



24 April 2008

Mr David Hatfield
Acting General Manager
Adjudication Branch
Australian Competition and Consumer Commission

Dear Mr Hatfield,

I refer to your letter dated 27 March 2008 where you invited the National Employment Services Association (NESA) to comment on applications for Authorisation by Job Futures Limited.

NESA is the peak industry body for all providers of Australian Government Employment Services. NESA's members provide services from 3500 sites across Australia. The membership base is made up of organisations and businesses from both the not-for-profit and private sectors and varies from single site agencies to those with National coverage.

NESA members work with a diverse range of people in a diverse range of personal circumstances. They provide employment assistance to people who find themselves unemployed for short and long periods including those who face particular obstacles relating to their circumstances as parents, people with disabilities, people of non-English speaking background, the young, mature aged workers and Indigenous Australians. Many of these people are disadvantaged socially and need intensive support to assist them to prepare for, find and retain work.

This letter is written in support of the application by one of our member organisations, Job Futures, for authorisation pursuant to Section 88(1) of the Trade Practices Act.

NESA notes from their application that 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 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 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.

- 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.
- 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.
- 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.”

It is a condition of membership that service providers do not tender for contracted services in competition with Job Futures. Both Job Futures and its member organisations are non profit bodies established for charitable purposes.

NESA notes that 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.

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.

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. 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.

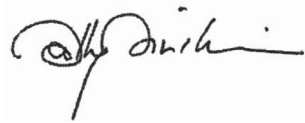
These arrangements require a high level of cooperation among members of Job Futures, and between the members and its national office. Such cooperation could be undermined if members could compete with Job Futures for contracts.

We note that membership of Job Futures is entirely voluntary, and that many not for profit employment services exercise their right not to take up membership of Job Futures.

Job Futures has also lodged an application for Interim Authorisation in order to ensure that the current arrangements are maintained during the next tender round, which will commence later this year. This would help reduce the uncertainties associated with the tender process for Job Futures, its members and their employees.

For the above reasons, NESA supports Job Futures' applications. Should you have any inquiries about this submission, please contact myself at this office.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Sally Sinclair', written in a cursive style.

Sally Sinclair
Chief Executive Officer