



## Submission to the Workforce Australia Employment Services Committee

The [Australian Unemployed Workers' Union](https://auwu.org.au)<sup>1</sup> (AUWU) is a national organisation that represents unemployed, underemployed, and unwaged workers, and recipients of welfare payments. The AUWU provides advocacy services to its members and the public at large (all of which are free), including an Advocacy Hotline and a Rights Guide for unemployed/underemployed workers.

The AUWU additionally carries out campaigns, facilitates groups of the AUWU to organise locally, gathers stories of unemployed workers' experiences, produces original research, and makes submissions to inquiries.

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<sup>1</sup> More information about the Australian Unemployed Workers' Union can be found at <https://auwu.org.au>

## Introduction

Our simple goal is that, ultimately, employment services should be both useful and do no harm. Workforce Australia fails on both metrics, as do the various other employment services programs currently offered by the government.

## Summary of key recommendations

### A. Co-design employment services

It is our view that a key omission in the design of employment services policy is the recognition that unemployed workers have a stake, as customers, in ensuring high quality employment services. Our long-standing complaint that Australia's employment services are useless and harmful has been ignored for too long. Our experience tells us that unemployed workers want to avoid poor quality services that do not get us a job, or that coerce us into precarious work where we cycle between unemployment and precarious work, which is used as tool for wage suppression for some of the worst jobs in Australia. This must change.

### B. Unemployed workers must not be used as a blunt instrument of economic policy

If employment services were actually effective and got every unemployed worker a job, this would trigger the Reserve Bank to affect stringent monetary policy to raise the unemployment rate. The uselessness of employment services therefore performs an economic function to support supply-side economics. Unemployed workers see this paradox and we are tired of being blamed for it.

Cease use of the term 'jobseeker' and instead use the term 'unemployed worker'. Unemployment is not only an individual issue, and 'unemployed worker' makes explicit the understanding of the structural nature of unemployment.

We recommend the abolition of Work for the Dole – it does not work, unemployed workers get injured or worse, die, and it does not get anyone a job.

### C. Abolish Mutual Obligations. Coercion to use employment services must stop

As is the case with the term 'jobseeker', we find the term 'mutual obligation', a contrivance of the Howard Government, and recommend the cessation of its use. Coercion to use bad quality services otherwise labelled 'mutual obligations' is a failure of policy and must cease.

We strongly recommend that providers do not have direct power to determine unemployed workers' payment suspensions and that this responsibility be fully returned to Centrelink.

We also strongly recommend that the Department adopt a zero-tolerance approach to bullying in employment services.

### D. A new Department for administering employment services that actually understands unemployment and the labour market

Our experience tells us that the Department of Employment's actions to date to improve employment services have not been successful, and we question if they are right agency to manage any reform of the system. We also note that throughout this period, this Department has continued to push the failed marketised approach which has led to so much suffering.

We recommend therefore that employment services be managed by another Department or set up as a separate and new agency within Government. We recommend that these reformed employment services are administered to participants on a voluntary basis by the Australian Public Service, and that the marketised system of employment services is abolished.

#### E. Marketised employment services should offer genuine choice

If services are to remain marketised, then unemployed workers must have the right to engage with providers if they are useful and go somewhere else when they are not. We also want a way of easily finding useful and beneficial services. Our experience tells us that there are some helpful and positive individuals working in the system, but they are hard to locate, and we note that many, if not most, don't last long in the system. That must change. If employment services are genuinely about helping unemployed workers to get a job, then surely the Government must be focussed on the quality of the service.

Unemployed workers do not have fair access to an effective complaint handling mechanism. We have long recommended the establishment of an Employment Services Ombudsman. We reiterate this recommendation in the strongest terms.

#### F. Provide a good employment service

Regardless of who is providing it, we have seven requirements for a good employment service:

1. "Useful" that is, practical assistance to get a job or improve our employability. Not surprisingly, this is the most important requirement for almost all unemployed workers.
2. "Client-centred" that is, ensuring that the service is about what each unemployed worker needs to get a job, and not merely the services that the provider wants to deliver, and which take no account of differing circumstances.
3. "Fair". While the AUWU knows that coercion to use employment services is fundamentally an unfair approach, so long as coercion remains in place, it must be done with at least procedural fairness.
4. "Trustworthy" that is, the integrity of a provider's actions must be accurate and truthful.
5. "Responsive to Feedback" that is, the ease with which concerns about programs can be discussed, and if such concerns are likely to be acted upon.
6. "Respectful" (previously labelled 'Friendly') reflects rapport and relationship and serves as an important reminder that employment services are a human service.
7. "Realistic" relates to job search expectations in relation to both environment and person-related factors. This is a complex factor because the setting of realistic expectations requires an understanding of the interplay between expectation and hope, undue pessimism or optimism.

To this end, we recommend minimum skill requirements for frontline workers employed in employment services. Specifically, we want providers' frontline workers to have demonstrated:

- expert knowledge of local labour markets,
- relationships with employers that they can leverage to help someone gain access to the labour market,
- an understanding of and ability to offer post-placement support, and
- the ability to offer expert career and job search advice based on the relevant and local labour market.

## Detailed recommendations

### A. Co-design employment services

We note that the Committee's terms of reference is focused on

- a) the implementation, performance and appropriateness of Workforce Australia Employment Services;
- b) the extent to which Workforce Australia Employment Services delivers services in a way that is fair, leaves no one behind, respects individuals' diverse needs, and supports job seekers into secure work, in particular, its support for long term unemployed and young people; and
- c) other matters in relation to Workforce Australia Employment Services.

We take heart that the Committee is concerned with what can be done to improve employment services. This is something that the AUWU has requested for many years (please see assorted previous submissions attached as Appendices). It is our view that a key omission in the design of employment services policy is the recognition that unemployed workers have a stake, as customers, in ensuring high quality employment services. It is widely acknowledged that [good policy should be informed by the people it most directly affects](#)<sup>2</sup>. We note with concern that to date this inquiry has heard mostly evidence from providers and their peak bodies who have a commercial interest in retaining the status quo, and other 'experts' whose lives are not directly affected by the system. We believe strongly in the mantra "nothing about us without us".

[Evidence from a diverse range](#)<sup>3</sup> of health and human service settings suggests that systematically understanding the end-user's experience of a service can contribute to a research base for evaluating and improving service delivery design. Unemployed workers have a direct stake in the quality of Australia's employment services. Our long-standing complaint that Australia's employment services are useless and harmful has been ignored for too long. We want this to change. Our experience tells us that unemployed workers want to avoid poor quality services that do not get us a job, or that coerce us into precarious work where we cycle between unemployment and precarious work, which is used as tool for wage suppression for some of the worst jobs in Australia.

For too long, policy has conflated assumptions about our attitudes to work with behaviours that are in response to poor quality services. This has been the basis of ongoing policy failure. Unemployment is bad enough, but our experience is worsened by the requirement to engage with employment services that are both useless and harmful. Unemployment is a highly governed experience for Australians in receipt of activity-tested payments, with little genuine attempt to assist people to get and keep a job. The substantial cost of employment services for so little benefit is something that should concern all Australians. Employment services in 2023 are about what is done to us, not for us. This must change.

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<sup>2</sup> Blomkamp, E. (2018) "The promise of co-design for public policy," *Australian Journal of Public Administration*, 77(4), pp. 729–743. Available at: <https://doi.org/10.1111/1467-8500.12310>.

<sup>3</sup> O'Halloran, D., Farnworth, L. and Thomacos, N. (2022) "The development of the Australian Unemployed Workers Union Rating Scale (AUWURS) of Employment Service Providers," *Australian Journal of Public Administration*, 81(4), pp. 515–530. Available at: <https://doi.org/10.1111/1467-8500.12539>.

## B. Unemployed workers must not be used as a blunt instrument of economic policy

The committee will note our use of the term ‘unemployed worker’ and not ‘jobseeker’, with the former being the more common term until the 1970’s. This is because the full employment policy language of the post-war boom years understood and therefore described unemployment as a collective problem. However, from the early 1970’s, unemployment was recast as an individual problem, for which the term ‘jobseeker’ serves a crucial ideological purpose. Recasting welfare recipients as shirking their responsibilities has been instrumental in resetting the parameters of economic debate in Australia towards supply-side arguments. For example, the Reserve Bank of Australia uses the unemployment rate as one of its primary measures in determining monetary policy – that is, it is accepted economic policy for Australia to have a ‘natural’ unemployment rate and if the unemployment rate falls too low (typically below four per cent), the Bank will raise interest rates until the unemployment rate rises, in the [vacuous belief](#)<sup>4</sup> that this will drive inflation down. Structural unemployment has been thus recast as frictional unemployment but in contrast to frictional unemployment, structural unemployment exists even when economic conditions are good and [does not directly influence wages or inflation](#)<sup>5</sup>. It is best addressed through policies that focus on skills and the supply of labour.

By obscuring its structural antecedents, unemployment can be reframed as an individualised problem rather than the result of a deliberate economic policy, and therefore the individual can be made the target of all interventions, symbolised by the re-designation of unemployed workers as ‘jobseekers’. For jobseekers who fail to find a job, the process of job searching generates the experience of being a loser, which in turn further reinforces individualised understandings of unemployment.

This creates a paradox. If employment services were actually effective and got every unemployed worker a job, this would trigger the Reserve Bank to effect stringent monetary policy to raise the unemployment rate. The uselessness of employment services therefore performs an economic function to support supply-side economics. Unemployed workers see this paradox and we are tired of being blamed for it.

Engagement in the work of job searching, as structured by self-help discourses and practices, sees unemployment re-worked into a transitional state to be managed through ‘activation’, where we are coerced into poor quality services where the only ‘acceptable’ role of an unemployed worker becomes that of a ‘jobseeker.’ Unemployment benefits have been renamed twice to reinforce this individualist message: first to “Newstart” and more recently to “Jobseeker payment”. This is meant to convey an empowering sense of choice in interpreting our situation to act in the labour market. However, this choice is circumscribed and tells the same deep story – that “unemployment is our fault.” We reject this view.

Rejecting the term ‘jobseeker’ and instead using the term ‘unemployed worker’ therefore rejects the notion that unemployment is only an individual issue and makes explicit the understanding of the structural nature of unemployment. We ask that the term ‘jobseeker’ is discontinued – it is Orwellian in nature and has no place in a civil society.

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<sup>4</sup> Richardson, D. (2021) *NAIRU: A vacuous concept that carries the whole edifice of the budget*. The Australia Institute. Available at: <https://australiainstitute.org.au/post/nairu-a-vacuous-concept-that-carries-the-whole-edifice-of-the-budget/> (Accessed: March 30, 2023).

<sup>5</sup> Reserve Bank of Australia *Unemployment: Its Measurement and Types*. Available at: <https://www.rba.gov.au/education/resources/explainers/unemployment-its-measurement-and-types.html> (Accessed: March 30, 2023)

C. Abolish Mutual Obligations. Coercion to use employment services must stop.

As in many other OECD countries, Australia's approach to unemployment, sometimes described as 'activation' obliges benefit recipients to:

- actively seek work,
- constantly strive to improve their competitiveness in the labour market, and
- give something back to the community that supports them

as a form of recompense for the receipt of benefits. Activation is typically referred to in Australia as 'Mutual Obligation', and although this term is used widely in Australia, it is rarely used internationally. As is the case with the term 'jobseeker', we find the term 'mutual obligation', a contrivance of the Howard Government, and recommend the cessation of its use.

The concept of activation as the basis for social security provision is, to a large degree, accepted uncritically in Australia, and is based upon the belief that an unemployed person exercises control over their circumstances, and therefore actively chooses to accept benefits. As we have described above, when the manipulation of the unemployment rate is part of official economic policy, it is debatable that realistic alternatives exist for someone who is excluded from the labour market through structural unemployment. The term 'Mutual Obligation' fits with the dominant discourse surrounding the unemployed in Australia, which has increasingly moved to a view that we are lazy, do not do enough to find jobs, and should be under more obligation to find work, which is consistent with the framing of unemployment as an individual rather than structural problem as described in the previous section. Employment service appointments are considered as part of unemployed workers' mutual obligations.

While there has been some conditionality associated with unemployment benefits in Australia for almost a century, the Keating government first introduced the concept of 'reciprocal obligation' in 1994, which undertook to provide the long-term unemployed (those unemployed for 18 months or more) with a guaranteed job for between 6-12 months as well as a program of intensive, targeted assistance. In return for this guarantee, unemployed people faced higher penalties if they did not accept a reasonable job offer. When the Howard government was elected in 1996, it replaced reciprocal obligation, which it saw as unduly interventionist, with 'mutual obligation', a more market-oriented approach to solving labour market problems that removed the guaranteed job aspect but retained the compulsory activity tests and penalties for non-compliance. It also piloted a 'work for the dole' (WfD) program for those aged 18-24. The initial intention of WfD was that it would improve young people's work ethic as a way of helping them to get back into the workforce. In the intervening years, WfD has gradually been extended to every age group and is now a compulsory requirement for all unemployed workers through to age 67 even though it has [never been shown to work](#)<sup>6</sup>. Unemployed workers are coerced into activities that have no benefit again.

The Howard government's approach, which was largely retained by the subsequent Rudd/Gillard/Rudd governments, broadly fits into 'work-first' activation approach and was consistent with similar changes that occurred to unemployment policies throughout the OECD at that time. Activation strategies broadly fall into 'work-first' and 'human capital' approaches: the former emphasises labour market participation, conditionality, monitoring and sanctions, and the latter addresses skills development in response to shortages and shifts in the broader economy.

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<sup>6</sup> Fowkes, L. (2019) *Disempowerment and despair: why work for the dole doesn't work*. The Guardian. Available at: <https://www.theguardian.com/commentisfree/2019/feb/12/disempowerment-and-despair-why-work-for-the-dole-doesnt-work> (Accessed: March 30, 2023).

The election of the Abbott Government in 2013, brought with it a policy agenda on mutual obligation that has been described as the [“beginnings of an era of welfare policy impressed with a more genuinely conservative stamp than previously witnessed in Australia”](#)<sup>7</sup> and whose approach to ‘work first’ changed from the Howard and Rudd/Gillard/Rudd governments’ approaches that were usually described as a combination of ‘carrots and sticks’ to what has been described as ‘all stick and no carrot’. The Abbott government’s solution to unemployment was described as one of changing ‘irresponsible’ behaviour rather than promoting social justice. In the first budget delivered by the Abbott government, Federal Treasurer Joe Hockey divided the population into ‘lifters’ and ‘leaners’, with the unemployed clearly in his ‘leaner’ category. In this light, unemployed workers avoiding useless and harmful services (‘leaners’) are not fulfilling their obligation to ‘taxpayers’ (‘lifters’) and thus, by turning unemployed workers into an outgroup, punitive actions become normalised. Any of the multiple failures in service quality or indeed in broader labour market dynamics that may contribute to unemployment are ignored.

These policy settings further intensified over the course of the subsequent Turnbull, and Morrison Governments, including the implementation of the ‘Targeted Compliance Framework’ (TCF) in 2018, which was the subject of multiple submissions about its draconian nature in the [Parliamentary Inquiry into Jobactive](#)<sup>8</sup>. A [research publication](#)<sup>9</sup> by Andrew Wright, an assistant director at the Department of Employment who has had a significant role in the implementation of the TCF, concludes that increasing penalties has led to an increase in the likelihood of attending a next appointment, “significant at the 0.05 level” (p18), while seemingly missing the importance that this improved attendance rate is only rising from 60.3 to 61.2 per cent, which would suggest that despite this increase in compliance requirements, non-attendance remains a problem.

[As Dr Victor Quirk described](#)<sup>10</sup> more than a decade ago:

*... you cannot train staff to a high level of insight as to the realities of the labour market, in how to assess work readiness and motivate demoralised unemployed people, without them gaining insight into the counter productive and unfair nature of punishing the unemployed for behaving as unemployment is known to make people behave. Nor will [unemployed workers] have sufficient confidence in staff who routinely threaten to stop their benefits, to disclose anything that might indicate they are not seriously applying for jobs, and hence their real barriers to employment are seldom revealed...*

*...The largest impediment to the effectiveness of the modern employment services system is that the relationship between frontline staff and their clients has been so hopelessly distorted by the culture of breaching, that the unemployed do not trust employment or Centrelink staff with the sorts of disclosures about their problems of engagement with the labour market that are necessary for facilitating viable strategies for surmounting them.*

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<sup>7</sup> Mendes, P. (2017) *Australia's welfare wars: The players, the politics, and the ideologies*. Sydney, NSW: UNSW Press. More information can be found at: <https://research.monash.edu/en/publications/australias-welfare-wars-the-players-the-politics-and-the-ideologi-2>

<sup>8</sup> Australian Senate (2019) *Jobactive: failing those it is intended to serve*. Available at: [https://www.aph.gov.au/Parliamentary\\_Business/Committees/Senate/Education\\_and\\_Employment/JobActive\\_2018/Report](https://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Education_and_Employment/JobActive_2018/Report) (Accessed: March 30, 2023).

<sup>9</sup> Wright, A., & Dollery, B. (2020). The impact of varying penalty values on compliance with unemployment payment requirements: An analysis using 2015/16 Australian National Data. *Australian Journal of Labour Economics*, 23(1), 1-20.

<sup>10</sup> Quirk, V. (2011) “Oh for a decent public employment service!,” *William Mitchell - Modern Monetary Theory*. Available at: <https://billmitchell.org/blog/?p=13314> (Accessed: March 30, 2023).



Punishing people to make them turn up to employment services is not the right strategy, because the underlying assumption about non-attendance is incorrect. Possibly the assumption is that mutual obligation induces the unemployed worker to become a 'lifter' – willing to search harder for work. However, [Gerards and Welters](#)<sup>11</sup> study challenges these assumptions by demonstrating that mutual obligation externalises job search motivation and increases stress, which reduces employment search effectiveness. Further, [a government-commissioned review](#)<sup>12</sup> of the Disability Employment Services (DES) program in 2021 concluded that mutual obligations did not improve the likelihood of employment.

“Mutual obligation” is a failed policy and must cease.

D. A new Department for administering employment services that actually understands employment or the labour market.

Our experience tells us that the Department of Employment's actions to date to improve employment services have not been successful and we question if they are right agency to manage any reform of the system. The Department of Employment must be aware of the shortcomings of employment services. If they are not, they have been derelict in their duty to monitor public expenditure.

Our experience also tells us that the Department appears to believe that they can solve service quality problems by adjusting incentives for providers or creating increasingly burdensome obligations on both providers and unemployed workers. What is fundamentally missing is policy settings based on an assumption that unemployed workers want to work and want expert help to achieve this.

It is as if no one in the Department of Employment understands how the labour market operates and what it takes to get someone a job.

We recommend therefore that employment services be managed by another Department or set up as separate and new agency within Government. We recommend that these reformed employment services are administered to participants on a voluntary basis by the Australian Public Service, and that the marketised system of employment services is abolished.

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<sup>11</sup> Gerards, R. and Welters, R. (2021) “Does eliminating benefit eligibility requirements improve unemployed job search and labour market outcomes?,” *Applied Economics Letters*, 29(10), pp. 955–958. Available at: <https://doi.org/10.1080/13504851.2021.1927960>.

<sup>12</sup> Henriques-Gomes, L. (2021) *Australia's welfare mutual obligations do not improve likelihood of employment, job agencies say*. The Guardian. Available at: <https://www.theguardian.com/australia-news/2021/may/28/australias-welfare-mutual-obligations-do-not-improve-likelihood-of-employment-job-agencies-say> (Accessed: March 30, 2023).



E. Marketised employment services should offer genuine choice

Ultimately, as we have seen so egregiously on display in various other inquiries such as the Royal Commission into Aged Care, [private providers with government contracts are incentivised to cut costs in order to maximise their profit margin – and cutting costs in care industries means cutting care](#)<sup>13</sup>. Employment services is a care industry for people who are struggling economically, and it must be recognised as such with an appropriate duty of care. We do not believe a capitalist market system is compatible with such a duty of care, as the fiduciary obligation of a corporation is first and foremost to the benefit of its shareholders. This is also true of not-for-profit organisations who extract surplus funds via these services to use for executive salaries and other functions of their organisations.

If the Government believes in a marketised approach to employment services, and for the reasons above we do not believe this can ever be an appropriate model, then surely a key feature of marketising services is that a consumer can choose not to use them when they have no benefit.

One of the early promises of the marketisation of public services was that consumers would drive quality in the system via the ‘invisible hand’ of market forces. However, like almost every other marketisation of public services, the end-user ended up not being the ‘consumer’ but instead the Government became the single customer and started behaving as badly as any other [monopsony](#)<sup>14</sup> does. Meanwhile, the unemployed became reduced to ‘throughputs’ and ‘outcomes’ [for the enrichment of others](#)<sup>15</sup>.

Unemployed workers want to choose to engage with providers if they are useful and go somewhere else when they are not. We also want a way of easily finding useful and beneficial services. Forcing us to choose between bad quality services is basically offering us the opportunity to “pick your poison”. It is especially galling to unemployed workers to see providers being richly rewarded for bad services.

Our experience tells us that there are some helpful and positive individuals working in the system, but they are hard to locate, and we note that many, if not most, don’t last long in the system. That must change. If employment services are genuinely about helping unemployed workers to get a job, then surely the Government must be focussed on the quality of the service. Coercion to use bad quality services otherwise labelled ‘mutual obligations’ is a failure of policy and must cease.

This absurdity has been succinctly highlighted in Cheryl Sykes’ recent PhD thesis<sup>16</sup>: “In any other commercial environment, when a business makes promises about services which it fails to deliver, the customer can draw upon the protections of consumer law concerning refunds and reparation, or even complain in order to correct false and misleading advertising”.

Unemployed workers do not have fair access to an effective complaint handling mechanism. We have long recommended the establishment of an Employment Services Ombudsman. We reiterate this recommendation in the strongest terms.

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<sup>13</sup> Swerissen, H. (2022) *Quality costs more. Very few aged care facilities deliver high quality care while also making a profit*. The Conversation. Available at: <https://theconversation.com/quality-costs-more-very-few-aged-care-facilities-deliver-high-quality-care-while-also-making-a-profit-178022> (Accessed: March 30, 2023).

<sup>14</sup> Monopsony (2023) *Wikipedia*. Wikimedia Foundation. Available at: <https://en.wikipedia.org/wiki/Monopsony> (Accessed: March 30, 2023).

<sup>15</sup> Employment services back in public hands! (2022) *GetUp!* Available at: <https://www.getup.org.au/campaigns/unemployment-services/employment-services-in-public-hands/employment-services-back-in-public-hands> (Accessed: March 30, 2023).

<sup>16</sup> Sykes, C. (2022) *Thinking beyond 'sticks' in Australian employment services: A self-determination theory perspective*, Curtin University, WA. Available at: <https://espace.curtin.edu.au/bitstream/handle/20.500.11937/89771/Sykes%20C%202022%20Public.pdf>

#### F. Provide a good employment service

For close to a decade, the AUWU has been listening to and surveying thousands of unemployed workers across Australia. Our volunteers operate a helpline five days a week to assist unemployed workers deal with a system that does not work for them and which is fundamentally broken. We have recently developed a [rating app](#)<sup>17</sup> where unemployed workers can rate their provider and make this information available to other unemployed workers to use.

Based on this information, we know what a quality employment service should look like. The remainder of this submission will use a combination of data to present this in more detail. We have also drawn together quotes from unemployed workers who have made submissions to this House Select Committee as a way of illustrating these points.

We have seven requirements for an employment service:

1. “Useful” that is, practical assistance to get a job or improve our employability. Not surprisingly, this is the most important requirement for almost all unemployed workers.
2. “Client-centred” that is, ensuring that the service is about what each unemployed worker needs to get a job and not merely the services that the provider wants to deliver, and which take no account of differing circumstances.
3. “Fair”. While the AUWU knows that coercion to use employment services is fundamentally the wrong approach, so long as coercion remains in place, it must be done fairly.
4. “Trustworthy” that is, the integrity of a provider’s actions must be accurate and truthful.
5. “Responsive to Feedback” that is, the ease with which concerns about programs can be discussed, and if such concerns are likely to be acted upon.
6. “Respectful” (previously labelled ‘Friendly’) reflects rapport and relationship and serves as an important reminder that employment services are a human service.
7. “Realistic” relates to job search expectations in relation to both environment and person-related factors. This is a complex factor because the setting of realistic expectations requires an understanding of the interplay between expectation and hope, undue pessimism or optimism.

#### Data

Using a mixture of qualitative data from unemployed workers’ submissions to the Select Committee and quantitative data from the AUWU rating scale, we have organised our responses according to the seven key requirements or ‘factors’ (F1 - F7) described above that make an effective employment service.

125 submitters to this inquiry used the [AUWU’s submission builder](#)<sup>18</sup> and sent a copy to the AUWU. The AUWU developed the submission builder to assist people who have had to deal with employment services to prepare a submission on their experiences to the House Select Committee. For many unemployed workers, making a submission to a parliamentary enquiry was a daunting and overwhelming task even with the excellent guidelines provided on the Committee’s website. We wanted to make this experience as user-friendly as possible. The Submission Builder contained prompt questions that enabled unemployed workers to tell the committee about their experiences. Respondents could choose a short form that contained general questions or a long form that contained a detailed series of prompts. Despite some claims that the submission builder was biased, the prompts

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<sup>17</sup> ROAR App (2022) *Australian Unemployed Workers’ Union*. Available at: <https://auwu.org.au/roar-app> (Accessed: March 30, 2023).

<sup>18</sup> AUWU Parliamentary Submission Builder House Select Committee on Employment Services (2023) *Australian Unemployed Workers’ Union*. Available at: [https://docs.google.com/document/d/1Jsn2IH6d3JZ4weQfVKFFrhf\\_og2xwyjBTnpaWesiC\\_I](https://docs.google.com/document/d/1Jsn2IH6d3JZ4weQfVKFFrhf_og2xwyjBTnpaWesiC_I) (Accessed: March 30, 2023).

were deliberately neutral. We note that not all the submissions that were made by unemployed workers appear on the Committee’s website. We are uncertain about the reason for this although we also note that there is typically a time delay between submissions being received and them appearing on the website.

The submissions were analysed by a deductive [a priori template of codes](#)<sup>19</sup> approach. The use of excerpts from these submissions are for purposes of illustration of the factors. They are a mix from both the long and the short submissions and are not differentiated.

In addition, we begin each section with the overall rating unemployed workers have given to their providers for each of the qualities. These are from the 525 responses on the AUWU ROAR app, a digital tool that helps unemployed workers educate themselves, support each other, and take immediate action against bad job agencies. We’ve charted every employment service provider in the country, with a live map, allowing unemployed workers to see existing reviews of individual providers and contribute their own. Every provider is given a score from 1-5 based on the [AUWU Rating Scale \(AUWURS\)](#),<sup>20</sup> a peer-reviewed tool that asks unemployed workers to describe and rate their specific experiences with their provider. It is important to note that there is no ‘zero’ rating, on the AUWU Rating Scale – “1” is as low as it goes.

**Overall Average F1 (Useful) Rating: 1.84**

**Overall Average F2 (Client-centred) Rating: 2.04**

**Overall Average F3 (Fair) Rating: 2.15**

**Overall Average F4 (Trustworthy) Rating: 2.27**

**Overall Average F5 (Responsive to Feedback) Rating: 2.07**

**Overall Average F6 (Respectful – previously labelled as Friendly) Rating: 2.27**

**Overall Average F7 (Realistic) Rating” 2.28**

**Overall Average AUWURS Rating 2.13**

Please note that the overall AUWURS rating was calculated with proportional contributions from factors F1-F7, which in turn are calculated with the proportional contributions for each of the statements associated with each factor as has been our convention; that is, it is not a ‘weighted’ score.

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<sup>19</sup> Braun, V. and Clarke, V. (2006) “Using thematic analysis in psychology,” *Qualitative Research in Psychology*, 3(2), pp. 77–101. Available at: <https://doi.org/10.1191/1478088706qp063oa>.

<sup>20</sup> O’Halloran, D., Farnworth, L. and Thomacos, N. (2022) “The development of the Australian Unemployed Workers Union Rating Scale (AUWURS) of Employment Service Providers,” *Australian Journal of Public Administration*, 81(4), pp. 515–530. Available at: <https://doi.org/10.1111/1467-8500.12539>.

### *What makes a good employment service, and why Workforce Australia is not it*

#### 1. Useful

This describes providers giving practical and expert assistance to unemployed workers to get a job or improve our employment skills. Unemployed workers consistently see this as the most important feature of an employment service and its most frustrating lack. In the AUWU ROAR app, the average rating of providers is 1.84 out of 5 – the lowest of any factor and why our headline description of the current state of employment services is that they are ‘useless’. While they do exist, ‘5-star’ ratings are exceedingly rare in this category. From the submission builder, these are a sample of typical comments to describe our experiences:

- *Nobody wants to help, nobody is professional and qualified to help and nobody cares that I got sick in the system.*
- *What I needed was proactive and professional job coaching and instead I had my clippings ignored (I needed help with follow up). I wanted help with securing a full-time job and instead I was being pushed into casual work.*
- *The system is a joke, and the providers are raking it doing nothing to genuinely help.*
- *The support has been minimal, I haven't had help with any part of getting a job, I've had things removed from my resume, which is still basically the same document I've been using before I was on payments.*
- *I have been dealing with employment services on & off for 21 years, since I was fired from my job for being pregnant. Not once have they helped me find work.*
- *I have now found my own job and don't want to tell them about it as they have done absolutely nothing to support me. My current employer doesn't want or need help from them either. I'm scared that they will try and contact my employer and bug them for information. I don't want them to get any credit for this job as, while the agent was friendly, she did nothing for me. Every appointment, I have to repeat what I said previously too. This is incredibly frustrating. They don't even look at their notes!*
- *Nobody ever did anything to actually help me find a job. I was told to bring in my resume so they could "brush it up" and left with an even emptier page than I started with.*
- *They DO Nothing!!!! Never offered a single service, never offered a single piece of advice, never helped with anything!!!!*
- *No provider has found me a job. I found my own jobs. Yet, because I was 'connected' to a provider, they submitted whatever form it was to ensure they get their government payment.*

Our experience is that unemployed workers want an employment provider to help them improve their skills and find a job, and often become distressed that this is not what happens. In terms of practical assistance, specifically we want providers to have:

- expert knowledge of local labour markets,
- relationships with employers that they can leverage to help someone gain access to the labour market,
- an understanding of post-placement support that is not merely collecting payslips so that providers can claim an employment outcome – a practice that incenses unemployed workers because we know we are being used as a party to the misuse of public funds, and
- expert career and job search advice based on the relevant and local labour market.

Our experience is that these features are rare. Our experience also tells us that when a service is useful, people willingly engage with it. Give us something that works and there will be no need to oblige anyone to use it:

- *Now, each time I walk out the door after an appointment, I am smiling. No more shaking. No longer do I dread appointments. I believe that this provider will actually help me.*

Furthermore, since the commencement of Workforce Australia we and the streaming of unemployed workers into either self-managed digital services or face-to-face services, we are seeing that unemployed workers who previously obtained their own jobs are now largely self-managing. This appears to have created a significant drop in providers' income from outcome payments that were in our view, 'money for nothing'. This is a good thing (we receive numerous enquiries to our helpline asking how they can transfer to digital services so that they can be free of dealing with a useless service).

However, providers are now under pressure to maintain their income stream from unemployed workers who are less connected to the labour market and therefore require more skilled assistance. Despite the promise of Workforce Australia that face-to-face services would be better, our members report that there has been no increase in the skill of workers, no reduction in caseloads and no reduction in bullying behaviours; anecdotally, bullying seems to have increased. Now that the unemployed workers who always got their own jobs are removed from the system, it is increasingly clear that providers appear to have little idea or willingness to invest in the skills needed to help someone get a job. This must change.

## 2. Client centred.

This refers to considering the needs and circumstances of the unemployed worker in developing their individual program. Our experience tells us that too often, unemployed workers are shunted into programs and courses that seem to be about maximising the providers' income and show little acknowledgement of what we need. We do not need our resumes mangled; we do not need '[resilience training](#)'<sup>21</sup> where we are forced to listen to someone with unknown qualifications patronising us with their homespun views on being a better person; or being sent on 'Mickey Mouse' courses for a Certificate II in something that has no labour market need. The same deep message occurs in all these experiences: that unemployment is our fault, with no acknowledgement or understanding that the labour market is unfair and broken.

We need someone to work with us on the things that we need to get into the labour market and to stay there. Very often, we know exactly what this entails but we are tired of having to fight for every little thing that we know we need.

In the AUWU ROAR app, the average rating of providers in this category is 2.04 out of 5 – the second lowest rating. '5-star' ratings are also exceedingly rare in this category.

From the submission builder, these are a sample of typical comments to describe our experiences, regarding services being client-centred:

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<sup>21</sup> Poxon, J. (2023) *Twitter*. Available at: <https://twitter.com/JeremyPoxon/status/1640205172352892928> (Accessed: 30 March, 2023).

- *I said I needed further training and if they could help me find suitable training. Or a course I could upskill into. Nothing has ever happened.*
- *If the service does not understand the client's past line of work, do some research. Be curious.*
- *The question needs to be "What Can the Providers and the Government do for job seekers?" NOT "What can job seekers do for providers.*
- *Fill the needs gap that has led people to experience unemployment in the first place, in a personalised, values-based and meaningful way. This would include personalised career counselling and imparting a broad, long-term vision of the employment market and how it relates to greater social issues.*
- *Service providers need to be educated to at least a level of common knowledge of job application processes and not their own differing agendas*
- *I note that the point of Workforce Australia was to enhance face-to-face services in that they were meant to be better quality and more tailored to the individual job seeker's needs. From my experience pre and post July 2022 (when the new system came in), there has been no difference in service. From 2020 up until now, the service is the same: rushed appointments, unqualified and unsuitable 'job consultants', lack of understanding, no genuine support, and bad job matching.*
- *When you study full time, work 2 volunteer roles, have compulsory attendance classes that are also full weekends with assignments and exams and it adds up to 80+ hours a week, you have barely any time to sleep or be the primary carer of 2 children and to fit in their needs. How can I be told I am not doing enough and need to do more.*
- *bring back a service that is actually genuinely interested in helping people find suitable work, not incentivised to put them into useless courses or completely unsuitable workplaces.*
- *The whole system needs to look at people first, instead of accepting that "the computer says NO"*
- *Any potential avenues I identified to upskill were disregarded. My existing and desired skills were never considered in referring me to the few potential jobs I was even referred to. There was never any tailoring or help for my situation and it was incredibly apparent I was just another number to be treated like crap.*
- *They never really seem to properly understand what it is that I need or am looking for and often suggest inappropriate things*
- *My provider has not taken into account my preferred field of work and has not offered me any leads towards any employment opportunities in my preferred field of [work]. Although they try to take credit for my self-determined self-employment opportunity that I created on my own without any assistance from the provider.*
- *As for setting activities in my job plan, I would prefer to have more agency and input into what activities are suitable for me rather than being told by an Employment Consultant who does not know me what is best for me.*

When a service is client-centred, it places the needs of the unemployed worker first. We understand that this does not mean that the unemployed worker directs all activities with which the provider must comply. Client-centred practice requires the provider to understand individual circumstances and be able to offer expert advice on a broad range of strategies that may assist.

Our experience tells us that when an employment consultant lacks skills, knowledge and experience they will revert to formulaic approaches in the mistaken belief (or hope) that 'one-size fits all' without any need for analysing or diagnosing the possible barriers to employment being experienced by the unemployed worker. This is typically illustrated by the formulaic nature of job plans, which rarely change and are often filled in before the unemployed worker has had a chance to contribute.

### 3. Fair

In the AUWU ROAR app, the average rating of providers' 'fairness' is 2.15 out of 5.

A consistent criticism of Australian employment services is that it has a punitive approach to mutual obligation. Unemployed workers understand the expectation that we look for work and try to improve our employability – this is in our best interests. There is no 'lifestyle' in living on unemployment benefit and it is not something that anyone would willingly choose. What is problematic is the often coercive and arbitrary way in which mutual obligations are enforced.

Rather than being about the negative construct that the questions describe (that is, penalties) we have decided to focus on a positive framing and label this factor as "fair". In other words, if employment services have to be conditional, the manner in which these conditions are applied should be considered fair.

Our experience however is that employment services are anything but fair. Here are a sample of responses regarding this factor:

- *[x] were bullies, holding the power of paying your benefit over you like it was a stand over. Their tactics are centred around their desire to earn commissions, and as most are contractual staff, they haven't had sufficient training or the experience to act in the capacity of a recruitment advisor - and not do they care to do so.*
- *Providers have too much power and too little accountability around the use of the power.*
- *In a recent three-month period, I dealt with 3 consultants, the first 2 seemed experienced and professional. The latest one is manipulative, aggressive and unprofessional. She was requiring to see me face to face weekly with no empathy for my request to make them fortnightly or alternate weekly meetings by phone and face to face. I explained the cost-of-living pressures involved etc, but she flat out refused and threatened to cut off my payments if I did not comply.*
- *I was continuously lied to about the obligations of the agencies, and some individuals would spitefully change appointment times at short notice or to clash with existing appointments I had.*
- *When I was able to secure work, it was in spite of the actions of agencies I dealt with. Then they tried scheduling appointments while I was working.*
- *I was threatened, while in appointments, that I'd be marked as having not attended, if I didn't provide a contract I didn't yet have - something I wasn't required to do anyway. I was threatened and talked to with such disrespect I brought a witness to my next scheduled meeting.*
- *At this stage, they haven't threatened me with demerits or suspensions, but I wouldn't be surprised if that didn't act fairly or reasonably.*
- *I have no issue with mutual obligations that are equally mutual and don't exploit and manipulate the poor and elderly, disabled, etc... News flash! I am NOT a criminal, so stop treating me like I did something wrong ... Treat me how you'd like to be treated.*



- *Why is there a compliance system that mimics driving offenses, to begin with? I don't even drive and I can clearly see the demerits and the intentional manipulation of my job plan to include me getting my Learner's permit was a deliberate 'dig' at the system's 'policing framework',*

As we have indicated, we argue that coercion to use employment services is the wrong strategy, and there is ample evidence that it is counterproductive.

However, we are realistic enough to know from the comments from the Committee so far, the Government appears addicted to coercing the unemployed. Given the Committee's initial recommendations to continue with some form of coercion in whatever revamped program that replaces ParentsNext (a group for whom coercion is utterly counterproductive, and where it would be politically possible to abolish mutual obligations with minimal backlash), we are loathe to expect much optimism. If any form of coercion is to remain, then it is essential that procedural fairness is elevated to the highest priority.

We strongly recommend therefore that providers do not have direct power to determine unemployed workers' payment suspensions and that this responsibility be fully returned to Centrelink.

We also strongly recommend that the Department adopt a zero tolerance approach to bullying in employment services.

#### 4. Trustworthy

In the AUWU ROAR app, the average rating of providers' 'trustworthiness' is 2.27 out of 5.

Trustworthy is a complex factor to describe. Unemployed workers often experience social exclusion and powerlessness, so it is therefore of utmost importance that the people with whom we work can be relied upon [to act in our best interests](#)<sup>22</sup>. In the case of unemployed workers who are having to reskill or enter the workforce after a prolonged absence, we are acutely aware of being judged and found lacking, and therefore we need an ally that we can trust. If we had good employment services, this could be the provider.

This means, the integrity of a provider's actions must be consistent and reliable. This also means the provider needs to have a clear understanding of the dynamics of power. Our experience tells us that this seldom happens:

- *Only thing I don't like is the dodgy agencies that cut services and suggest you find another service provider so they don't have negative quotas to secure funding. Agencies that do work in the best interests of clients don't last long funding being withdrawn, don't think most don't realise how corrupted the system really is.*
- *I received a call from a manager at the office who told me that I was correct about my obligations, but that if I thought I had been lied to or intimidated, I was wrong; it was a misunderstanding on my part. The wording in the emails is totally unambiguous - I was being threatened. When I took action, they told me I was wrong.*
- *outsourced firms and 'charities' that routinely abuse their power over marginalised people, while offering them sub-standard, degrading 'services' linking them to low quality employment to gain fast bonuses while also forcefully exploiting their labour.*

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<sup>22</sup> Healy, K. (2015) "Becoming a trustworthy profession: Doing better than doing good," *Australian Social Work*, 70(sup1), pp. 7–16. Available at: <https://doi.org/10.1080/0312407x.2014.973550>.

- *One needs only scratch the surface of this 'industry', and it is an industry, of private firms providing sub-standard administration systems that routinely break with their own charter and government contracts and mutual obligations with their clients, and in return reap tens upon tens of billions of dollars. All reward for failure.*
- *I feel scared that they are able to so seriously abuse my privacy and openly breach the Privacy Act in this way. I feel like there is something very corrupt or going on here that I don't understand. I feel like I'm in serious danger by even speaking up about this. I have sought professional medical help from having these feelings.*
- *No reliable or trustworthy advice, just the same old jargon I'd already heard for years.*

#### 5. Responsive to feedback.

In the AUWU ROAR app, the average rating of providers is 2.07 out of 5.

While the comments we received were mostly complaints about being ignored or poorly dealt with, we have labelled this factor as “responsive to feedback” rather than simply “complaints” because we want to convey the purpose of a complaints mechanism – that is, for something to change as a result of making a complaint.

Of most serious concern is that a recent survey we compiled in November 2022 showed that people in digital services who have complained have had a significantly worse experience than people in face-to-face services. That means that people whose lives are being governed by an algorithm have even less successful redress to human intervention. We are automating harm and making unemployment an even more governed experience – who could have thought that was even possible.

- *The JSA kept us waiting for 3 hours for the appointment. I had my kids with me as it was school holidays. By the time we were seen, the kids were hungry and restless. The JSA complained about them (after they had said I could bring them) and took credit for me finding my own job. I ended up having 2 jobs and they would constantly send me text messages for unsuitable jobs, just as overnight cleaning. I'm not a good cleaner (I did that in uni) and had no one to look after the kids. The JSA couldn't understand my complaint and refused to stop the text messages, until I told them my phone was provided by my boss!*
- *I did take that complaint to the department, and was informed that the only thing that would happen was that the office would be contacted regarding that complaint and asked to write an explanation. That was the hard limit of disciplinary action. I was not able to attach the email chain to my complaint as proof, and when I spoke to department representatives, they kept telling me that it would be difficult to prove in a I-said-they-said scenario. I had to keep informing them that I have it all in writing.*
- *I submitted a formal bullying and harrassment complaint which was largely ignored. DECT we're unhelpful, rude and unwilling to accept complaints, leaving me no escalation point or review system.*
- *In my 20 years of (on and off) experience, making complaints, changing providers after receiving substandard treatment, only once did I receive anything like what could be called "employment services" - I had a trial at the local Subway. But they forgot to reimburse me for the new shoes I had to buy.*

- *Dect refuse to be an escalation point so it's as if the provider has no accountability. Centrelink say there hands are tied, yet providers are govt subcontractors and as such government rules should apply.*
- *Whilst [provider] were responsive to my formal complaint in relation to racism, I felt that the response was tokenistic and a form of virtue signalling as I received one phone call and was never contacted again or notified of any outcome. I feel unheard and feel my experience of racism has been silenced, swept under the carpet and totally invalidated. It would be great, if [provider] had followed up with me and advised me of what action they were going to take in response to my complaint.*

For at least five years,<sup>23</sup> we have been reporting that unemployed workers do not have fair access to an effective complaint handling mechanism and have long recommended the establishment of an Employment Services Ombudsman. We reiterate this recommendation in the strongest terms.

## 6. Respectful

In the AUWU ROAR app, the average rating of providers is 2.27 out of 5.

This factor describes a positive relationship between the unemployed worker and the employment provider. The benefits of an effective and positive relationship with a provider are noted in [longitudinal studies](#) of long-term unemployed workers. It is worth noting that this factor is the one that most often scores a '5' rating, which tells us that there are in fact some good people working in the system, but this experience is unfortunately not universal:

- *I am 51 and feel attacked with every single appointment ...I have to attend, because my job search feels like it's never enough.*
- *The person I was assigned to was lovely and listened to all my needs and adjusted my points and obligations accordingly. However, when that person left for another job, the person that replaced them made my experience worse. The first session, they were rude and condescending, constantly asking about my situation in an obnoxious manner as well as asking for personal health information in a very demanding and pressuring way.*
- *They treat people with no respect and do not listen. They have no empathy for people with complex mental health issues. All employees should be made to do a mental health first aid courses and treat people like human beings.*
- *Those carrying out face to face service provision do not seem to have competency in professionally carryout the role in the interest of the client - competency such as deliver customer service, recommending services, following policy and procedure and most of all using emotional intelligence in the delivery of a service to clients. I'm concerned about the skills and knowledge of front-line case workers. Mostly, the service provision seems to be perceived as an administrative task without consideration of any human factors, life circumstance or disability. This is damaging and counterproductive to our communities.*
- *The provider treated me with disrespect and did not consider my mental health or personal circumstances. It seemed that the provider did not have the skills or knowledge to do Mental Health First Aid.*
- *Overall, my provider has treated me with respect. However, my last Employment Consultant clearly lacked any cultural sensitivity and was completely racist and absolutely ignorant to the*

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<sup>23</sup> Bennett, O., Dawson, E. et al. (2018) *Working it out: Employment Services in Australia*. Per Capita, Melbourne, Vic, Australia. Available at: [https://percapita.org.au/our\\_work/working-it-out-employment-services-in-australia/](https://percapita.org.au/our_work/working-it-out-employment-services-in-australia/) (Accessed: March 30, 2023).

*social determinants that impact on First Nations people and in relation to my personal circumstances. The rolling of her eyes and the arrogant sighs when I was disclosing lived experiences of racism and my personal barriers to employment exacerbated my mental health to which she showed no empathy or compassion for and totally dismissed or minimised what I had disclosed to her.*

- *I have not been sent or participated in any activities that have made me feel unsafe. However, it was with the provider with whom I felt culturally unsafe with.*
- *My Provider claims to specialise in Indigenous Employment yet have no identified First Nations people working in the [name] office. Therefore, the advice I have received is given from a Western perspective of what is best for First Nations jobseekers which feels disempowering and oppressive.*

However, while a respectful attitude is a good start, it is not enough. ‘Useless and respectful’ may be better than ‘useless and harmful’ but we want services to be better overall:

- *My provider has tried to be as helpful as possible. Always treats me with respect. My Job Coach has exhausted all possible avenues to securing me employment. We are both now at a complete loss as to understanding why I can't even secure an interview.*

## 7. Realistic

In the AUWU ROAR app, the average rating of providers is 2.28 out of 5. This is the highest scoring factor in the ratings, although more accurately could be described as the ‘least bad’.

The understanding of what is realistic in employment services is reflected in statements that refer to job search expectations in relation to both environment- and person-related factors. These expectations are neither pessimistic nor optimistic, both of which may be [maladaptive responses to labour market conditions](#)<sup>24</sup>. Qualitative reports from unemployed workers frequently identify the desire for employment services to be realistic in their approach and consider our location or our circumstances.

- *Workforce Australia has no real flexibility. Have to apply for 4 jobs a month whether you're getting 40 hrs/ week of work or zero in a casual work environment.*
- *However, they tend to gloss over and or avoid anything that may be a bit difficult or confrontational.*
- *Unrealistic wages, no call-backs & Unrealistic expectations of employers are a killer*
- *Some of the existing mutual obligations are unrealistic and fail to consider individual circumstances.*

Provided frontline workers increase their skill levels and are more useful, client-centred, fair, responsive to feedback, trustworthy, and respectful, (see above) we recommend that frontline workers have more autonomy to set realistic job expectations in the development of job plans.

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<sup>24</sup> Van den Bergh, N. et al. (2021) “Unemployment-study\_preprint.” Available at: <https://doi.org/10.31234/osf.io/azsc8>.

## Conclusion

All successive reforms to employment services – from Job Services Australia, to Jobactive, to Workforce Australia – have failed in their one purported duty: to reliably place unemployed workers into suitable jobs. We argue that, in large part, this is because unemployed workers – the users of this system -- have been ignored and excluded from contributing to, and developing, a service that actually works for us.

We have been sounding the alarm for years. It is galling for the Committee to call for submissions for yet another review into the issues we have already identified, and for which we have detailed and thoroughly researched solutions. To illustrate this point, we have attached as appendices to this submission many of our previous submissions and reports to various inquiries, which painstakingly detailed the harms that needed to be addressed, and the solutions which were summarily ignored.

Our work has always been undertaken by people already living in vulnerable or precarious circumstances. It is therefore doubly offensive that our work has not only been ignored, but expected to be completed anew each time the government suddenly ‘discovers’ employment services still don’t work, and wants to pretend it cares.

Our submission clearly shows once again that unemployed workers have solutions to the many problems that the Committee has highlighted – all we need is a government willing to work with us to implement them. In refusing to allow us to meaningfully contribute to policy that directly affects us, Workforce Australia, like the programs that have preceded it, has failed to deliver a service that unemployed workers want or need. Worse still, its reliance on harsh mutual obligations and penalties is causing widespread harm.

Every day, the AUWU is supporting people who are being demonised by their providers, bullied into inappropriate activities, and threatened with payment suspensions. We cannot overstate how damaging it is to jeopardise our paltry welfare payments during this cost-of-living crisis: put simply, this punitive system is destroying lives.

While we suspect that the Committee will continue to commit to mutual obligation, we implore you to have a long look at what this system is doing to people in practice. The Committee Chair has stated that the public expects unemployed workers make reasonable efforts to justify their receipt of income support, but we don’t believe the current enforcement of mutual obligation would pass any ‘pub test’. If they fully knew the reality of what this system does, we do not believe that the Australian public would endorse it. But it is this presumption of guilt -- that unemployed workers must prove their worth in order to receive basic survival payments -- which has allowed the rot of toxic media narratives and stereotypes to demonise us in the eyes of the public.

As we have seen in the recent Robodebt Royal Commission, when the public understands the reality of harm, attitudes change. Sadly, few unemployed workers were surprised by any of the revelations from the Royal Commission. We live with system-created harms every day. It shouldn’t take a Royal Commission to fix these ongoing harms. It should happen now.

We note that the new Government has made some small steps to protect unemployed workers from failing, dangerous pre-employment programs – most notably, by abolishing PaTH, which exploited young Australians, without increasing their chances of finding suitable work. We also welcome this Committee’s recommendation to abolish the lamentable ParentsNext program although of course, we remain deeply opposed to the Committee’s insistence that a replacement single-parent program requires coercion. Next, we believe the Committee should recommend the immediate abolition of the

Work for the Dole program, which continues to [force unemployed workers into dangerous activities](#)<sup>25</sup>, [which regularly injure them](#)<sup>26</sup>. Most tragically, the Work for the Dole program killed 18-year-old Josh Park-Fing. The Committee owes it to Josh's family [to heed their calls](#)<sup>27</sup> and abolish Work for the Dole once and for all.

If there is a decision to support the continuation of mutual obligation, we would put the following questions to the Committee and the public at large: do you support a system that forces people with physical and mental disabilities (approximately 40% of the unemployed worker cohort) into activities under the threat of payment suspensions? Do you support a system that forces the growing population of unemployed workers over 55 into programs like Work for the Dole? Do you think the 10% of JobSeeker recipients who are currently homeless or home insecure should have to attend job appointments, and have their payments automatically suspended for failing to meet their PBAS target? This is the reality of the system that the public is funding. This inquiry gives both the political class and the public a glimpse into mutual obligations as they exist rather than as a principle, and an opportunity to decide if, at all, this policy should continue.

Designing services from the assumption that unemployed workers are also customers is the place to start. Further, we ask that the Committee recommend designing a system starting with the assumption that unemployed workers do not want to be unemployed and want genuine help to get a job. We are tired of being blamed for an economic policy that deliberately designs unemployment into its fabric. Full employment should mean a job for everyone who wants a job, not an unemployment rate set by the Reserve Bank. We want to see the Reserve Bank's [charter](#)<sup>28</sup> for the maintenance of full employment in Australia and the economic prosperity and welfare for all of the people of Australia to become a reality.

To achieve this, we reiterate our simple request that, ultimately, employment services should be both useful and do no harm. Workforce Australia and all other employment services programs fail on both metrics, harming welfare recipients en masse, with nil efficacy in the stated mission of increasing employment outcomes.

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<sup>25</sup> Lewis, C. (2017) *Work for the dole is endangering workers without a safety net*. Crikey. Available at: <https://www.crikey.com.au/2017/05/12/work-for-the-dole-unsafe-work/> (Accessed: March 30, 2023).

<sup>26</sup> Holmes, A. (2021) *When mutual obligations for job seekers are, quite literally, a pain in the neck*. The Examiner. Available at: <https://www.examiner.com.au/story/7232582/when-mutual-obligations-are-literally-a-pain-in-the-neck/> (Accessed: March 30, 2023).

<sup>27</sup> Dengate, C., Smiley, S. (2018) *Work for the Dole 'should be scrapped', say family of teen who died while working for the program*. Australian Broadcasting Corporation. Available at: <https://www.abc.net.au/news/2018-04-19/calls-to-close-work-for-the-dole/9673238> (Accessed: March 30, 2023).

<sup>28</sup> Reserve Bank of Australia (2015). *Our Charter, Core Functions and Values*. Available at: <https://www.rba.gov.au/publications/annual-reports/rba/2015/our-charter-core-functions-and-values.html> (Accessed: March 30, 2023).

## Appendices

- A. “End the government’s brutal exploitation of the poor” – AUWU submission to Minister Burke Australian, June 2022
- B. “Cutting to the bone” – AUWU submission to Senate Community Affairs Legislation Committee, November 2020
- C. “Designed to fail us” – AUWU submission to Senate Economics Committee, October 2020
- D. “Responding to our Needs” – AUWU submission to Department of Employment consultation on New Employment Services Model, 2020
- E. AUWU submission to Senate Inquiry into the Adequacy of Newstart and Related Payments, September 2019
- F. AUWU submission to Committee inquiry into appropriate and effectiveness of jobactive, September 2018
- G. AUWU submission to Employment Services Advisory Panel regarding Future Employment Services, August 2018
- H. AUWU Submission to Senate Inquiry into ParentsNext, February 2018