

# TRANSCRIPT

## LEGISLATIVE ASSEMBLY ECONOMY AND INFRASTRUCTURE COMMITTEE

### **Inquiry into sustainable employment for disadvantaged jobseekers**

Geelong—Thursday, 24 October 2019

#### **MEMBERS**

Mr John Eren—Chair

Mr Gary Blackwood—Deputy Chair

Ms Juliana Addison

Ms Sarah Connolly

Mr Brad Rowswell

Ms Steph Ryan

Ms Kat Theophanous

#### **WITNESSES**

Mr Ben Flynn, Chief Executive Officer, Geelong Chamber of Commerce;

Mr David Peart, Chief Executive Officer, Geelong Manufacturing Council;

Ms Helen Craven, Human Resources Manager, Air Radiators;

Mr Greg Haynes, GM Employment Services, Gforce Employment Solutions; and

Mr Bruce King, Business Development, Apprenticeships, Gforce Employment Solutions.

**The CHAIR:** Thank you for being here.

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If you could just do a quick introduction of yourselves and then we will ask questions as we go along, if that is okay. Why don't we start with you, Bruce?

**Mr KING:** I am Bruce King. I am Business Development at Gforce for apprenticeships and traineeships, and I also work across Transition to Work and EGF, the people with disabilities.

**Mr HAYNES:** Greg Haynes, General Manager, Employment Services at Gforce. I work across all our federally funded employment programs.

**Mr FLYNN:** Ben Flynn from the Geelong Chamber of Commerce. We represent about 1,000 business members across Geelong, but we probably more broadly represent the whole business community in many ways. I am lucky because I have been there for six months, but previously I was at GenU, which incorporated MatchWorks, a major employment services provider, so I have worked in this area a little bit over the journey.

**Mr PEART:** David Peart, CEO from the Geelong Manufacturing Council. The Geelong Manufacturing Council is a regional industry body with about 140 combined members from GMC and the engineering network. We work to try and help investment, employment and economic development in the region through a number of programs.

**Ms CRAVEN:** Helen Craven, Human Resources Manager from Air Radiators. We are a manufacturing engineering business on the border of Lara and Corio with 130 people.

**The CHAIR:** Very proud of you.

**Ms CRAVEN:** Thank you.

**The CHAIR:** Can I just kick it off, please. Thank you for being here. It is obviously a very big part of what we are investigating in terms of employers being part of the process of helping out the disadvantaged jobseekers in our communities. You would all know we are the jobs hub in the north. We have got Viva Energy, Avalon Airport, the ports, the Ford site that is doing some work in terms of renewable energy and we have wonderful businesses like Air Radiators. So there are a lot of jobs going on at the moment, particularly with the state's economy being so strong and jobs growth growing, but there are pockets of areas like Corio, Norlane and Whittington, for example, that are finding it really difficult to actually be a part of that success.

We have had discussions prior to your giving your views now. Northern Futures gave a presentation and of course so did G21. When we are talking about job readiness, I know there is a lot of will out there in terms of the employer sector—that you are willing to take on people of the north—but sometimes they are not job ready and it is up to other organisations to get them job ready. Can you just make some comments about what you think State Government can do better to get some of this cohort of people that we are talking about job ready?

**Ms CRAVEN:** I think it has to start a lot earlier than when they leave school. The things that we are having to teach young people when they come to our employment are food and nutrition, how to catch a bus, to shower of a morning and just general banking. Now, I have never in 30 years had to do that as part of my induction. I have people who supply their lunch for the first couple of weeks. I often have to organise transport or alternate hours just so they can get there. They are things I have never had to do. A can of V and a cigarette is not going to get you through an 8-hour shift. They do not know to have breakfast; they do not know to have lunch. What we may think of as fundamental, basic—they are not coming to us with that, and it is again and again. It is not a one-off.

**Mr HAYNES:** Further to that, I think from an employment services perspective we can see that the conventional school setting has not met many young persons' needs. So they come out sometimes with VCE but often, particularly in some of the more disadvantaged suburbs, with Year 7, Year 8, and really no concept of where they are going or what the pathway to an alternative education might be. But all of those soft skills and how to just navigate what we assume is common knowledge just are non-existent.

**Mr FLYNN:** And when you are dealing with generational unemployment, I think there is an education piece there. Certainly we used to find that the grandparents had not had jobs, the parents had not had jobs and therefore the kids were almost going down the same path because they were not encouraged, because the parents did not want them to get a job because they might be embarrassed. So that is a really big piece, the education piece, to inform them of the benefits of working and contributing.

**Mr PEART:** And I think before you get into things like skills gaps, literacy and numeracy, basic levels, to help with effective communication is really important. As Helen said, some of those basic problem-solving and initiative skills that are probably required by most workforces do not necessarily come with everyone if they have had long-term unemployment. So those life skills, as Helen indicated—following instructions, budgeting, even catching public transport—they are some of the things. If you are looking for ways that Government could potentially help, it would be to try and help to get to at least that basic level so that when they present at the door to an employer, they do have some competency in those life skills.

**Mr KING:** So with that whole transport side of things it also increases the anxiety to a great level. Because they have not got the knowledge on how to get and connect buses and all the rest of that, the level of anxiety increases a lot to the point where they do not go.

**Ms RYAN:** The issues you raise are pretty big ones, and I think they have been fairly—

**Mr ROWSWELL:** Huge.

**Ms RYAN:** common themes through a lot of the witnesses we have heard from, at least this morning. And we heard from Northern Futures earlier. When you are assessing someone's application, is there anything that makes you think, 'Yes, they'll have those skills'? Are there any programs locally where you feel a level of confidence that people have been brought along to that place?

**Mr HAYNES:** I do not think you, as someone maybe recruiting someone in our organisation or even on behalf of one of our partners or another employer, could assume that someone has the skills if they have got a specific certificate III or certificate IV, or assume, if you have looked at the units that are contained within that qualification, that that person is actually capable or confident of doing those things, not because of dodgy training providers, but we would have at least a couple of hundred people on our case loads who have got a certificate-level qualification but you ask them two or three questions and their knowledge in that particular area really is not where it should be. So you are sort of going back to the drawing board on assumptions like, 'Just because someone has a certificate III does not mean they will meet that employer's needs'.

**Mr ROWSWELL:** So there is a mismatch between what they are being taught and the practical application for that in the workplace?

**Mr HAYNES:** Yes, the quality of that particular accreditation has not been delivered to a point that the employer is comfortable with it, or even just the core units that were in that qualification. The young person has come away with maybe some information but not enough to meet the employer's needs. I know that there is some investment coming in things like soft skills, and there is lots of work by organisations like Northern Futures, who do a tremendous amount of work on building someone up alongside that particular qualification. But there are so many gaps, and some people have used up their quota as far as how many times they can sign up for a free qual. I think that young people have been left behind in that.

**Ms CRAVEN:** If I can add to that, we partner with Northern Futures, and if it was not for programs like Northern Futures and previously Hand Brake Turn, I do not think we would even—

We need that support. We are an SME. There is only one HR person at Air Radiators, and I cannot be a social worker. The fact that I can go to Northern Futures if I have a problem and say, 'Please help me'—even if the

person has been there three months, they are there to help you. So that has been instrumental to us continuing on.

**The CHAIR:** That is good feedback. Thank you.

**Ms CRAVEN:** I think otherwise a lot of us would have given up a long time ago.

**Ms RYAN:** Greg, can I just ask, to your point, is that an issue with how rigid the qualifications framework is? Is it the delivery of the training? Does it shift towards—and I know it is a big discussion—a competency-based framework to help overcome that?

**Mr HAYNES:** Yes. I think it is a whole range of issues—definitely how rigid the structure is but also the trainers themselves. However effective one trainer is in one particular organisation doing one particular course, that person could be 10 times better than the next person at the next table, the next training organisation, so I am not sure what sort of work has to be done there to bring up the trainer competency, but I do not think there is one particular area that you could really zone in on.

**Ms RYAN:** So it is not just about course content; it is about how it is being delivered as well?

**Mr HAYNES:** The delivery, yes, and how it caters to contemporary learning styles. Young people now have a more interactive, digital-type of learning. It is quite different to, say, when I went to school. I am not that old, but the way I learn—and I have seen this in some of our pre-employment programs—is completely different to the way a 15- or 16-year-old person is absorbing information and then applying it in a practical sense. I think all of that needs to have an upheaval of sorts if it is going to work for the next generation of workers coming through.

**Ms ADDISON:** I listened with interest about how it obviously could be quite frustrating and also a cost to your business when people do not have these basic life skills, so what can we do as a Government to support people to take on disadvantaged jobseekers when we understand that it will be an additional burden with some of these disadvantaged jobseekers on your businesses?

**Mr FLYNN:** I always come back to education. I think celebrating diversity and showing businesses what they can achieve by having a diverse workforce is really strong. That is an ongoing conversation. If you look at disability, for example, we are still quite a long way behind European countries and so on. I know there are federal contracts for DES and jobactive, but I am certainly pushing for ideas, such as being able to unpack jobs and have maybe three people doing the same job—you know, 0.3 of that job—because they have got the skills that can actually be applied. That is really important as well.

**Ms CRAVEN:** I think for young people, having a support worker for the first few months of employment, so it is not, ‘You have got a job, bye-bye, fend for yourself’, to teach them the responsibility of employment—managing their budget, transport, nutrition. That support worker is so they feel that once they have got a job they are not left to their own devices, because some of them have never taken care of themselves. They have always had someone there—a support worker, a job network—so they have never actually done it themselves.

**Mr KING:** I think the mentoring is a huge part. I know certainly with things like the Transition to Work program, where they are under someone that actually is taking care and following up when they are at work to make sure that they are coping and if there are any other needs, any type of need, I think that is a fantastic support base for them. The other big issue is licensing. A lot of these disadvantaged people just have not got the parents—they might be 20 years of age and they have only got 10 or 15 hours up of driving. They have got nobody to be able to give them the time to help them get their licence. That can be a huge hold back.

**Ms ADDISON:** We are hearing this again and again from different people. It is becoming a real theme of—

**Mr KING:** Yes. Look, we have had really good candidates that are ready to go, but it is a licence that is actually holding them back. I know at Gforce we have partnered with a training not-for-profit place in Geelong; we are putting money into that just to help people get hours up.

**Ms ADDISON:** Is that the L2P program?

**Mr KING:** Yes, the L2P program.

**Mr PEART:** I think there is a discussion there of post-job support required. That has come up in some of our evidence or anecdotal evidence from members, that it needs to be ongoing because there will be issues that will arise over the course of whether it is six or 12 months. Some of those issues could potentially derail all the work that has been done. But there is also the pre-employment. So there is pre-employment, and I think in asking what Government can do, people like to know there is a job opportunity at the end of the training. The training without the job opportunity can be a little bit meaningless in some people's minds, so having a program that looks at the life skills and moving into an employment opportunity is always great and will give them motivation. I think it will give people motivation to move through the training, otherwise it is just another training course for not particularly any outcome. But I agree with the comments on the post-job. That support is critical because all the evidence that we have had supports that.

**Mr FLYNN:** Building on that—that is exactly right—the Government trying to create more entry-level jobs for those pathways to be successful I think would be really important. Looking at industries that are growing, such as the care industry and so on, and seeing how we could better have more of those entry-level jobs into those industries would be really good, especially people with disability, working in that industry. They are a couple of other points following on from David.

**Ms RYAN:** Do you feel like there is sufficient conversation, as an employer group or as major employers in the community, between you and the training organisations themselves so that they understand where the futures skill gaps are and are kind of gearing to meet those? Is that an active conversation that happens?

**Ms CRAVEN:** Not for me.

**Mr ROWSWELL:** Someone please answer yes to that question. I mean, it would make sense, wouldn't it?

**Mr FLYNN:** I do not know about that level, but with disadvantaged people, a lot of this discussion is around that entry level, so no doubt your free TAFE is trying to address a lot of those skills gaps. It is a big job, and you are doing well, but it is really those skills—as we said, life skills and so on—that slip under those certificate levels at entry level that need to be addressed I think. And I do not know whether it is extra funding for some of those—

**Mr HAYNES:** TAFEs cannot necessarily help in that regard. Often employers or employment service providers will pay for that themselves off their own bottom line because they are, I suppose, being reactive to employer or business needs. They need to do it now as opposed to the TAFE building a plan or a strategy for the next iteration. So it has got to happen. Everything changes so quickly now, but things like that soft skills development needs to be addressed in the here and now. Often that is a fee-for-service arrangement; it is not through free training or anything like that.

But to your point before, Helen, about the mentoring, we have so many cases of young people—I wrote a case study down—having no parents or no family unit. The social isolation is really profound. This 17-year-old became her mum's carer. She missed out on the opportunity to do VCE, and then when her mum died when she was 21 she had sort of just been lost for five years and then had to navigate, 'What am I going to do for work now?'. So mentoring or some sort of service that does not just cut out after six months to really help that young person get their life, because they really have their whole life ahead of them, I think is a really missing piece at the moment. All of these funded programs cut off at a point in time, whether it is six months or 12 months. It is not at the service provider's discretion; it is at the Government's, who has created or written that program. It is not individualised service.

**Ms ADDISON:** Yesterday we were in Ballarat, and we had someone come and present to us about family violence and the fact that severe family violence has a major impact on someone's ability to work and continue to work. Have you got any examples of employers in this area that are doing any initiatives or projects or have best practice in terms of supporting family violence in Geelong?

**Mr HAYNES:** Yes, I am familiar with organisations that have family violence policies or are working on introducing them in the next 12 months.

**Ms ADDISON:** Great.

**Mr FLYNN:** We have certainly supported White Ribbon over the journey in terms of awareness and so on, at GenU previously, but yes—a very good conversation to be having.

**Ms CRAVEN:** And for us there is not one scenario that fits, so it is very individual and you have to treat it as an individual because it is so personal, so intimate. You cannot put a box around it and say, ‘This is the process’. So it is just case by case, day by day.

**Ms RYAN:** Just coming back a little bit, I suppose, to where I was earlier in terms of understanding the general employment needs, the labour force needs, going forward across the community, again I think school careers advisers play a fairly critical role in that space. Do you feel that young people are being encouraged to explore opportunities in a direction where you know that you are going to have labour force needs in five, 10, 15 years time? Is that an active kind of communication? And do you feel like that is embedded back in the school system and the training system moving forward?

**Mr KING:** Yes, look, I would probably like to say something on that. Hopefully I do not say anything wrong, but the careers teachers, I think, have certainly had a focus on getting everybody into university. It is a big problem we have sometimes, getting candidates for things like apprenticeships in some trades where we have got a shortage now and we are going to have a major shortage in the next five years as the older generation starts retiring. So it is a huge problem. I would like to think it is maybe just starting to change a little bit, but I think the careers teachers need to be trained in the sense that they have got to look at all aspects of work and cover the whole spectrum rather than focus on university courses.

**Ms RYAN:** Is there an understanding in schools about where those labour needs are going to be, though? One of the things that has really stuck with me in the last couple of years is a conversation I had with the skills commissioner—and I mentioned this earlier. When he went and did quite a detailed study in Mildura he found that there is this enormous need for skilled labour and unskilled labour around the horticultural industries. When he went back to communicate those findings within schools and to school career advisers, they were all really surprised because they had been seeing dried-off fruit blocks and they thought that horticulture was dead around Mildura. So sometimes I think there is a mismatch between where the perception might be of future industry and where industry itself is positioned.

**Mr KING:** I can actually give you an example. I was involved with a master builder’s insight for schools—to take schoolkids down and show them a couple of building sites. One of the kids said, ‘I’m interested in bricklaying’—because they had seen bricklayers laying bricks and they had a chance to lay some bricks, which was absolutely fantastic—and the schoolteacher said, ‘There’s going to be a machine for them, to lay the bricks’. I just thought, ‘Gee, is that the thought? Do they think everything is going to be automated?’. Manufacturing, I know, is very scared that they are going to have the perception that there is going to be no jobs in manufacturing. Of course there are going to be jobs in manufacturing. This is the perception that a lot of the school career advisers have got locked in.

**Ms CRAVEN:** Just on that, we are that fearful that two years ago we invited every school in the north to come. Richard Marles was there. He got the schools in and I got the local employers in. We had one meeting with Richard, then we had a sort of a half an hour meeting after that and it all just fell away. The employers were there saying, ‘We’re ready to partner’, but it did not fit within the programs that the Education Department set for the kids. So you have got employers going to state education saying, ‘Here we are. Let’s talk, let’s partner’, but it did not fit within the scores and the other systems so nothing went ahead.

**Mr ROWSWELL:** There appears to be this huge disconnect, doesn’t there, between employers saying, ‘There are opportunities. There is a pipeline of work’—and you are able to define that—but then at the other end we were hearing evidence from young people yesterday and the day before in Bendigo and Ballarat and they were saying, ‘Well, the jobs just aren’t here in the regions. The jobs just aren’t here’. Perhaps the real situation is that the jobs that they are first particularly interested in are not there and perhaps that expectation needs to be managed in a more proactive way. Have you got any reflections on that disconnect and how that can be bridged? Because I reckon if that can be done, we would solve a lot of these problems.

**Mr PEART:** I would like to offer an example: a program called Skilling the Bay, which the Committee would be aware of and I know John is aware of. Skilling the Bay is a program that is run by The Gordon and Deakin University. They are the major partners, in conjunction with the State Government. Under that program in the last 12 months there have been initiatives called GLAM, Girls Leading Advanced Manufacturing; and GFLOI, Geelong Future Leaders of Industry. In those two programs there have been around about 40 young people exposed to six to eight industry experiences and presentations. They have been involved with Geelong Tech's presentation, and they had their graduation a couple of weeks ago.

That is only the tip of the iceberg but I can say that the outcomes from that program are very, very strong. Those young people are pursuing STEM subjects, which is a real priority for the education system. I think that is a great example that Skilling the Bay have been funding through the State Government. It is certainly up for re-funding and the results that have been obtained so far are very encouraging.

The school curriculum is a very crowded curriculum and it is not easy to get noticed in that space, but I think the schools that have taken the opportunity have benefited greatly. The progression for the young people and their education about opportunities in the, primarily, manufacturing and engineering sectors has been inspirational. I know Helen's company has been directly involved in that and if you are looking for what potentially could work, that is something that does work. But it is only touching a very small number of young people. When you look at Geelong there are in excess of 20 secondary colleges in our region so there are a lot, even if you are looking at Year 9.

**Ms ADDISON:** That might be a good segue to think about how the Victorian Government could better utilise the VET system to support the needs of employers. We do have vocational education and training at school. What could we be doing to make that better for employers in your region?

**The CHAIR:** Can I just add in terms of work experience, how could we further explore how work experience would work in our favour?

**Mr PEART:** It probably needs a rebranding, I think, to be put on an equal footing in comparable study areas. It is probably being seen as inferior maybe to other—

**Mr HAYNES:** Poor cousin.

**Mr PEART:** The poor cousin to other study modes. Rebranding and promoting that I think would be one suggestion.

**Mr KING:** And educating employers too, because I think there is a bit of a fear with things like working with children and insurance and all those sorts of areas that maybe they stand back a bit from, whereas if it is explained to them—

**The CHAIR:** Too complicated, too hard.

**Mr KING:** Yes, I think that needs to be promoted.

**Ms CRAVEN:** The program has got really tight, so for us there are very few roles where we can actually bring someone in. Say someone wants to be an apprentice welder, you cannot actually do work experience as a welder anymore because there are requirements within the work experience program. Not every skill can have a child do work experience now, so they are not going to get the experience if they cannot do it.

**Mr HAYNES:** You are trying to engineer an appetite through a skills shortage area and you cannot. You need to start at a really young age, which is kind of hard at the moment.

**Mr KING:** Boilermaking is one of the hardest trades. We are just not going to have any in five to 10 years time—simple as that. It will be all 457 visas.

**Mr FLYNN:** I think there is always more opportunity to have employers actually be part of the development of these programs as well. Not to discredit TAFE and so on—I am sure they do a terrific job—but I do not know how often and how much input local employers have into their programs and how well they are involved

in addressing those skill gaps. To Bruce's point, if you have employers involved, the education process is almost taking care of itself a little bit as well.

**Mr KING:** I think the problem with employers wanting to take on apprentices has been that a lot of them have tried it and found it very hard to get them. It all of a sudden becomes a too-hard thing. I am going to push our own barrow here with Gforce in the sense that we are a group training provider, but we are able to have kids and take them in and if it is not working there, then place them somewhere else and be able to get the right fit, so to speak. So I think the employers have got to be educated more. You are going to need the apprentices, so you need to start putting them on, but then you have got to have the candidates coming through. So it is a real catch 22 at the moment. The employers are saying, 'We'll just keep going until we've run out of qualified guys, and then we'll shut the shop'.

**The CHAIR:** That is useful know. Thank you very much for attending today. We really appreciate it.

**Mr FLYNN:** I think it is really important to Geelong that we address some of these gaps, for the northern suburbs particularly. We can talk about fast rail and we can talk about the redevelopment of the Alcoa site, but I think our number one priority needs to be helping people in the northern suburbs because we have had so many jobs taken out of that area, so that would be a huge step forward for us.

**The CHAIR:** Thanks Ben.

**Witnesses withdrew.**