



**The Hon Joe Ludwig  
Minister for Human Services  
Parliament House  
Canberra ACT  
2600**

**20<sup>th</sup> February 2008**

**Re: Response to Request for views on Job Capacity Assessments & Job  
Capacity Account Services**

Dear Minister Ludwig,

Thank you for the opportunity to respond to your request.

Finding Workable Solutions is a rural/remote DEN provider delivering Capped and Uncapped programs across five Employment Service Areas (ESAs) in South Australia. FWS is one of two 5-star providers in South Australia and has been providing disability employment services since 1989 and today assists over 360 job seekers and workers with an illness or disability.

In July 2006 Finding Workable Solutions (FWS) was successful in securing Uncapped program business in five ESAs. This coincided with the introduction of Job Capacity Assessments and new Mutual Obligation requirements for many job seekers, under the Welfare to Work reforms.

Service delivery under these new arrangements has been very challenging, often frustrating and at times extremely disappointing. Our largest source of frustration has been the **Job Capacity Assessment and referral process** which has significantly restricted our ability to efficiently and effectively assist voluntary and mutual obligation job seekers.

Many of our concerns were expressed in our recent response to the request for views on future directions for Employment Services by the Minister for Employment Participation Brendon O'Connor. We have elaborated on these concerns in our response detailed below.

Yours sincerely,

**Adrian Pitt  
General Manager - Employment Services  
Finding Workable Solutions Inc.**

## 2.

The Job Capacity Assessment process is a major barrier to early and effective intervention for job seekers. Revision of the processes used to assess and refer disadvantaged job seekers to specialist employment programs is an urgent priority. **FWS believes the Job Capacity Assessment process is seriously flawed and should be replaced.**

Our experience has been that Job Capacity Assessors regularly make inappropriate referrals that reflect a lack of disability awareness and/or experience with the employment services sector, particularly DEN. Many voluntary job seekers who make a direct approach to DEN (and are considered appropriate for our service) are forced to register with other inappropriate programs (such as Job Network) because of the outcome of their brief but compulsory Job Capacity Assessment.

Inconsistency of Job Capacity Assessments has been a major cause of the poor performance of the DEN Uncapped program. Prior to the introduction of Job Capacity Assessments, DEN agency staff communicated directly and constructively with Centrelink, often meeting with both the job seeker and Centrelink Disability Officer to arrange referral and registration. **A return to the Centrelink Disability Officer model is highly recommended, to ensure consistency and quality of referral processes.**

Centrelink Disability Officers provided a consultative, consumer focused approach to achieve the best possible match between service and consumer. By contrast the Job Capacity Assessment is rigid and inflexible, offering limited (often no) choice for job seekers. The assessment process is minimalist and subjective; categorising people using a computer template. It does not operate under a human services model, but rather, an outdated medical model calculating a person's 'capacity' in mathematical terms as the basis for entitlement to services.

DENs are best placed to perform a comprehensive assessment of job seekers with a disability, following streaming & referral by Centrelink. Assessing a disadvantaged job seeker's potential for employment prior to referral to a DEN is inefficient and prone to error, as it requires a judgement to be made by non-specialist personnel with very limited assessment tools and within a very limited time-frame.

Far from empowering, the Job Capacity Assessment often results in confused, uninformed and sometimes angry job seekers who have had little or no say in the outcome of the assessment or the service selected. Preferred agencies are often unavailable to them because the assessment outcome deems them ineligible – or their preferred agency is at full capacity under the business share rules. It has been very difficult to engage these job seekers and make progress towards employment.

Government's out-sourcing of Job Capacity Assessments has transformed the process from 'assisting people with a disability to access employment services' to 'judging a person's entitlement to an employment program'. Furthermore, for contracted organisations to remain viable, their Job Capacity Assessors must achieve time-constrained performance targets. **FWS suspects that the pressures of achieving quantitative performance outcomes are taking precedence over delivery of quality Job Capacity Assessments for consumers. The result is short, compromised assessments and inappropriate referrals that must be re-directed.**

Conducting business with contracted Job Capacity Assessment providers has on many occasions been very difficult. Staff report that assessors are not open to discussion, uncooperative, inconsistent, difficult to contact and reluctant to return calls to resolve problems or queries. **FWS staff overwhelmingly prefer to deal with Centrelink Job Capacity Assessors rather than private providers contracted by DHS.**

The likelihood of inappropriate referrals is increased by the high turn-over of Job Capacity Assessors, many of whom demonstrate a lack of skills, knowledge (and at times an inappropriate values base) to successfully assist a person with an illness or disability into the right employment service.

Job Capacity Assessors are required to predict, in less than one hour and often with very limited information, a person's achievable employment potential two years from the date of the assessment. This is an unrealistic expectation that sets up the Job Capacity Assessor for failure and does the job seeker a grave disservice.

Job Seekers are expected to attend Job Capacity Assessments with substantial documentary evidence of their illness or disability. In the absence of this information, Job Capacity Assessors 'default' to recording no illness or disability. Developmental disabilities, undisclosed disabilities (many job seekers do not wish to disclose conditions such as mental illness) and a range of non-medical barriers to employment are not captured by the Job Capacity Assessment. As a consequence, under-assessed job seekers are all too often referred to the wrong type of service.

In rural/remote areas the challenge facing the Job Capacity Assessor is compounded. Assessments are conducted over the phone – a far from satisfactory process. This is insulting and disempowering for job seekers and further increases the likelihood of inappropriate referral.

**As a rural/remote provider FWS has been appalled by the inaccessibility of Job Capacity Assessors and their inability (or unwillingness) to travel to our service regions.** To assist willing job seekers FWS has borne the cost of providing transport to Job Capacity Assessments. This support is unfunded, yet is critical if we are to successfully engage new job seekers. Despite our efforts and investment, the assessment result often deems the job seeker ineligible for our service – and this is a source of immense frustration for FWS and the Job Seeker.

By contrast, the referral process prior to the introduction of Job Capacity Assessments was exclusively the responsibility of Centrelink. The local knowledge and accessibility of Centrelink staff in rural areas was highly valued and ensured an efficient, no-nonsense approach to referral and program commencement for job seekers. A supportive, consultative approach ensured a more comprehensive, holistic assessment of the job seeker's personal circumstances, rather than mathematical 'guesstimates' of future work capacity.

**Our experience is that Job Capacity Assessment providers are failing to retain staff.** Turn-over of assessors has been very high; quite possibly through lack of satisfaction or perceived difficulty in working within the guidelines. Regularly educating new assessors about our sector, our service and our clients has been time consuming and an inefficient way to do business. However it has been necessary in order to reduce the likelihood of further inappropriate referrals causing great inconvenience to FWS and our job seekers.

**The decision by the previous Government to combine a Job Capacity Assessment with a review of voluntary jobseekers' DSP entitlement has acted as a strong deterrent to people with a disability.** FWS has seen a significant drop in referral rates for voluntary job seekers since the introduction of this policy, which forces job seekers to risk losing their DSP when they choose to pursue employment assistance.

Improvements to the current assessment and referral model should start with the recognition that those least able, least confident and most vulnerable, including people with a disability should be encouraged and supported to seek gainful employment; not categorised by a subjective assessment process to determine their entitlement to assistance.

Early intervention and quick, positive engagement of disadvantaged job seekers can occur if the current subjective and punitive Job Capacity Assessment process is removed. Prompt referral to DEN upon initial assessment of illness or disability by Centrelink will significantly increase the rate of social inclusion outcomes that the new government is seeking.

**The current 'business share allocation' system in the Uncapped program requires Job Capacity Assessors to refer job seekers to the service 'next-in-line', according to DEEWR's business share rules.** This turn-taking approach has been a time-waster for our staff and for job seekers wishing to access our service. Ready and able staff cannot assist someone seeking our service because another service has not utilised its business share.

The Job Capacity Account enables Job Capacity Assessors to arrange specialist short term interventions for Centrelink clients who, for various reasons are not work ready or fit for work. This useful service is restricted to persons referred to Job Network agencies and is unavailable to DEN referred clients. **Our experience with the Uncapped program has been that many people referred are not job ready and would benefit from specialist interventions available through the Job Capacity Account – yet they are ineligible for this service.**

With so many barriers to employment being missed by the Job Capacity Assessment, our DEN services are regularly presented with job seekers who require substantial assistance before employment can even be considered. DENs are not funded for the types of specialist interventions these people require. FWS staff report that Job Capacity Assessors believe DENs arrange and pay for specialist services for job seekers such as cognitive, psychological and functional capacity assessments.

Paradoxically, DEEWR's expectations for Uncapped program providers include prompt engagement, immediate job search assistance and relatively quick placement into jobs. The reality is in fact the reverse. **Uncapped job seekers are more challenging and more time consuming to assist into employment than Capped program job seekers. The majority are difficult to engage and present with a variety of barriers not indicated by Job Capacity Assessment reports.**

I have highlighted a number of problems associated with Job Capacity Assessments that have resulted in delays and inefficiencies for FWS service outlets. Resolution of problems, complaints and procedural inconsistencies has been particularly difficult, given that two Commonwealth Departments are involved in the current Employment Services framework.

**Whilst we do not have a contract with DHS, a great deal of the Job Capacity Assessment process overseen by DHS impacts on our ability to perform successfully under DEEWR.** Many, many problems associated with inappropriate referrals, uncooperative assessors and poor quality assessments have had far-reaching consequences for our service performance, job outcome rates and therefore our DEEWR Star Ratings.

**In our view the outsourcing of Job Capacity Assessments has dramatically increased the level of inconsistency in the process of streaming Centrelink customers to appropriate employment services. The contracting of private providers has reduced the quality and efficiency of the streaming process with profoundly negative impacts on our DEN services and Centrelink customers.**

~~~~~