

# Productivity Commission Issues Paper: Geographic Labour Mobility, July 2013

## Jobs Australia Submission: Labour mobility and relocation of job seekers

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23 August 2013

Jobs Australia welcomes the opportunity to contribute to the Productivity Commission's discussion about geographic labour mobility and its role in a well-functioning labour market.

Jobs Australia believes there is value in Australia developing a national policy that supports people who decide to relocate to another part of the country for employment provided this is limited in scope and focuses on maintaining the existing good level of geographic labour mobility within the Australia labour market. A national policy would also provide an overall framework for specific industries and sectors seeking to address skill and labour shortages.

As a country of migrants with a history of people seeking a better life through the act of moving to areas of new opportunity, relocation in search of work is a familiar narrative within our national psyche. Many of our most powerful stories focus on people who have come to Australia and have 'made good', with results that have been enriching for them as individuals, and for the community generally.

A broad but limited national policy that removes impediments to relocating for work can help to ensure that when individuals decide to relocate for employment they are not discouraged from this by artificial or unintended barriers.

A national policy can also provide the overall framework for various sectors within the community and economy to design the strategies that are most likely to address the particular problems of skill or labour shortage they experience. Evidence suggests that the Australian workforce is already reasonably flexible in this area compared with other developed countries. A national policy can work to ensure this continues.

Jobs Australia, as the peak body for over 210 nonprofit providers of employment and related services, is primarily concerned with the impact of labour mobility policy on people who are unemployed, particularly those receiving income support. To date there has been considerable discussion about seeking to use the geographic relocation of people on income support payments to get a job as a method of addressing skill shortages in some parts of Australia, and of reducing the numbers on income support.

It has been argued that it is preferable to require people who are unemployed and receiving income support to relocate for a job, rather than fill that job by bringing in skilled workers from overseas under the 457 visa scheme. For unemployed people with the relevant skills, it is appropriate to adopt policies and program settings to enable them to be considered for these vacancies.

Our members report that relocating is not an option for highly disadvantaged people because it means moving away from existing family support, other social services support, and frequently away from cheap and affordable housing. The financial and other risks will generally be so high as to be both unappealing to the job seeker and unacceptable as a public policy position.

In 2007-08 the then Department of Employment and Workplace Relations (DEWR) undertook two small relocation pilots with employment service providers. The results were ambiguous at best:

*... the Department concluded that firstly, there was not a great amount of job seeker interest in moving to gain employment and, secondly, it is possible to gain similar results at a greatly reduced expense through existing means. (Bills Digest for Social Security Legislation Amendment (Connecting People with Jobs) Bill 2010.*

The more recent program, Connecting People with Jobs (CPwJ), commenced in 2011 and has evolved into the current program, Move 2 Work. We will discuss the outcomes for Connecting People with Work in more detail below.

While we think that there is a useful role for some strategies in this area, these should be tailored and should not have the effect of implying that job seekers should necessarily be prepared to move considerable geographic distances in order to find work.

### Is there a strong case for a national policy on labour mobility?

The idea of promoting geographic labour mobility is based on the belief that, by relocating, individuals will be able to find a job or a better job than they currently have and that, consequently, they and the industries they work for will be better off.

While the statistical evidence on geographic labour mobility is limited, the evidence that exists shows that the outcomes for individuals who do undertake this major life change are mixed.

It is reasonable to assume that the argument in support of relocating for a job, either from an existing job or from unemployment, will have two primary outcomes for the individual:

1. a degree of job security and retention; and
2. an increase in earnings.

Research undertaken by Richard Sweet, one of three commissioned by the National Centre for Vocational Education Research (NCVER) at the request of the Department of Education, Employment and Workplace Relations to tease out some of the issues connected to mobility in the Australian workforce<sup>1</sup> demonstrates that both of these assumptions are debatable.

Sweet's examination of the data from six ABS labour mobility surveys between 1994 and 2004 shows a significant job loss among employed people who relocated for another job within the 12-month period after their move: *Of those working in February 2003 who moved state or territory, 24%, or*

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<sup>1</sup> Sweet, R 2011, *The mobile worker: concepts, issues, implications*, NCVER, Adelaide. This paper is one of three commissioned by the National Centre for Vocational Education Research (NCVER) on labour mobility issues in the Australian workforce.

*almost one in four, were not working in February 2004 . . among those who stayed put: the employment rate of the latter group fell by only 6%<sup>2</sup>.*

The figures on job retention for people who were unemployed before they relocated were more positive: 86 per cent of people who moved had a job a year later compared with 80 per cent of people who didn't move<sup>3</sup>. While this is a valuable gain of around 65,000 jobs between 2003 and 2004, it is clear that the story on job security is complex.

The results for the second outcome suggested above - an increase in earnings - is also ambiguous. Ian Watson's research for the NCVER<sup>4</sup> shows *that job changing does not lead, on average, to an increase in earnings. This applies to both hourly rates of pay and annual earnings.*

There is another fairly widely-held assumption about relocating for work: it is that Australians don't like to move for work relative to other comparable countries. Demographer Bernard Salt, writing in *The Australian (Nullarbor is our very own Berlin Wall, May 30, 2012)* captures this sentiment:

*Australia's colonial cringe stymies any westward push: there is an underlying view from powerful, ritzy, sophisticated Sydney and Melbourne that a shift to another city or region -- unless for sun-lazing retirement purposes -- is a step away from civilisation.*

*US and British residents are much less concerned about moving from New York to Chicago to Los Angeles or from London to Birmingham to Edinburgh. Or indeed from Manhattan to upstate New York or to Main Street USA.*

However, Sweet's analysis shows that Australia has reasonably high levels of labour mobility (by comparison with other countries), and higher levels of significant locality change than those of either Canada or the United States<sup>5</sup>.

It is clear that the available data is limited and that our understanding of why people relocate and how it affects their employment would benefit from fuller research and more frequent data, but it is also clear that Australians appear to be reasonably flexible about relocating for a job when they can see that it would benefit them. It is also clear that relocating for work is a risky undertaking, the positive outcomes of which cannot be guaranteed.

Given this varied picture we share Sweet's view that a national policy on geographic labour mobility should be cautious and limited. He identifies a range of structural factors that support labour mobility, such as portable retirement benefits and broad-based education and training qualifications, but recognises that other policies, such as support for home ownership will work against it, as will the increasing number of two-income families. The implications of this are that some structural factors are not open to direct policy intervention or would work against other policies seen as desirable<sup>6</sup>.

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<sup>2</sup> Sweet, p 28

<sup>3</sup> Sweet, p 28

<sup>4</sup> Watson, I 2011, *Does changing your job leave you better off? A study of labour mobility in Australia 2002 to 2008*, NCVER, Adelaide, p 8

<sup>5</sup> Sweet, p 27.

<sup>6</sup> Sweet, pp 30,31.

Sweet concludes:

*The most sensible assumptions for policy are that rigidities that reduce the dynamism of the labour market should be avoided, and that policies that maximise individual happiness and skill development should be promoted. Over and above this, firms and individuals should be left to sort things out for themselves.<sup>7</sup>*

In a benign environment such as the one described here we can reasonably assume that people would relocate for work when they assess that this is to their advantage: that is, that it would bring more income, or greater job security, or provide more satisfaction and career opportunity – or combinations of these things.

### **Are policies specifically designed to relocate job seekers for work likely to work?**

Measures designed to increase the pressure on people on income support to take up a job in another location on the basis that they should accept any offer of available work won't work, may have unreasonably harsh outcomes, and probably contravene social security legislation.

While there are some examples of successful relocations, and we profile examples of these at the end of this submission, the evidence and the experience of our members in delivering services to disadvantaged job seekers over many years has convinced us that successful outcomes with this group are likely to be limited and costly to implement.

The reality is that many job seekers on income support already face enormous barriers to finding and keeping work. These often include low levels of school attainment and multiple personal barriers such as homelessness, mental illness, and drug and alcohol dependence. For people in this situation who already face severe disadvantage and frequently have histories of long-term unemployment, the challenges associated with relocating a considerable distance to find work represent serious risks.

It would therefore be unwise to design a policy that seeks to encourage people to relocate in search of a job with unemployed job seekers *as its primary pool of candidates*. At its simplest, it is not good policy to try to force people to act in ways that are not in their own best interest.

However there *is* a role for a relocation strategy, as part of a broader national policy to maximise the flexibility and dynamism of the labour market, that encourages and supports job seekers who do think that they may find better job opportunities by relocating. This would sit alongside a range of other strategies in employment services that provide targeted support to particular groups of job seekers, such as young people, migrants, or mature aged unemployed people, to help them address existing barriers and maximise their opportunities to find and keep jobs.

This principle should underpin any relocation policies that apply to job seekers.

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<sup>7</sup> Sweet, p 31.

## The background on past and existing strategies to support jobseeker relocation

Following a number of small earlier pilots the Department of Education, Employment and Workplace Relations (DEEWR) established Connecting People with Jobs (CPwJ), a two-year pilot that began on 1 January, 2011 and finished in 2013 when it was succeeded by the new program, Move 2 Work.

Connecting People with Jobs provided a range of financial supports for providers to help job seekers relocate, defined eligibility and sought to avoid misuse of the program through a severe penalty for anyone leaving the new job without good reason. It also contained financial incentives for employers. Up to \$14.5 million was budgeted for the pilot<sup>8</sup>. This consisted of a combination of funding to support job seekers who relocated and funding as financial incentives for employers. Pilot numbers were capped at 2,000 job seekers, a combination of single and family units, and of metropolitan and regional locations.

A [report by Patricia Karvelas](http://www.theaustralian.com.au/national-affairs/industrial-relations/paying-people-to-relocate-for-jobs-has-failed/story-fn59noo3-1226480606380) in The Australian (25 September, 2012), *Paying people to relocate for jobs has failed*, (<http://www.theaustralian.com.au/national-affairs/industrial-relations/paying-people-to-relocate-for-jobs-has-failed/story-fn59noo3-1226480606380>) based on DEEWR figures not elsewhere available, showed that only 659 people, or 32 per cent, of the planned 2,000 intake had signed up to the pilot, notwithstanding the cash incentives and support provided under the program.

By mid to late 2012, when it became clear that the sluggish uptake by both employment services providers and job seekers was likely to be an ongoing feature of the pilot, the Government sought advice about ways that it could be modified. In response to this request, Jobs Australia undertook some research with our members to understand how they were using the program.

This research showed that relatively few Job Services Australia (JSA) providers were actively using the program. The reasons were a combination of:

- lack of interest or demand from job seekers;
- the costs of putting the necessary arrangements in place; and
- poor knowledge of, and linkages with, employers in areas outside the Employment Service Areas (ESA) in which the providers were contracted to provide employment services.

Of the Jobs Australia members we spoke to, NORTEC, a provider on the north coast of NSW, was the most actively engaged with the program and we provide a case study of their approach which illustrates some of the challenges for job seekers, employers and providers<sup>9</sup>. Another member, ACCES Services, has had considerable success relocating groups of refugees<sup>10</sup>.

Based on this research we made a number of proposals to DEEWR in 2012 about ways that we thought the program could be strengthened.

By mid-2013 the Connecting People with Jobs pilot was being wound up and Move 2 Work commenced. Design of the new program addressed a number of the points we and others had raised. It offers job seekers and providers a more flexible set supports and requirements.

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<sup>8</sup> Department of Finance and Deregulation, *Release of Costing of Election Commitment*, media release, 18 August 2010: [http://electioncostings.gov.au/files/2010/08/GOV49-Connecting\\_people\\_with\\_jobs-Completed.pdf](http://electioncostings.gov.au/files/2010/08/GOV49-Connecting_people_with_jobs-Completed.pdf)

<sup>9</sup> See Appendix, Case Study 1

<sup>10</sup> See Appendix, Case Study 2

Among several positive changes to the program, eligibility has now been extended to all job seekers who qualify as ‘fully eligible job seekers’ within Job Services Australia and Disability Employment Services. The locational requirement has been simplified and the only requirement is that the job is more than 90 minutes from where the job seeker lives, using normally acceptable travel routes<sup>11</sup>. We think it is sensible to retain the clear requirement that the job seeker relocates to an identified, ongoing job.

Recent modifications to the program have extended the period of allowable rent support from two to four weeks. The decision to consider, on a case-by-case basis, whether FIFO or DIDO jobs may be eligible for the support demonstrates a willingness to be flexible while maintaining clear control of the program. The program guidelines for the range of relocation supports for which the job seeker can claim reimbursement is similarly reasonable and flexible.

However, some additional measures would further strengthen the program. These are:

1. The 12-week non-payment period: Currently, a Move 2 Work job seeker who quits a new job without a valid reason or is terminated by the employer for misconduct faces the prospect of a 12-week non-payment period. This should be changed to conform with the 8-week non-payment period that applies to all other job seekers.

We don’t believe that there is a good case to argue that this conduct deserves harsher treatment because it occurs at a distance of 90 minutes from the job seeker’s original residence. It is true that job seekers who relocate receive additional support relative to those who don’t, but this is also true for job seekers in Stream 4 who have access to greater levels of support than others within Stream Services.

We believe there is little to be gained by linking these differences with the penalties regime, and it introduces an unnecessarily punitive element into Move 2 Work.

It is our strong view that eight weeks without income support is a sufficiently harsh penalty for any job seeker and does not need to be increased.

2. A reference group of providers and employer representatives to help streamline the program’s administration and operation: Our conversations with members last year revealed that program administration, particularly in relation to providing evidence of expenses for reimbursements, was a key challenge.

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<sup>11</sup> This change is beneficial and removes the anomaly captured in this example given to us by one of our members, a JSA provider:

*A 25 year old Stream 2 client more than 52 weeks plus unemployed was keen to find work in the media sector as a journalist. An exhaustive search for a journalist cadetship in the local area was undertaken through reverse marketing, a position for the client was eventually found in Ceduna SA, 805 kilometres from Mount Barker where he was residing.*

*As his JSA provider we researched assistance available to this young man to relocate to Ceduna for ongoing employment and also considered the connecting people with jobs initiative. DEEWR contracts manager was contacted to confirm if the job seeker would be eligible and we were advised that assistance via the Connecting People with Jobs initiative could be utilised, but the eligibility criteria requires that the job seeker is relocating from an ESA with an unemployment rate higher than the national average which is not the case. This means **no** job seeker in our ESA is eligible for this assistance. Due to the inability to meet the criteria alternative arrangements were sought to access necessary supports.*

It also revealed that employers are largely ignorant of the various employment services available to them through government programs and rely, if they use these services at all, on the provider to provide the backroom services. A reference group with direct experience of the program's on-the-ground operation would be an effective way of identifying areas where useful changes could be made so that the program's profile became better known and gained a reputation as a useful employment service.

3. Capacity to recoup the cost of genuine work trials and pre-employment training: Providers told us of their difficulty in meeting the cost of some work trials and pre-employment training which were required by some employers before they would offer job seekers work. This was particularly the case with some resource sector jobs.

In one instance a Queensland JSA provider found a trainer to give driller training for a group of Indigenous job seekers. The trainer had a direct link with a drilling company which had a quota for Indigenous employees. The trainees were put on the mine-simulated training site in Gympie for 10 days so they would be away from home and get to know the reality of this working environment, including the demands of shift work. This approach worked well and resulted in several good job placements. However, it highlights the resource hungry and intensive nature of the support needed. This had to be funded through the Employment Pathways Fund (EPF) because the jobs were in prospect only.

We recognise that this is a difficult area and that Stream Services already provides funding for pre-employment services. Nevertheless, there are situations where the cost of providing work trials in a simulated environment is considerable, even though it is likely to result in long-term cost savings through more effective job matching. Since such costs are directly related to the purposes of Move 2 Work we recommend that they are included in program funding provided that such trials meet the required criteria.

We think that, as with some FIFO and DIDO jobs, reimbursement of some of these costs should be made available on a case-by-case basis. The principle for reimbursement would be that the trial would expose the job seeker to a working environment that was sufficiently different and unfamiliar that the job seeker was not likely to be able to make an informed judgement about the relocation without this experience.

4. Extend assistance to cover support with housing bonds and vehicle repairs: Providers have consistently identified costs related to finding accommodation as a major cost and difficulty with successful relocations. While some assistance with rent is available it is not possible under current guidelines to provide financial support for bond payments. These can be substantial and job seekers do not have sums of this scale available when they initially relocate. Similarly, repairs to cars have emerged as a frequent cost and this impacts directly on the job seeker's capacity to get to the new place of employment. Changes to the guidelines for Move 2 Work to allow these cost categories would be beneficial for successful relocations.
5. A broader geographic focus for employment services providers: Employment service providers win business in geographic areas – Employment Service Areas (ESA). We believe that the next contract round should redefine the job placement role of providers to introduce a greater focus on their role within the national labour market, and provide incentives for them to look more broadly when sourcing both jobs and employers.

A stronger program orientation towards more direct servicing of employers and towards sourcing jobs across the whole of the Australian labour market would support the principles of

greater labour market flexibility and would enlarge the pool of available jobs for job seekers. The logic and purpose of a program like Move 2 Work would be much more obvious and meaningful in an environment such as this.

Jobs Australia is currently developing proposals the next iteration of employment services. We think that a less restrictive system which draws on market principles may provide greater freedom for providers to think beyond the boundaries of their immediate labour market. For instance, a more vibrant, diverse provider market could see the emergence of providers that specialise by industry, rather than merely by cohort or geographical location.

6. Expand the current Jobs Expos to contain a resources sector thread: The Government's Jobs Expo program has been a successful way of bringing jobs, employers and job seekers together in a one-stop-shop environment to secure employment for people. We recommend that organisers of these events include a resources sector thread at the expos, and encourage out-of-area resource companies to use these as an opportunity to find employees and make linkages with employment services organisations who can facilitate the relocation.
7. Trial a series of resource sector jobs expos: In a related vein we think there is merit in trialling some specific resource sector expos in collaboration with the resources sector and its downstream sub-contractors.

Jobs Australia members in Queensland have described the complexities of the business structures within the resources sector. Very large mining companies sub contract to a number of subcontractors for a range of services, such as engineering services. The contract with the sub-contractor may then stipulate or recommend certain recruitment requirements, such as a proportion of Indigenous employees, or a training budget for particular qualifications. It can be difficult for the employment services provider to know which is the sub-contractor and which the mining company, who is the ultimate employer of their job seeker, and so on.

A series of resource sector expos would give providers access to better knowledge and understanding of recruitment practices within the resource sector.

8. Extend the current 4-week period for reimbursement of costs: Providers report that the current 4-week limit on claiming relocation costs under Move 2 work is too short. Issues of distance and communication with job seekers and employer make this unrealistically short.
9. Extend the 13-week bonus outcome performance measure: Following an announcement by the Minister in 2012 providers who relocate a job seeker for employment are rewarded through a 13-week bonus outcome performance measure.

We recommend that this is extended to include a 26-week bonus outcome performance measure. It would entail no additional cost but would encourage providers to consider the employment options available to job seekers under Move 2 Work.

## What makes relocation work?

Past and current experience has identified several essential ingredients for successful relocation:

- The employment service provider needs to have direct and close control and responsibility for the all facets of the process: job seeker selection and referral, employer engagement and the logistics of accommodation, training, induction and post-placement support;

- Before they relocate, job seekers need to be given realistic and adequate amounts of information to ensure that their expectations about the job and environment they are going to is clear and accurate;
- Providers need to personally visit the relocation site, develop direct relationships with employers and use this to negotiate the relocation deal which should seek to include accommodation support and internal in-work mentoring as a minimum;
- Employers need to visit the source location and hold information sessions which provide job seekers with a realistic picture of working conditions and the employer's expectations;
- Relocating job seekers need individual case management, including sustained post-placement support;
- Employment service providers need to develop their own internal dedicated relocation capacity and expertise, such as a relocation business unit;
- Both job seeker and employer need to have a well-founded belief that the relocation is worthwhile and in their own best interest; and
- The relocation of groups of workers of similar language and cultural background has worked well – see Appendix, Employment Services Case Study 2: ACCESS.

### What makes relocation fail?

Past and current experience have identified some recurrent problems that hamper relocation:

- Excessive levels of administration or program requirements that lessen the provider's capacity to oversee the job seeker's relocation from end to end, and work directly with the employer;
- A failure on the part of the job seeker to have realistic expectations and understanding about the nature of the job and life he/she is moving to;
- Inadequate provision of resources since relocation is resource hungry;
- Difficulty in sourcing affordable accommodation;
- Failure by the provider to understand the scale of change and adjustment the relocating job seeker faces, particularly when this entails relocating a family and creating support networks and meeting educational and medical costs; and
- Failure to provide adequate post-placement support.

## APPENDIX

**Employment Services Case Study 1: NORTEC**

Job Services Australia (JSA) provider, NORTEC, based on the NSW north coast began to relocate job seekers using the Connecting People with Jobs (CPwJ) program early in 2011. As of July 2012 they had assisted 70 job seekers, from five Employment Service Areas (ESA), to relocate under the program.

In August 2012 they relocated five job seekers to jobs in Queensland. NORTEC manager, Jenny Rock, was pivotal in this relocation. She travelled around the mining region west of Gladstone to identify employers and jobs. She found that the available jobs tended to be relatively low skilled ones, such as cleaners and cooks, and that, while there were job opportunities, on-the-ground reconnaissance was crucial to identifying these.

The jobs in this case were downstream jobs with the employer Spotless. All five job seekers had been assessed as needing employment services under Stream Three or Four, indicating high levels of jobseeker disadvantage. Accommodation emerged as a significant problem. NORTEC rented a house for the group but internal disagreements soon made this unworkable. NORTEC subsequently adopted a policy of hiring caravans to provide first-step accommodation.

Following a second road trip to Queensland in late 2012 Jenny Rock found work for seven truck drivers and made contact with an employer who wanted Indigenous workers for mines at Moranbah. Because these jobs were located in camps NORTEC agreed to do the pre-employment work of securing basic tickets and licences for the new employees.

In all, this trip identified about 30 companies with potential employment for NORTEC job seekers. At a practical level Jenny identified a simple problem for employers wanting to fill low-skill jobs: they generally receive resumes online via their own website. However, because the applicant is out of the area employers often then find it too hard to decide how to assess the candidate's suitability. Employment service providers have a role to play in making the necessary assessments and providing the linkages and backroom support.

Job security: Jenny didn't feel that the relocations could be achieved without accepting that some jobs would fall over. Her experience was that employers shared this view. The companies she dealt with said that the retention rate in a normal market is 60 per cent. This means that 40 per cent of jobs do not work out. Given this, her view was that any assessment of the value of relocation strategies should not depend too heavily on achieving high rates of job retention, since the current retention rates for job seekers appear to be within normal patterns, and employers are used to it.

Jenny's road trips illustrate the highly tailored, on-the-ground nature of the work needed to identify and secure the jobs.

Based on this experience NORTEC decided that for relocation to be successful the organisation needed to dedicate specific capacity to it e.g. through an internal Business Development Unit.

In terms of the CPwJ program specifically, NORTEC considered that the level of administration for CPwJ was high. In their experience, it was generally the job seeker who initiated the relocation. During the life of the CPwJ pilot they didn't experience problems with job seekers leaving the job

early without good reason. In one instance an agricultural job collapsed after two weeks due to a hostile employer; however, when the job seeker returned and explained the situation to Centrelink the explanation was accepted and there was no financial penalty.

While NORTEC put its own post-placement supports in place they have received support on several occasions from JSAs in out-of-area sites. These were instances of organisations doing a favour and no money changed hands. Under the program the source provider had a strong motive to retain the job seeker until placement was confirmed in order to secure the 13 and 26-week outcomes payments.

NORTEC drew on the funds available in CPwJ but supplemented this through the Employment Pathway Fund (EPF) available in JSA. Conversations suggested that they also drew substantially on the generosity, commitment and time of their staff. While this is admirable it does not provide a sustainable model for ongoing, successful work in this area.

### **NORTEC's assessment of Move 2 Work**

While supportive of the changes to the program, NORTEC considers that the inability to use it to pay for rental bonds and vehicle repairs is a significant limitation because these are two of the major expenses incurred when people relocate. Apart from the actual relocation of goods, accommodation is the most expensive and difficult part of relocating.

In terms of the program's administration, NORTEC is less concerned with the processes for commencing someone in Move 2 Work than with the workload for constant follow-up and interaction with the job seeker and suppliers to get quotes for various relocation services, remain abreast of challenges as they arise, and ensure there is adequate and proper documentation for the reimbursement of costs - remembering that the job seeker is at a considerable distance from the provider and communication can be difficult.

The new requirement that all claims for reimbursement of funds must be made within a 4-week period is seen as too short. Because the job seeker is at a distance it often takes longer than this to collect the necessary documentary evidence. If the provider is not able to meet the 4-week timeframe the claim must be made through the Special Claims process for EPF expenditure. This is an administratively demanding process and adds significantly to the workload.

In terms of the way Move 2 Work supports employers, NORTEC report that employers are generally grateful for the assistance provided to the person they have selected for the position.

Move 2 Work is still very new and at this stage (August, 2013) NORTEC's placements are:

- 1 job seeker from the Coffs Harbour ESA;
- 7 job seekers in Casino/Kyogle; and
- 6 from Tweed/North Coast.

At this stage it is too early to assess the strengths of Move 2 Work relative to Connecting People with Jobs. However, NORTEC is promoting it with all job seekers, using signage on desks and in reception areas, and providing job seekers with the names of industries and employers that may consider them.

NORTEC generally hold the view that relocation is not for everyone and certainly not for all job seekers. They share Jobs Australia's view that the job seeker has to be the primary initiator of the move, otherwise it has a high probability of failure.

NORTEC encourages all job seekers to consider the overall benefits (steady income etc) and the downside (moving away from family and friends) of relocating to take up sustainable, ongoing employment opportunities out of area. They consider that financial support is a key determinant of success, with pastoral support a lesser, but not insignificant, factor.

Asked for their view on the importance of ensuring job seekers get a realistic view of the nature of the job they are going to NORTEC said:

*Prior to our clients opting to relocate we provided an information session which covered the potential employment, locations and relocation assistance available. The employment information was provided by a third party who gave an extremely realistic overview of what the work entailed and the working conditions at each location. It was basically a 'warts and all' description to ensure the jobseekers were well prepared and therefore knew what they would be facing if they took up the offer.*

*It was left to each job seeker to make their own decision as to whether or not they chose to accept the employment and relocate; at no time were any of the job seekers pressured into accepting. Job seekers have been given full support by all branch staff to ensure the move is as smooth as possible. They have also been advised that this support will be ongoing once they relocate & commence employment.*

NORTEC is happy to talk to the Productivity Commission about its work in this area. Please contact Scott Wilson, NORTEC Business Manager for Employment Services on 07 5506 3000, ext. 116.

## Employment Services Case Study 2: ACCESS

This is an excerpt from the Jobs Australia publication *Just Give Me a Chance*<sup>12</sup>. It describes the successful relocation of different groups of refugees to regional Queensland for work and identifies some of the conditions for their success. The relocation was supported by Jobs Australia member and JSA provider, ACCES Services.

*Teys Brothers is a meat processing company. We have about \$1.3 billion dollars in turnover annually. We currently employ about 2,700 people around the country. A majority of those are full-time positions. We have beef processing plants at Beenleigh, Biloela and Rockhampton in Queensland, and Naracoorte in South Australia. The company itself has been established since 1946.*

*It seems to be a long time ago that we started with ACCES in Woodridge and Logan for our Beenleigh site with opportunities for unskilled workers. We ended up using people from African nations that were here under the various humanitarian refugee programs.*

<sup>12</sup> Just Give Me a Chance: Refugees' experiences of finding employment in Australia, edited by Kate Connolly, 2011.

*There's been a chronic labour shortage, both skilled and unskilled in the meat industry for a number of years. We also had chronic labour shortages in central Queensland both at our Rockhampton and Biloela plant, and those shortages were caused by the mining boom. We had strategic meetings to work out where we are going to get our future labour needs. We then had to look at high unemployment areas and looked at what options there were. The proximity of our Beenleigh site to the Woodridge and Logan areas was ideal, and we ended up getting some African people come through and apply of their own volition and they were given work. That's when we found out about ACCES and what they did, and we further expanded with them.*

*We talked to Michael Krafft (ACCES) about whether there were opportunities to relocate people to Central Queensland where we had unskilled job availability. Things really developed from there. Michael took the approach of researching what the community needs were up there, because he was mindful that he didn't like to send a group of people up there without any support. Soon after we started the program with a co-ordinator engaged in central Queensland. So we had Burmese people going to our Biloela plant and a variety of different nationalities going to our Rockhampton plant. Our Rockhampton plant has about twenty-three different nationalities working there, and there are about fourteen families at Biloela. All these workers have come through ACCES.*

*The Biloela community has really embraced the Burmese people. They had a couple of cultural days and there were plenty of accolades from the mayor and from community organisations. In fact the community up there has played a pretty integral role in assisting people to settle in.*

*It's all going very well. It's excellent. Most of them have gone on to other skilled roles. They've started as unskilled employees, worked up, and now some are driving forklifts, some are getting in to knife jobs – which are the top end paying jobs in the industry where you need to get a formal qualification. There is a Certificate III training course for that.*

*However, the Biloela site is right next door to major mines, so we will need more people up there because jobs will be lost to the mines. Also there are chronic housing shortages, so a number of things need to be looked at before we do further recruiting. That's where ACCES's expertise comes in to play.*

*Obviously, the cultural differences and the language differences are the big, overarching factors when employing people from refugee backgrounds. But ACCES helped us to get around those issues. They put people with very good English into our organisation to start with, so that we could use them to help settle in other employees. Obviously, with many different nationalities we can't learn every language, so we try to bring everyone on board with English and most of the people are trying their best.*

*One key thing that we did with the African community here was to employ one of their elders. Making others aware that there was an elder at the organisation meant that if they had any issues they could go to him, whether those issues were work-related or not. So that was at least four or five years ago.*

*From More Forces at Work: how 10 Non-Profits tackled unemployment and more in their communities, Jobs Australia, 2010*

*ACCES has taken these demand-led principles to a project outside its usual geographic patch. In 2009, it agreed to work with Teys Bros to relocate refugees and migrants from Logan and to settle them in Biloela in Central Queensland. Teys Bros is the second-largest beef processing company in Australia and they are finding it hard to fill vacancies. There are other skill shortages in aged care and health and across primary production in the area and Biloela would benefit from a larger population in terms of retaining education, health, and other services.*

*There is a mutual benefit for the economy and community if ACCES can successfully relocate and employ migrants and refugees there. We know settlement will be more successful if we bring families, not single people, so we need a range of jobs to meet the needs of spouses and other family members, says Michael. ACCES has partnered with the Rural Industry Training Council to provide the necessary competencies for work in industries with skill shortages in the area. ACCES knows that you have to prepare the community for new cultural groups.*

*As Michael Krafft says, In Biloela we've organised opportunities for new arrivals to meet locals and ensured additional ESL was available at the primary school. We've also ensured we relocate families who have previously lived in rural areas, such as the Karen Burmese, and who prefer to settle in a country area. To date, some 21 refugees have been settled successfully with eight employed by Teys Bros and a further three spouses supported into local jobs. ACCES is hoping the Biloela project can be replicated by settlement service providers across Australia.*

*ACCES is happy to talk to the Productivity Commission about its work in this area. Please contact Michael Krafft, ACCES Executive Business Manager, on (07) 3412-8222.*