

Dear Productivity Commissioners on the Inquiry into the Job Network.

We are pleased to provide a point of view on a number of issues raised by the inquiry for your consideration.

Professional Vocational Services Pty Ltd. (PVS) are a private sector provider of IA and associated Job Match services in Perth. We have provided employment services of a placement nature for the past 8 years under varying contracts. We also have been providing disability employment services to FACS for over 7 years. We have also been involved in a business which provides vocational rehabilitation (under license from the state of WA) to injured workers within the workers compensation system.

#### Licensing System

We do not support this proposal. Licensing systems on a small scale face a long term evaluation and monitoring issues. Competition can enter during any tendering round. As you know it is a controlled marketplace and we believe that is a good thing for the benefit of both candidates and organisations.

#### Job Matching

We support the abolition of JM, excepting using it for IA candidates. The fees on this need to be increased if we are to provide a quality of service to employers.

#### Secondary Educational Outcomes

The gaming by a number of providers has the capacity to bring the network into disrepute. Thankfully the department is addressing this issue. More needs to be done in stripping educational outcomes both financially and statistically from providers who chose this ethically questionable path. There have been a number of sites where very large providers have essentially purchased stars. We believe the quality measure the department has instituted to be a very good thing in contract rollover. Secondary educational outcomes distort the star ratings.

#### Statistical Matters & Transparency

Unfortunately for providers the statistical process is essentially non-transparent and still depends on the department releasing stats to the providers. If there were a system whereby the providers simply plug their results into a formulae and can then see where they stand it would be much simpler and less open to the endless questioning going on now. The weightings given to various labor markets appears distorted. No five star providers in Perth which is a very strong labour market.

### Case Loads

Perhaps there could be a situation where there is no upward limit on case loads. In some ways it isn't fixed at the moment in that the more people you get into jobs the more you can replenish with new candidates.

### Candidate Choice

Providing candidates with a choice as to whether they participate in IA is a bad idea. The other "choices" are really non-existent at present. We don't support this. Promoting choice of providers at point of contact in Centrelink is a good thing. Choice based on what? Marketing guff? Research by Rober Cialdini on human choicemaking is very interesting. Touting for candidates on a large scale is inappropriate and we suggest a big waste of money best used elsewhere.

### What is after IA for candidates without a job?

After a person has been through IA and gotten essentially nowhere we would support an even more focussed intervention of a heavily subsidised placement in an appropriate job in either private or public sector for a one-year period which is combined with a skills development program. Though expensive, we would support of 50% wage subsidy and 50% skills development costs. A tax credit program could be developed with this program in mind. Presently this is a very large issue in our minds. This is a very important area that we believe needs addressing by the Department with consultation from the industry.

### Wage Subsidies

We have put significant funds, research and energies into this area. We have found many of our candidates can be significantly advantaged in such a system. Because these subsidy programs are not widespread and not very substantial displacement is not an issue. On a wider and grander scale safeguards can be put into place to address potential displacement. Even back in working nation days displacement was a non issue. There are many issues as to why many other providers do not offer formalized subsidies.

### Claims Proof

The current regime for written proof is inappropriate and very troublesome. Proof could be unobtrusively gained from ATO, Centrelink rate reduction should be enough evidence. The 28 day claim period should be canned.

### Parking of Candidates

An unfortunate choice of words by the commission. In our experience it happens infrequently and usually by the choice of the candidate. There is no advantage to the organisation-that is your creative imagination at work. The second peak is where secondary educational claims are made.

### Activity Testing

We support increased activity testing during the IA period. We have a standardized policy about breach recommendations and communicate this with our candidates. We expect candidates to behave responsibly with respect to the services we provide. Unfortunately some candidates and some organisations encourage candidates to behave irresponsibly by not reporting.

### IA Services

We don't support decreasing services from 12 to 6 months based on the twin peaks graph. The assumptions made that not much is happening is not valid. Providing room for growth for good performance needs to be woven into the system. There is no real rewards for high performance at the moment. Administrative pricing gets our support since there is now a general rush for the floor anyway.

thank you for the opportunity to contribute.

David Cielak

Director

Professional Vocational Services

I have been very surprised that the Dept. has not insisted on a service guarantee for candidates. This could vary from provider to provider and it is approached via the Declaration of Intent, but not really insisted upon. For example if you were buying a custom boat from me you would give me all the specifications that you wanted in your boat: leather seats, carpeting, radios and the like. I think the Department could also do this. They could say, within IA we want all candidates to have at least 5 job interviews, 2 periods of work experience, 1 short term casual paid job, 20 sessions with consultants, etc. Though not all our candidates would achieve these I think they would be pretty reasonable to ask for from providers.