
- Invest in workforce capability, professional development, and organisational learning
- Encourage innovation, pilots, service redesign, and evidence-based experimentation
- Improve provider access to performance, quality, and outcome data
- Promote transparency and accountability through meaningful performance reporting
- Reduce unnecessary administrative burden to maximise frontline service delivery
- Support the adoption of proven practices from both Australian and international experience.

The future Employment Services system should be designed not only to deliver services, but to continually learn, adapt, and improve outcomes for participants, employers, providers, and government.

These recommendations reflect the view that continuous improvement should be embedded within the design of the Employment Services system itself. Improving outcomes requires more than contract management and compliance oversight; it requires structured learning, workforce development, innovation, feedback, and the ongoing sharing of best practice across the sector.

Continuous improvement should be a system design feature

Continuous improvement should not depend on individual provider initiative alone. The future Employment Services system should be deliberately designed to encourage learning, innovation, evidence-based practice, and the sharing of what works.

While providers naturally focus on improving their own performance, Government also has a role in creating the conditions that enable improvement across the system as a whole. This includes quality frameworks, performance transparency, best-practice sharing, workforce development, and mechanisms that encourage collaboration rather than competition alone.

A future system focused on continuous improvement will be better positioned to adapt to changing labour markets, participant needs, employer expectations, and emerging service delivery approaches.

Establish a national quality improvement framework

Continuous improvement should extend beyond contract management and compliance monitoring.

The future system should include a formal quality improvement framework that:

- Defines service quality expectations
- Measures participant and employer experience
- Promotes workforce capability development
- Encourages innovation and service design (as in IEA's Centre of Excellence)
- Supports provider benchmarking and shared learning
- Identifies and spreads effective practices across the system.

Quality improvement should be treated as a core operating function rather than an optional activity.

Our experience delivering Parent Pathways has demonstrated the value of structured participant feedback, flexible service design, and ongoing review of service delivery practices. These same principles could support wider Employment Services reform by helping providers better understand participant experience and adapt services in response.

Creating a learning system

Continuous improvement is most effective when providers can learn from their own experiences as well as the experiences of others. Government should support:

Best-practice sharing

Regular forums, communities of practice, and structured opportunities for providers to share successful approaches, innovations, and lessons learned.

Provider benchmarking

Performance and quality data that allows providers to understand how they compare with peers and identify opportunities for improvement.

The objective should be to create a system that learns continuously rather than requiring individual providers to solve the same problems independently.

Better use of data and feedback

Continuous improvement depends on meaningful performance information.

The future system should collect and use:

- Participant feedback
- Employer feedback
- Outcome and retention data
- Service quality indicators
- Workforce capability measures.

Accessible dashboards and transparent reporting can help providers identify trends, respond to emerging issues, and understand which interventions are producing the strongest outcomes. This data should be used not only for performance management but also to support learning, adaptive commissioning, and service improvement.

The system should be designed to test and learn, with in-contract adjustment mechanisms, evidence-based recalibration, and formal feedback loops from providers to policy.

Workforce learning

Ongoing professional development, peer mentoring, coaching, and capability-building initiatives that strengthen frontline practice.

Cross-sector collaboration

Stronger collaboration between employment services, training providers, employers, community services, and government agencies to improve participant outcomes.

LESSONS FROM INTERNATIONAL EVIDENCE

The UK employment services system places strong emphasis on independent evaluation, public performance reporting, benchmarking, and program review:

- **NAO and Public Accounts Committee reviews** have informed subsequent program design and reform since 2000.
- **DWP's published formal impact assessments** (using propensity-score matched administrative data), alongside **monthly programme statistics**, give providers, commissioners, and independent researchers a shared evidence base.
- The **IPS Grow Reporting Tool** provides real-time fidelity scores and outcome data across UK supported employment services, enabling services to benchmark performance, identify implementation issues early, and share best practice.

What we learnt: Continuous improvement is strongest when evaluation, performance measurement, transparency, and organisational learning are embedded into system design from the outset.

Supporting innovation and service development

Providers should be encouraged to test new ideas, pilot emerging approaches, and adapt services to changing participant and employer needs.

Government can support innovation by:

- Funding pilot programs
- Sharing evaluation findings
- Supporting controlled trials
- Encouraging local innovation within national quality standards.

A system that actively tests and evaluates new approaches is more likely to improve outcomes over time than one that focuses solely on contract compliance.

Enabling staff to focus on participants

Continuous improvement is difficult when frontline staff spend excessive time on administrative processes. Reducing unnecessary administrative burden allows staff to spend more time:

- Supporting participants
- Building employer relationships
- Coordinating referrals
- Participating in learning and improvement activities
- Reflecting on service quality and outcomes.

Future reforms should therefore consider administrative efficiency as part of broader quality improvement efforts.

Many of the reforms proposed throughout this submission – including improved assessment, differentiated service streams, stronger employer engagement, enhanced workforce capability, and more sophisticated incentive structures – will only achieve their full potential if supported by a culture of continuous learning and improvement. Future reform should therefore view continuous improvement not as a separate activity, but as an integral part of system design.

Quality does not happen by accident. It requires deliberate investment, measurement, learning, and continuous improvement.

Committed to partnering with DEWR on delivering better services

Sarina Russo Job Access is committed to providing better services for participants and employees. We are also prepared to work closely with DEWR and other stakeholders to refine and implement future reforms to Employment Services.

We welcome the opportunity to discuss our recommendations further, and we look forward to exploring the proposed changes through future workshops and trials.