

Attachments in support of the Application for Authorisation

**By Job Futures Limited in its own right and on behalf of the Members of
Job Futures Limited**

Attachment 1

Background Information about Job Futures Ltd

1.1 Overview

This submission is in support of the application by Job Futures Limited on its own behalf, and on behalf of the Members of Job Futures Limited, for authorisation for Job Futures Limited to engage in conduct which may be construed as having the effect of substantially lessening competition within the meaning of section 45 of the Act. Authorisation is sought for 5 years.

This application is made out of an abundance of caution, because it is the view of Job Futures Ltd that neither it or its members would be in breach of the Trade Practices Act's restrictive trade practices provisions by trading.

1.2 About Job Futures Ltd

Job Futures Ltd was established in 1997 in order to provide a vehicle for community based non profit providers to share resources and build capacity to compete effectively for funding in the area of employment and related programs.

Job Futures Ltd was established in order to collaboratively bid for and deliver services. The Company partners with the Members to deliver services, usually under contract to an external head contractor/purchaser. The funding body contracts the Company, which in turn sub-contracts its members.

Over its eleven years of existence, the Job Futures network has grown to become one of the largest providers of Commonwealth funded employment programs, with 51 members delivering in over 100 locations across urban, regional and remote Australia. Job Futures Ltd plays an active role in supporting and managing the performance of its Members in the delivery of services and in building their delivery capacity. The Company ensures that sub-contracted services are delivered to a high standard and according to the requirements of the sub-contract.

Job Futures Ltd has a National Office charged with supporting the Members in delivering quality results in the core business of assisting disadvantaged job seekers into employment. The Company does this by delivering training and program support, developing and implementing performance information and management systems and by promoting the exchange of ideas and best practice across its network.

National office staff work across five main areas:

- Contract and performance management
- Member support – including training and provision of web-based tools and resources
- Business development – writing tenders and creating new opportunities for members, brokering national or statewide opportunities not available to local providers
- lobbying Government in relation to practical issues that affect our contracts and members
- Finance and administration

The operations of Job Futures Ltd are funded via an annual membership fee and via a service fee which applies to contracts held by Job Futures Ltd. The current membership fee is \$5,500 in the first year (full membership) and \$3,300 per annum thereafter. In most cases the service fee is set at 5% of contract value.

1.2 Governance arrangements

Job Futures Ltd is governed by a Board of Directors. The Board comprises six representatives elected annually by the members, and up to two additional non-member Directors appointed by the Board. The current Chair of the Job Futures Board is Bob Sendt, former NSW Auditor-General.

The Members directly participate in the Company's operation through regular Regional Meetings, an annual National Conference, an annual Chairs' and CEOs' Forum, and through the various working groups and Board Committees that contribute to the company's operations and development. Ad hoc consultation processes are developed around specific issues that arise, particularly where these relate to the nature of the sub contract, tendering and the management of contract performance.

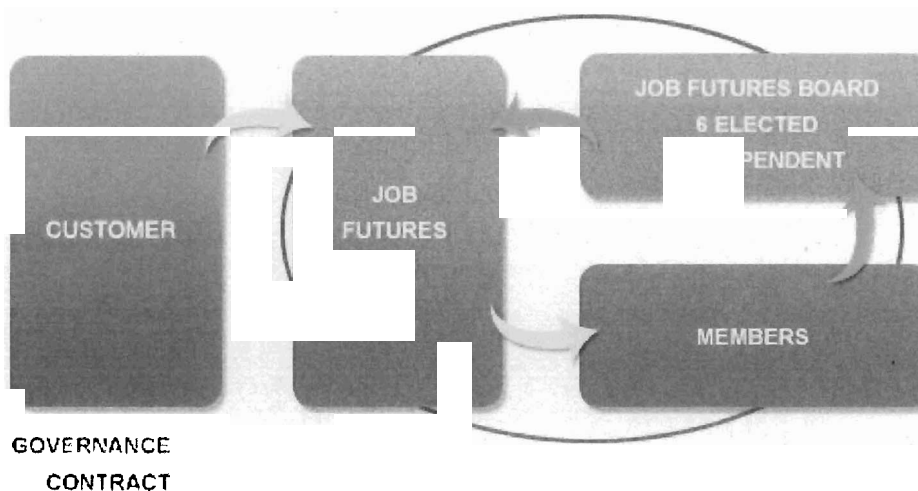
As well as the opportunities that flow directly through the Company, the Members benefit from being part of a collaborative network of community based organisations facing similar challenges.

The legal and accountability relationships between members and Job Futures Ltd, and between members set out in a number of documents including:

- the Constitution (at Annexure 1)
- the "Members Rights and Responsibilities/National Charter of Service to Members". This document is at Annexure 2.
- the Standard member sub contract at Annexure 3.

The relationship, rights and responsibilities of members and Job Futures Ltd are both contractual and governance related. It is this interlocking set of relationships that makes up the Job Futures network. The following diagram illustrates this:

Relationship between the Members and the Company



The entities in the circle make up “Job Futures”, with the arrows signifying the control mechanisms between the parties – either contractual or governance.

1.3 Previous ACCC Decision

An application for Authorisation under section 88(1) of the Trade Practices Act was made in 1997 to enable Job Futures and its members to enter into the type of collaborative arrangements currently in place and described in this application. In particular, the application included the prohibition on members tendering in their own right, in addition to Job Futures Ltd tenders. Authorisation was granted (Authorisation Number 90625).

In making this decision, the Commission stated:

“The Commission has identified public benefit in improved efficiency arising from combining the resources of members. Members will be able to develop and have access to superior resources than they could avail themselves of as individual organisations. As a result, they could also provide more comprehensive services than without the arrangements.”

The Commission identified potential issues in relation to the process of admission of new members and, in particular, their rights to appeal. These issues have since been addressed in the Constitution of Job Futures Ltd (Annexure 1).

The application at the time outlined the intent of the members as follows:

“In establishing the Company the present Members intended to form a corporate entity through which the Members could plan, facilitate and implement decisions and strategies which:

- would enhance the capacity of the Members to collectively supply employment services on a national basis;
- would enhance the capacity of the Members to adopt national, consistent and high quality standards of employment service provision;
- would enhance the capacity of the Members to provide employment services to those persons most in need as a consequence of long term unemployment or other social and economic factors;
- would enhance the capacity of the Members to supply efficient, effective and competitive employment services as a consequence of economies of scale and scope in the acquisition of inputs and the marketing of their services; and
- would enhance the collective capacity of the Members to successfully tender for the supply of employment services in the competitive employment services market established by DEETYA.”

In the eleven years since this application, the arrangements have continued to operate and have been reflected in Job Futures Members Rights and Responsibilities/Charter of Service document, its membership application forms and its sub contracts with members.

Through Job Futures Ltd, members have applied the model to bid for a range of National and State government programs. In 2006/7, over \$60million worth of employment and related contracts were delivered through this arrangement. Job Futures membership has grown from 19 to 51. Job Futures Ltd now employs 34 people across the country to support its network to achieve our shared goals.

Over time, Job Futures Ltd has, in consultation with its members, developed internal processes and policies to improve the capacity of the organisation to achieve its goals. Policies have been developed in relation to performance management, financial “health” reporting and development of tenders.

1.4 Job Futures Membership

The Board of Job Futures Ltd considers applications for membership. In order to be eligible for full membership, applicants must have a demonstrated capacity to support the objects of the company and be a non profit organisation. In making an application for membership, applicants agree to be bound by the Constitution,

Charter, Code of Conduct and specific obligations in relation to tendering outside the company (see further Attachment 2, clause 2.3).

In considering applications for membership, the Board of Job Futures Ltd takes into account:

- evidence of effective governance;
- financial viability;
- track record of performance in delivery of employment or similar services;
- consistency of organisational goals with those of Job Futures Ltd;
- extent to which the proposed member's operations are or may be in competition with or complementary to Job Futures existing operations;
- ability to contribute to the future performance and growth of Job Futures Ltd.

Existing member organisations are given the opportunity to comment on proposals to admit new members. Section 9.1 of the Constitution provides that the Board must notify unsuccessful applicants of reasons for their decision and sets out the dispute resolution procedure for applicants who are dissatisfied with these decisions.

Section 11 of the Job Futures Ltd Constitution sets out the provisions in relation to cessation of membership. In particular, it gives the Board the power to expel an organisation from membership:

If any member shall wilfully refuse or neglect to comply with the provisions of the Constitution or shall be guilty of any conduct which in the opinion of the Board is unbecoming of a member or prejudicial to the interests of the Company

This power can only be exercised after the organisation has been given notice of the allegations and has been given the right to be heard. An organisation, having exercised that right, can elect to have the matter dealt with by a general meeting of the Company, at which a two thirds majority is required to give effect to the expulsion.

Under the standard sub contract arrangements it enters into with its members, Job futures Ltd may terminate a sub contract if an organisation ceases to be a member of the company (Annexure 3, Clause 10).

1.5 Current profile of Job Futures Membership

Job Futures Ltd currently has 47 Full members and 4 Associate members. These two categories of membership are described in Job Futures Ltd Constitution at

clause 9.3.

The membership of Job Futures Ltd broadly falls into the following groups:

- Local community based employment and training organisations, generally based in a region or sub region. Examples include MTC Work Solutions, which delivers employment and training programs primarily in Inner Western and South Western Sydney; Community Employment Options, which delivers disability specific and general employment programs in Rockhampton, Maryborough and Hervey Bay; Isaskills, operating employment and training services in Mt Isa and surrounding areas (up to the Gulf of Carpentaria and south to Birdsville) and JobCo which delivers disability and general services in North and Central Melbourne. Approximately 75% of members fall into this broad grouping.
- Aboriginal organisations delivering employment and similar services. These include: Julalikari Council Aboriginal Corporation based in Tennant Creek; Larrakia Nation Aboriginal Corporation in Darwin; and Peedac in Perth. This group represents around 15% of Job Futures members.
- Larger charitable organisations where, in most cases, employment services represent only a small part of their wider social program. These include Anglicare Tasmania, Brotherhood of St Laurence and Melbourne City Mission.

Until recently Job Futures also sub contracted two local government authorities (in NSW and Victoria) to deliver services. The remaining councils within Job Futures' membership (eg. Thamarrurr Regional Council in Wadeye) are likely to lose their local government status as a result of NT local government reform.

Annual revenue of member organisations ranges from less than \$200,000 to over \$10million, with the bulk of members receiving between \$1million and \$3.5 million per annum. The majority of Members have sources of revenue outside Job Futures contracts. Members are spread across urban, regional and remote Australia.

Attachment 2

Description of proposed conduct

2.1 History

The collaborative tendering process has been a foundation principle for Job Futures Ltd since its establishment, as reflected in the first application for Authorisation under the Trade Practices Act.

The principle has been reflected in the sub contract, and in various documents which have been the subject of extensive consultation with members.

2.2 The current sub contract

When it develops a tender the Board of Job Futures makes a decision (on standard criteria) as to which member or members will be sub contracted in a particular location. If Job Futures Ltd is successful in being awarded a contract to deliver services in that location, it sub contracts the specified member organisation/s.

A standard sub contract for the delivery of programs and services is entered into between the Company and each sub contracted Member. The current standard sub contract includes the following clause (at 22.3):

"Job Futures acquires the Services from the Subcontractor on the condition that the Subcontractor does not, during the term of the Agreement, supply, offer to supply or tender to supply the Services or similar services on its own individual account or through a related body corporate to:

- (a) the Customer; or
- (b) another supplier of services or similar services to the Customer."

(the Customer is the party to the principal agreement with Job Futures)

The words "similar services" have been taken to mean the program to which the contract relates, a successor to the program, or a program funded by the same "Customer" which in its activities and objectives is similar. For example the current version of Job Network includes services that were delivered under separate contracts in earlier iterations (eg. "Intensive Assistance", "Job Matching", "Flex 2", "Flex1"). In practice the issue of interpretation of "similar services" has not been a problem, however, if it were the Board would determine the matter. Normal dispute

settling processes within the sub contract and under the Constitution would apply in the event of a disagreement.

The sub contract was developed in consultation with member organisations. This included extensive discussion and input at a workshop held for members from 3-5 May 2006. The majority of current contracts expire on 30 June 2009. It is anticipated that a new sub contract, containing a similar clause, will be developed with members by the end of this year, in preparation for the 2009-2012 contract period.

2.3 The Membership Application Form

While it has varied from time to time, the application form for organisations wishing to join Job Futures Ltd has contained a specific reference to the prohibition on tendering outside the Company, either for Job Network services, or where the organisation holds a sub contract to the deliver the services. The current application contains the following words in Part F "Ethical Conduct"

"Job Futures Ltd applies for Job Network and other business from the Commonwealth Government and State/Territory on behalf of its members and when it is successful it distributes that business amongst its members in an equitable and effective manner.

Members of Job Futures Ltd understand that Job Futures Ltd acquires services from its members on condition that members do not tender to supply the same services on their own individual account. "

And, further, on the signature page:

"If admitted as a Full Member of Job Futures Ltd, I confirm that my organisation will:

1. Comply with the ethical conduct of Job Futures Ltd as set out in Section F of this application.
2. Abide by the requirements of membership of Job Futures Ltd as set out in the policy on *Members Rights and Responsibilities & National Office Charter of Service to Members* (*).
3. Support the *Job Futures Code of Conduct* (*).

Both I and my organisation understand and acknowledge that acceptance of these obligations is a condition of the organisation's membership of Job Futures."

While the precise wording of the membership application will be altered in line with the proposed new Job Futures Membership Charter (see 2.5 below), similar wording will be included in any new application form.

2.4 The Members Rights and Responsibilities/National Office Charter of Service

The “Members Rights and Responsibilities/National Office Charter of Service” document was developed by the Board in consultation with members to reflect the interlocking relationship between Job Futures members and between Job Futures Ltd and its members. The document was endorsed by members at an Annual General Meeting on 13th October 2005.

The document contains the following clauses in relation to tendering:

“As provided in the subcontracts, members may not submit a tender or participate in a competitor’s tender against JOB *futures* Ltd (sic) in respect of that business during the course of the contract. Board members and senior staff of member organisations must disclose their personal or organisational involvement with competitors.”

“Members have the right to expect that JOB *futures* (sic) will not compete against members where they have already established contracts or business ventures in their own right. However, members have the right to compete directly against other members when tendering for business in their own right.”

The “Members Rights and Responsibilities/National Office Charter of Service” is intended to be binding on each member organisation and on Job Futures Ltd.

2.5 Proposed Job Futures Membership Charter and Constitutional Amendments

At its most recent Annual General Meeting on 20 November 2007, members of Job Futures passed the following resolution relevant to these arrangements

The members hereby resolve that a formal membership agreement should be developed which reflects the principles in the provisions of the Members Rights and Responsibilities and National Office Charter of Service to Members for consideration at a Special General Meeting to be held by April 2008 and that this document ensures that members failing to comply with the principles should be expelled from the membership, pursuant to the provision of Clause 11.3 of the Constitution.

The meeting also passed a resolution authorising Job Futures Ltd to renew its authorisation under the Trade Practices Act for the arrangements between the company and its members.

As a result of these resolutions, Job Futures Ltd has developed a draft Job Futures Membership Charter and a series of Constitutional amendments which reflect the intent of the resolutions and of the "Members Rights and Responsibilities" document (Draft membership Charter and proposed Constitutional amendments are at Annexure 5 and 6). All member organisations have been invited to comment on the proposed documents. Over February 2008, the CEO of Job Futures Ltd convened meetings of members across Australia to discuss the proposed changes in detail. Financial assistance was provided to member organisations to enable them to travel to the meetings. 38 member organisations were represented at these meetings. As a result of the meetings, several amendments have been made to the drafts. The constitutional amendments and Job Futures Membership Charter will be considered by the members of Job Futures Ltd on 2nd May 2008.

The relevant parts of the proposed Job Futures Membership Charter are as follows:

3. Tender against Job Futures Ltd

3.1 It is a fundamental condition of membership of Job Futures Ltd that a member is entitled to continue to receive the benefits of membership on the basis that it is acting in concert with and on a co-operative basis with its fellow members.

3.2 Members of Job Futures Ltd must only participate in a tender to provide Job Network services (or any successor program to Job Network) as a sub contractor to or partner with Job Futures Ltd, unless the prior written consent of Job Futures Ltd has first been obtained.

3.3 A member which has entered into a sub contract with Job Futures Ltd to deliver a program or service must not tender, in its own right, for that same, or any successor program, whilst remaining as a member of Job Futures Ltd, unless the prior written consent of Job Futures Ltd has first been obtained.

3.4 A member which submits a tender in contravention of sub clauses 3.2 or 3.3 is acting in a manner prejudicial to the interests of Job Futures Ltd and its members and is liable to forfeit its membership, in accordance with the provisions of rule 11 of the Constitution.

3.5 Sub clauses 3.2 and 3.3 are applicable to a tender to deliver the program or services in any location within Australia.

3.6 A member affected by a decision of Job Futures Ltd to refuse consent may seek review of the decision through a Board disputes committee which will consider any request for review within 3 business days of receipt of that

request.

4 Job Futures Ltd and members right to tender

4.1 Job Futures Ltd will not submit a tender to deliver new services in a location where that tender is likely to damage the pre-existing business of a member organisation in that location.

4.2 Members have the right to compete directly against other members when tendering for business in their own right.

The proposed Constitutional amendments recognise that there will be a Charter that is binding on all members and that it can be changed by 75% members in general meeting. (Annexure 6).

Authorisation is sought for the arrangements described in this application as they may be set out from time to time in the Constitution, the Charter and in contracts between Job Futures Ltd and its members.

Attachment 3

Definition of the Market

The market in which the applicant currently operates is the market for public funding of programs aimed at assisting disadvantaged people gain work, sustain employment or increase their skills in order to achieve better pay and conditions.

The dominant purchaser of these services is the Commonwealth Government. Employment programs funded by the Commonwealth in this area, and approximate value for the 2007/8 financial year are set out below:

Program	'000s	Number of Providers
Job Network	\$1,210,476	99 (September 2007)
Employment Assistance (Disability Employment Network)	\$299,306	200 (estimate)
Community Work Co-ordinator	\$174,445	82 (at 1/7/06)
Personal Support Program	\$97,256	58 (at 1/7/06)
Australian Apprenticeship Access Programme	\$26,965	16
Green Corps	\$25,435	5
Job Placement Employment and Training Program	\$20,756	82 (at 1/7/06)

Contracts with providers to deliver the abovementioned programs are due to expire on 30 June 2009. It is anticipated that a Request for Tender will be issued for these programs (or those that replace them) in the second half of 2008.

Many of these contracts are tendered on the basis of a fixed price. For example under the Job Network contract, providers tender for a market share in a particular area (i.e. a share of clients that are referred to the service), but the payments made

under the contract are based on a fixed fee for particular services (activities) and outcomes (for example the achievement of an employment outcome for a long term unemployed job seeker). Job Futures Ltd works with member organisations to agree the pricing structure and funding model where tenders are price competitive.

There is significant competition for government funded employment programs. In late 2005 a Request for Tender was released for employment service contracts for the period from 1 July 2006- 30 June 2009. 112 organisations tendered for the available Job Network market share (represented only 5% of the total Job Network program). 105 organisations tendered for Disability Employment Assistance programs; 146 tendered for JPET and eight tendered for the four available Green Corps Regions.

The most recent publicly available aggregate analysis of the distribution of Job Network contracts (March 2003) showed that of the 109 providers:

- 54% were non profit (includes church and community based providers) with about 50% of the market share;
- 43% were commercial organisations with 47% of the market share; and
- 3% were government providers with 3% of market share.

The Job Network providers with the largest shares at 1 July 2003 were:

- Salvation Army (Vic) Property Trust (14.9%)
- Mission Australia (7.9%)
- Sarina Russo Job Access (Australia) Pty Ltd (5.9%)
- Work Directions Australia Pty Ltd (5.7%) (this has since been purchased by Angus Knight (Jobfind))
- IPA Personnel Pty Ltd (4.4%)
- Job Futures Ltd (4.2%)
- IPC Employment Pty Ltd (3.8%)
- Professional Vocational Services Pty Ltd (2.8%)
- AMES (2.7%)
- Jobfind Centres Australia Pty Ltd (2.5%)
- Centacare Australia Ltd (2.2%)
- MAXNetwork Pty Ltd (2.0%)
- CHR Group (1.7%)

Providers are represented by two Industry Associations – the National Employment Services Association (represents both for profits and non profits) and Jobs Australia (non profit providers only).

Job Network operates on the basis of three year renewable contracts granted to

service providers and managed by DEEWR. Performance is measured via a system of star ratings. The most important driver of a provider's star rating is their relative success in getting people, especially those unemployed over 12 months, into full time employment and keeping them there for 13 weeks.

Since 2003, achievement in the star ratings has been the basis for contract extension, however within the three year contract term, there is capacity to reward or sanction providers based on performance including the possibility of a 100% sanction. Decisions about Job Network purchasing have been significantly based on demonstratd experience and performance as measured by the star ratings

As success within Job Network is always measured relative to that of other providers, the market remains highly competitive. As stated, whilst only 9 new organisations entered Job Network in the most recent two tendering rounds, there is no shortage of organisations interested in tendering. The Department of Education, Employment and Workplace Relations explicitly includes encouraging competition as one of its three key purchasing principles.

A number of investigations have been conducted into the operations of the Job Network which have included consideration of its competitiveness and efficacy. While issues have been raised about the design of the program itself, the availability of providers and the level of competition between providers is evident. See for example:

- Productivity Commission, Independent Review of the Job Network, Report Number 21, 3 June 2002
- Australian National Audit Office, Implementation of Job Network Employment Services Contract 3, Report Number 6, 2005-6
- Bruttel, O, "Managing Competition in a Public Service Market: the Job Network in an International Perspective", Centre for Labor Market Research Discussion Paper Series 05/3.
- Parliamentary Library, "Review of Developments in the Job Network", Research Paper, 24 December 2007

Attachment 4

Public Benefit Claims

4.1 Improved efficiency and more comprehensive services

Job Futures members share a commitment to working in their local communities to achieve better social and economic outcomes for disadvantaged people. Job Futures arrangements enable these organisations to participate effectively in the market for employment services, to achieve efficiencies and to build capacity in order to more effectively achieve these objectives.

In considering the 1997 application for Authorisation, the Commission said the following:

“The Commission has identified public benefit in improved efficiency arising from combining the resources of members. Members will be able to develop and have access to superior resources than they could avail themselves of as individual organisation. As a result, they could also provide more comprehensive services than without the arrangements.”

These benefits have been realised in the 11 years since the determination.

In 2006/2007 Job Futures Ltd delivered National and State based employment services and related contracts to the value of \$62,746,738, of which \$57,280,872 was passed on to member organisations through sub contracting service delivery.

Job Futures has adopted common processes and systems, reflected in our service guides, common forms and audit framework. Job Futures manages the contracts centrally, providing a single point of contact for purchasers.

Job Futures Ltd employs staff to support member organisations to deliver effective services. These staff: analyse performance and provide benchmarking information within our network; advise on practice improvements; facilitate networking between staff of member organisations; conduct site visits and audits; assist in forecasting revenue; provide training and contractual advice.

Job Futures Ltd provides training and networking opportunities for staff working on contracts including both face to face and web based.

Job Futures Ltd has developed customised software to enable member organisations to track performance against key performance indicators and to better manage functions associated with delivery of the service.

Job Futures Ltd has developed programs and processes to improve delivery of services to those most disadvantaged in the labour market. These include the Intensive Case Management program, "Working Life" work preparation program, "Get Started" pre-vocational program and other measures.

Job Futures Ltd has enhanced the capacity of its members to successfully tender for employment services through provision of centralised tender writing services.

Job Futures model has enabled community based organisations to participate in bids to provide comprehensive services at the State and National level. The following examples are provided as evidence of this:

- Job Futures was successful in securing successive contracts to deliver the Green Corps programme. The government initially sought a sole, national provider for the programme. Job Futures partnered with Greening Australia to deliver this program from 2002-2006. The Government then divided the country into four regions and sought providers with the capacity to cover at least one region. Job Futures currently delivers in the NSW/ACT Region and Qld/NT Region, subcontracting 19 of its member organisations to deliver Green Corps projects in their local area.
- Job Futures was also successful in securing a contract with the Victorian Government for provision of employment services to job seekers leaving prison or subject to correctional orders. The provision of this service required the capacity to deliver across Victoria. Job Futures subcontracted 6 of its member organisations to deliver this program in their local area.

4.2 Public benefit in securing a significant role for community based organisations in service delivery

The Applicants submit that, in the absence of the contracts, arrangements or understandings which are the subject of this application, the degree and effectiveness of competition between employment service providers will be diminished because of the detrimental effect upon the capacity of each of the Members, acting alone, to deliver efficient, quality services on a comprehensive and

integrated basis.

It is arguable that the arrangements entered into by Job Futures Ltd and its member organisations have increased competition and diversity in the marketplace by enabling smaller organisations to compete for programs where they may not have had capacity.

Over the last eleven years Job Futures has achieved a public benefit by facilitating the entry of small community based organisations into the employment services market; a market that has proven relatively difficult for new providers to enter. This is demonstrated by the fact that since 2002 only 9 new Job Network Providers have entered the market. During the same period Job Futures enabled 10 organisations to enter the market for delivery of Job Network as sub contractors to Job Futures Ltd. These member organisations have benefited from Job Futures incumbency in the market via their participation in the Job Futures network. They have benefited from access to Job Futures expertise and resources in an environment that is complex and rules based.

In his analysis of competition in the public employment services market Oliver Bruttel commented that:

“...the tendency towards comprehensive service delivery and high volume, which facilitates contract management, favours large providers that are able to exploit economies of scale. Indeed Grubb (2004) argues that the market for public employment services might be one for large providers only. Such a situation would, however, counteract the goals that were formulated when competition in the market was introduced, such as innovation, the flexibility of small units (as opposed to large bureaucracies) and client choice.”¹

Job Futures model ameliorates this apparent tendency in the market by enabling smaller organisations to access comparable benefits to larger providers.

¹ Bruttel, O, “Managing Competition in a Public Service Market: the Job Network in an International Perspective”, Centre for Labor Market Research Discussion Paper Series 05/3.

This benefit is enhanced by the specific role and objectives of Job Futures and its members in that they operate on a not for profit basis and focus on delivering services to the most disadvantaged in the community.

The Company's objects require it: to conduct such benevolent and charitable services as are considered necessary to relieve poverty, unemployment, economic hardship, misfortune, destitution, suffering, sickness, distress or helplessness of any person or group in Australia. The Members of the Company are also required to demonstrate a capacity to advance the objects of the Company.

The continued role of non profit community sector providers in the provision of employment services has a range of wider social benefits:

In advanced liberal democracies, the presence of a robust and diverse not for profit sector has been linked to high levels of civic engagement and social capital, which are important predictors of community wellbeing (see Putnam, 1993; Putnam, 2000). The community sector in particular has historically played an important role in responding to the needs of the most disadvantaged in our communities.²

The role of non profit and community based organisations in addressing social exclusion has also been recognised by policy makers. For example, Senator Ursula Stephens stated in a speech on 13 March 2008:

The non-profit sector is vital to the Government's Social Inclusion Agenda. It is the non-profit sectors which are so often the first point of call for the vulnerable and excluded and provide so much of the ongoing support to excluded communities. They are well-placed to ensure that 'missing voices' are heard and to advocate on behalf of those who are marginalised.

Job Futures members share a commitment to working in their local communities to achieve better social and economic outcomes for disadvantaged people. Job Futures arrangements enable these organisations to participate effectively in the market for employment services, to achieve efficiencies and to build capacity in order to more effectively achieve these objectives. The proposed arrangements are essential to enable these benefits to members and to the public to be continued.

² Community Sector Sustainability: Research Evidence and Public Policy Implications
Prepared by Jo Barraket for the Sector Sustainability Task Group (Vic), August 2006

4.3 Arrangements required to achieve public benefits

In its 1998 determination, the Commission noted the importance of Job Futures being able to secure a sufficient number of contracts to achieve the benefits of the collective arrangement.

Job Futures ability to achieve this has been based on the arrangements it has in place to secure ongoing co-operation of each of its members in sharing information and participating in tenders.

It is the fundamental principle of the Company that its strength as a tendering body lies in the co-operative approach of its Members to achieving a common goal. Each of the Members, whilst a Member, has access to significant company resources, confidential information, know how and other professional services. Confidential information of the company and its Members is shared between the Members and utilised by them to supply a more efficient service within their respective region.

If a Member was to tender against the Company and remain a Member it would be able to utilise these services and may utilise such confidential information and know how, without the knowledge of the other Members or the Company, in circumstances whereby the Company and the other Members may be severely disadvantaged in a competitive tender process with an external head contractor/supplier.

Further, the benefit to other members of the shared resources of the company and the standing of the company as an experienced and established provider of employment services would be diminished if members were able to tender outside the company.

Attachment 5

Public Detriment

5.1 In its deliberations in relation to the 1998 application for Authorisation, the Commission assessed the anti-competitive detriments arising from the arrangements to be low. Two areas were noted; the non lodgement of tenders by sub contractors and the rules surrounding admission of new members.

5.2 Non lodgement of tenders

The proposed arrangements limit the capacity of members of the company to tender outside the company. It could be argued that these arrangements limit the availability of potential providers to tender for these services. However recent tender rounds for Job Network and other programs have produced tenders from over 100 providers including a mix of large non profits, community based providers and private providers (see Attachment 3 for further information).

It could be argued that the arrangements limit the capacity of individual organisations which are part of Job Futures to tender outside Job Futures and, accordingly, that this may be a detriment to those individual organisations. However the efficiency of the network and the capacity to facilitate the entry of new organisations as providers through Job Futures is dependent on existing organisations continuing to deliver within these arrangements and the company retaining contracts of adequate scale. The benefits accruing to Members and to the market as a whole will not be capable of being sustained if Member organisations, particularly those delivering Job Futures sub contracts, tender against Job Futures, whilst they are Members of the Company.

Each of the Members has been historically a supplier of employment services within the localised regions in which they operate. None of the Members acting alone has purported to, or has the capacity to, supply employment services on a national or State wide basis. To the extent that the Proposed Conduct gives rise to a co-ordinated supply of employment services within or across regions the conduct may be said to have the potential effect of limiting competition between the Members. However, the Applicants submit that the benefits of the collaboration in contributing to competition and diversity in the sector outweighs any detriment.

As most of the contracts for which Job Futures tenders are based on a fixed price the issue of the impact of the arrangement on pricing rarely arises. To the extent that Job Futures does submit price competitive tenders, the effect of the arrangement, at most, would be to enable Job Futures to replicate some of the economies of scale

achieved by larger providers in the market.

5.2 Admission of members

The Commission, in its 1998 determination, expressed concern at the lack of recourse for organisations seeking membership of Job Futures Ltd. The Constitution has been amended to address these concerns and, in particular, to require the provision of reasons for any decision to reject a membership application. See, in particular, clauses 9.1.5 and 9.1.6 of the Constitution at Annexure 1.

The Commission noted the geographic distribution of members and the “complementary rather than competitive nature” of the services that most members provide. In its consideration of new member applications, the Board of Job Futures Ltd has sought to ensure that the services delivered by new members complement those already delivered by the organisation and its members.

Attachment 6

Members of Job Futures Ltd are non profit organisations engaged of delivery of services including, but not exclusively, programs and services that assist unemployed and disadvantaged people to gain meaningful work or skills.

List of Members of Job Futures Ltd (at 28 February 2008)

New South Wales

Member	Contact Person	Contact Details	Website
Access Community Group Ltd	Corrina Phillips (CEO)	Address 87 Railway Street Corrimal NSW, 2518 Postal Address PO Box 99 Corrimal NSW, 2518 Phone (02) 4286 5600 Fax (02) 4283 6366 Email corrina@acq.com.au	http://www.acq.com.au
Auswide Projects: Skills Training & Employment Program Inc	Kevin Stevens (CEO)	Address 14 Cabarita Place Merimbula NSW, 2548 Postal Address PO Box 333 Merimbula NSW, 2548 Phone (02) 6497 5020 Fax (02) 6497 5039 Email kevin_s@auswideprojects.com.au	www.auswideprojects.com.au
Counselling and Retraining for Employment (CARE): The Nautilus Project Incorporated (Associate member)	Melissa Wortman (EO)	Address 196 Liverpool Rd Enfield NSW, 2136 Postal Address 196 Liverpool Rd Enfield NSW, 2136 Phone (02) 9745 1529 Fax (02) 9744 7291 Email melissa@nautilus.org.au	http://www.careemployment.org.au
ET Australia:	Tony Mylan	Address	http://www.etaustralia.co

Employment and
Training Australia
Inc

(CEO)

Parkside Building, 123 Donnison Street
Gosford NSW, 2250

Postal Address

PO Box 1296
Gosford NSW, 2250

Phone

(02) 4323 1233

Fax

(02) 4323 7453

Email

email@etaustralia.com.au

[m/](#)

**Great Lakes
Community
Resources
Association**

John Weate
(CEO)

Address

Level 2 Bridgepoint, 1 Manning St
Tuncurry NSW, 2428

Postal Address

PO Box 361
Forster NSW, 2428

Phone

(02) 6555 8922

Fax

(02) 6555 8933

Email

glcr@glnetwork.com.au

www.glcr.org.au

**Hunter Workways
East Lakes Skills
Centre Ltd**

Jenny
Hadfield

(CEO)

Address

453 Pacific Highway
Belmont NSW 2280

Postal Address

PO Box 501
Belmont NSW 2280

Phone

(02) 4945 9799

Fax

(02) 4947 7785

Email

hunterworkways@bigpond.com

<http://hunterworkways.com/>

**Inner West Skills
Centre**
Inner West Skills
Centre Inc

Patricia Frost
(CEO)

Address

Level 2, 36-38 Victoria Street East,
Burwood NSW, 2134

Postal Address

PO Box 2192
Burwood North NSW, 2134

Phone

(02) 8741 2000

Fax

(02) 8741 2095

Email

pat@jobskills.com.au

www.iwsc.com.au

Job Quest:
Penrith Skills For
Jobs Ltd

Ka Chan
(Manager)

Address
81 Henry Street
Penrith NSW, 2750
Postal Address
PO Box 58
Penrith NSW, 2751
Phone
(02) 4732 3923
Fax
(02) 4721 7610
Email
mail@jobquest.org.au

<http://www.jobquest.org.au>

**MTC Work
Solutions**
Marrickville
Community
Training Centre Inc

Mark Chaffey
(CEO)

Address
Level 1,252 Illawarra Road
Marrickville NSW, 2204
Postal Address
PO Box 814
Marrickville NSW, 2204
Phone
(02) 9559 4900
Fax
(02) 9559 4800
Email
ho@mtcwork.com.au

<http://www.mtcwork.com.au>

Newtrain:
Newtrain Inc

Judith
Forrester
(CEO)

Address
84 Barnes Street
Tamworth NSW, 2340
Postal Address
PO Box 3265
Tamworth NSW, 2340
Phone
(02) 6762 2888
Fax
(02) 6762 0012
Email
ceo@newtrain.com.au

<http://www.newtrain.com.au>

NorthNet Inc:
Cessnock
Community
Training Centre Inc

Ian Hook
(Manager)

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Cessnock NSW, 2325
Postal Address
PO Box 208
Cessnock NSW, 2325
Phone
(02) 4990 6366
Fax
(02) 4991 1891
Email
enq@northnet.org.au

<http://www.northnet.org.au>

Upper Hunter Community Services	Sue Milton (Manager)	Address QEII Community Centre, cnr Bridge & Market Street Muswellbrook NSW, 2333 Postal Address PO Box 231 Muswellbrook NSW, 2333 Phone (02) 6542 3555 Fax (02) 6543 1643 Email admin@uhcs.org.au
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WorkVentures: Work Ventures Ltd	Arsenio Alegre (CEO)	Address Level 3, 393 George Street Sydney, NSW 2000 P: 02 9282 6904 F: 02 9282 6942 Postal Address POB Q1556 Queen Victoria Building Sydney NSW 1230 Phone (02) 9282 6995 Fax (02) 9211 6923 Email workventures@workventures.com.au	http://www.workventures.com.au
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YWCA NSW	Annick Leach (South West Regional Manager)	Address Level 2, 116 Queen Street Campbelltown NSW, 2560 Postal Address PO Box 998 Campbelltown NSW, 2560 Phone (02) 4628 3300 Fax (02) 4628 4219 Email info@ywcansw.com.au	http://www.ywcansw.com.au
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VICTORIA

Member	Contact Person	Contact Details	Website
Brotherhood of St Laurence	Tony Nicholson (CEO)	Address 67 Brunswick Street Fitzroy VIC, 3065 Postal Address 67 Brunswick Street Fitzroy VIC, 3065	http://www.bsl.org.au/

Phone
(03) 9483 1183
Fax
(03) 9417 2691
Email
info@bsl.org.au

Diversitat: Michael
Geelong Ethnic Martinez
Communities
Council Inc (CEO)

Address
153 Pakington Street
Geelong West VIC, 3218
Postal Address
153 Pakington Street
Geelong West VIC, 3218
Phone
(03) 5221 6044
Fax
(03) 5223 2848
Email
gmrc@gecc.net.au

<http://www.gecc.net.au>

Djerriwarrh Brian
Employment & Beveridge
Education
Services: (CEO)
Djerriwarrh
Employment &
Education Services
Inc

Address
239 Station Road
Melton VIC, 3337
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Melton VIC, 3337
Phone
(03) 8746 1000
Fax
(03) 8746 1050
Email
brianb@djerriwarrh.org

<http://www.djerriwarrh.org.au>

Education Centre Bernadette
Gippsland O'Connor
(CEO)

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Cnr Smith and Albert Sts
Warragul VIC, 3820
Postal Address
PO Box 249
Warragul VIC, 3820
Phone
(03) 5623 6075
Fax
(03) 5623 4141
Email
edcentre@edcentre.vic.edu.au

<http://www.edcentre.vic.edu.au>

Employment Stephen
Focus: Fiyalko
Heidelberg Training (CEO)
& Resource Centre
Inc

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Heidelberg VIC, 3084
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Phone
(03) 9450 5700
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Email
infohelp@heid.vic.edu.au

ENET:
The Essendon
Network for
Employment &
Training Inc

Peter
Maclean
(Acting
General
Manager)

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Phone
(03) 9370 9871
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Finding Futures
Highlands
Support Services
Inc

Mel Warner
(CEO)

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JobCo:
JobCo Employment
Services Inc

Sean Guy
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Fax
(03) 9380 6800
Email
mail@jobco.com.au

www.jobco.com.au

Melbourne
Citymission:
Melbourne
Citymission Inc

Anne Turley
(Manager)

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(03) 8625 4444
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(03) 8625 4460
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marketing@mcm.org.au

<http://www.mcm.org.au>

**New Hope
Employment &
Training Service:**
New Hope
Foundation Inc.

Ross
Buscemi
(Director)

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Email
nhemploy@vicnet.net.au

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**WCIG
Employment
Services:**
Westgate
Community
Initiatives Group
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Ron Miers
(CEO)

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Phone
(03) 9689 3437
Fax
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Email
wcig@wcig.org.au

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Workbridge
Outer East
Employment
Services

Bronwyn
Gibbs (CEO)

Address
209-211 Main Street
Lilydale VIC, 3140
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14 Kingsley Close
Rowville VIC, 3178
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(03) 9764 1274
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(03) 9764 9597
Email
bronwyn@workbridge.asn.au

<http://www.workbridge.asn.au>

WorkForce Plus:
Broadmeadows
Employment
Project Inc

Bill Dear
(CEO)

Address
56 Chiltern Street
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Fax
(03) 9309 7128
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enquiries@workforceplus.org.au

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QUEENSLAND

Member	Contact Person	Contact Details	Website
Community Employment Options Inc	Peter Callaghan (CEO)	Address 3 / 222 Quay St Rockhampton QLD, 4700 Postal Address PO Box 115 Rockhampton QLD, 4700 Phone (07) 4922 6122 Fax (07) 4922 6127 Email pcallaghan@employment.org.au	www.employment.org.au
Horizon Foundation Inc	Joe Gamblin (CEO)	Address 19-21 Neumann Road Capalaba QLD, 4157 Postal Address PO Box 118 Capalaba QLD, 4157 Phone (07) 3245 4266 Fax (07) 3390 3565 Email jobfutures@horizoninc.org	http://www.horizoninc.org
IMPACT Make your Mark: Bundaberg Skills Centre Inc	Dorothy Cox (CEO)	Address 106-108 Bargara Road Bundaberg QLD, 4670 Postal Address PO Box 694 Bundaberg QLD, 4670 Phone (07) 4153 4233 Fax (07) 4153 1181 Email mail@impact.org.au	http://www.impact.org.au
IsaSKILLS: Mt Isa Skills Association Inc	Phil Barwick (CEO)	Address 9 West Street Mt Isa QLD, 4825 Postal Address PO Box 1283 Mt Isa QLD, 4825 Phone (07) 4747 3535 Fax (07) 4749 4591 Email phil@isaskills.org	www.isaskills.org
JobCare Spiritus Care Services	Charles Holmes	Address Level 1 230 Lutwyche Rd	www.jobcare.com.au

(CEO)

Windsor QLD 4030

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Job Futures - SEQ

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(General
Manager)

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**Namtec:
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(Associate Member)

Shirley Russell
(Acting General
Manager)

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Fax

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<http://www.namtec.org.au>

WESTERN AUSTRALIA

Member	Contact Person	Contact Details	Website
BJL Connecting Communities Balga Job Link Inc	Desiree Walsh (Executive Officer)	Address Unit 1-3/ 45 Central Walk Joondalup WA, 6027 Postal Address PO Box 109 Joondalup WA, 6027 Phone (08) 9300 3322 Fax (08) 9300 3244 Email desiree@bjl.org.au	http://www.balgajoblink.org.au
Bridging The Gap Inc	Colin Kerr (CEO)	Address Unit 1 & 2 / 10 Leghorn Street Rockingham WA, 6168 Postal Address PO Box 675 Rockingham WA, 6168 Phone (08) 9550 1111 Fax (08) 9592 8217 Email mailbox@btgrockingham.com.au	www.bridgingthegap.org.au
Community First Inc	Clare Allen (CEO)	Address 98 Mandurah Terrace Mandurah WA, 6210 Postal Address PO Box 3022 Mandurah East WA, 6210 Phone (08) 9550 4555 Fax (08) 9535 3942 Email info@cfi.net.au	www.cfi.net.au
Co Scope Job Link Inc	Julie Mitchell (Manager)	Address 29 Queen Victoria Street Fremantle WA 6160 Postal Address PO Box 360 Hamilton Hill WA, 6963 Phone (08) 9430 4921 Fax (08) 9434 2650	

First Choice Employment: HillSide Church Incorporated	John Sharp (General Manager)	Address 45 Berkshire Road Forrestfield WA, 6058 Postal Address 45 Berkshire Road Forrestfield WA, 6058 Phone (08) 9359 3777 Fax (08) 9359 3337 Email info@fce.com.au	http://www.fce.com.au
Kullarri Employment Services Kullarri Employment Services	Andrew Marnie (CEO)	Address 2 Weld Street Broome WA, 6725 Postal Address PO Box 1311 Broome WA, 6725 Phone (08) 9192 6700 / (08) 9192 8759 (HO) Fax (08) 9192 6722 Email kullarriemployment@westnet.com.au	
PEEDAC Pty Ltd <i>(Associate Member)</i>	Neil O'Donnell (Managing Director)	Address Unit 3, 12 Burton Street Cannington WA, 6107 Postal Address Unit 3, 12 Burton Street Cannington WA, 6107 Phone (08) 9351 2200 Fax (08) 9458 7711 Email neil.odonnell@peedac.com.au	http://www.peedac.com.au/
PEP Community Services: PEP Community Services (Inc)	Gary Hunter (CEO)	Address 400-404 Albany Highway Victoria Park WA, 6100 Postal Address PO Box 272 Victoria Park WA, 6979 Phone (08) 9470 3096 Fax (08) 9470 5368 Email pep@pep.org.au	http://www.pep.org.au

TASMANIA

Member	Contact Person	Contact Details	Website
Anglicare Tasmania: Anglicare Tasmania Inc	Dr Chris Jones (CEO)	Address 18 Watchorn Street Hobart Ang TAS, 7001 Postal Address GPO Box 1620 Hobart TAS, 7001 Phone (03) 6234 3510 Fax (03) 6231 9589 Email c.jones@anglicare-tas.org.au	http://www.anglicare-tas.org.au
Job Futures Tasmania: Key Training Centre Inc	Martin Titherley (CEO)	Address Level 2, Bellerive Quay Bldg, 31 Cambridge Road Bellerive TAS, 7018 Postal Address PO Box 588 Rosny TAS, 7015 Phone (03) 6244 7430 Fax (03) 6244 5511 Email bellerive.iftas@key.org.au	Website http://www.key.org.au

Northern Territory

Member	Contact Person	Contact Details	Website
Anangu Jobs: Wana Ungkuntja Trust Pty Ltd	Matthew Ellem (CEO)	Address 10b Wilkinson Street Alice Springs NT 0870 Postal Address PO Box 2505 Alice Springs NT, 0871 Phone (08) 8950 3055 Fax (08) 8950 3001 Email matthew.ellem@anangu.com	
Ironbark (NT) Employment and Training Inc (Associate Member)	Kelvin Costello	Address 14 Butler Place Holtze (Darwin) NT, 0832 Postal Address GPO Box 2299 Palmerston NT 0831	www.ironbark.com.au

		Phone (08) 8935 1200 Fax (08) 8935 1222 Email kelvin.costello@ironbark.org.au	
Julalikari Council Aboriginal Corp	Pat Brahim (CEO)	Address 13 Maloney Street Tennant Creek NT, 0861 Postal Address PO Box 158 Tennant Creek NT, 0861 Phone (08) 8962 2699 Fax (08) 8962 3236 Email info@julalikari.com.au	
Larrakia Nation Aboriginal Corporation	Ilana Eldridge (Manager)	Address 76 Dickward Drive Coconut Grove NT, 0810 Contact Postal Address 76 Dickward Drive Coconut Grove NT, 0810 Phone (08) 8948 3733 Fax (08) 8927 5511 Email communityharmony@larrakia.com	www.larrakia.com
Tangentyere Job Shop	Peter Strachan (CEO)	Address 1/1 Elder Street Alice Springs NT, 0870 Contact Postal Address PO Box 8070 Alice Springs NT, 0871 Phone (08) 8953 3999 Fax (08) 8953 3888 Email peter.strachan@tangentyere.org.au	http://www.tangentyere.org.au
Thamarrurr Regional Council: Thamarrurr Community Government Council	John Berto	Address Lot 369 Wadeye NT, 0822 Contact Postal Address PO Box 23 Wadeye NT, 0822 Phone	

(08) 8978 1429
Fax
(08) 8978 1425
Email
john.berto@thamarrurr.nt.gov.au

South Australia

Member	Contact Person	Contact Details	Website
Anglicare SA: Anglicare SA Inc	Simon Schrape I	Address 18 King William Road North Adelaide SA, 5006 Postal Address 18 King William Road North Adelaide SA, 5006 Phone (08) 8305 9200 Fax (08) 8305 9291 Email sschrapel@anglicare-sa.org.au	http://www.anglicare-sa.org.au

Annexures

1. Constitution
2. "Members Rights and Responsibilities/National Charter of Service to Members".
3. Standard member sub contract
4. Membership application form
5. Draft Job Futures Membership Charter
6. Draft Constitutional amendments