



27 April 2015

Dr Richard Chadwick
General Manager
Adjudication Branch
Australian Competition and Consumer Commission
23 Marcus Clarke Street
Canberra ACT 2601

By email: adjudication@accc.gov.au

Dear Dr. Chadwick,

Subject: A91493 & A914 – Job Futures Limited – submission

I refer to your letter dated 20 April 2015 in which you invited the National Employment Services Association (NESA) to comment on the application for reauthorisation (application for revocation and substitution) from Job Futures Limited.

ABOUT NESA:

NESA is the peak body for all providers of Australian Government Employment Services. NESA's members provide services from 3000 sites across Australia and NESA's membership includes community, not-for-profit and private sector organisations delivering services across the breadth of Australian employment and related services.

Our members deliver services across all programmes, including Job Services Australia (JSA) and the new jobactive services, Disability Employment Services and the Remote Jobs & Communities Programme.

Since 1998, our members' success in delivering outcomes for employers and job seekers and contributing to Australia's economic and social well-being have been crucial. These services will become increasingly important in the context of both rising unemployment and Government policy to increase workforce participation.

SUPPORT FOR JOB FUTURES LIMITED'S APPLICATION:

This letter is written in support of the application by one of our member organisations Job Futures Limited, for revocation and substitution for Job Futures Limited (Job Futures) for Authorisations A91084 and A91085 which expire 30 June 2015.

NESA notes that the ACCC previously granted authorisation to Job Futures Limited to tender on behalf of its members for government contracts to provide employment services but with contractual conditions, until 30 June 2015.

NESA notes from their application that Job Futures Limited:

- Submitted a tender for the Government's employment services 2015-2020 contract under their collective tendering model as covered by Authorisation A91085 and was awarded business for the new service called jobactive.
- Is required to issue subcontract agreements to its subcontractors by the beginning of June as delivery of jobactive employment services commences 1 July 2015.

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 provides a conduit for community based, not-for-profit organisations to share resources and build capacity to effectively compete for funding in the area of employment and related programs. Members benefit from being part of a collaborative network of community organisations facing similar challenges and this enables the achievement of efficiencies, capacity building and improved performance.

Job Futures develops processes and training programs to improve delivery of services to those most disadvantaged in the labour market. This includes partnering with leading UK research organisation Esher House to develop evidence based psychological assessment tools to more effectively assess the motivation levels of job seekers – to differentiate those that are able to immediately move into employment and those that require support to change their mindset to secure employment. Best practice is shared between practitioners across the Job Futures network through "Lunch and Learn" webinars and regular regional meetings.

Job Futures is one of the largest providers of Commonwealth funded programs, with 31 member organisations delivering in over 220 sites across urban and regional Australia.

Over the past 17 years Job Futures has achieved a public benefit by facilitating the entry of small community based organisations into the employment services market.

Job Futures' members have benefited from their incumbency in the market via their participation in the Job Futures network. They have benefited from having access to Job Futures' expertise and resources in an environment that is complex and rules based. This is demonstrated by the fact that since 2008 Job Futures has enabled nine new service providers to enter the mainstream employment services market and a further two to expand from JSA into Disability Employment Services.

Job Futures' contracting and tendering arrangements have also enabled small and medium size community, not-for-profit providers to remain viable in a highly competitive, consolidated market that has tended to favor large providers with economies of scale. Job Futures' support enables these small to medium, community based organisations to increase their capacity to address social disadvantage in their local communities, which ultimately benefits the public.

It is a condition of Job Futures' membership that service providers do not tender contracted services in competition with Job Futures. These arrangements require a high level of cooperation among the Job Futures' members, and between the members and national office. This cooperation could be undermined if members could compete with Job Futures for contracts

NESA notes that membership of Job Futures is entirely voluntary, and that many not-for-profit employment services providers exercise their right not to take up membership of Job Futures Limited.

Job Futures has lodged an application for Interim Authorisation in order to enable subcontracts to be issued under the ACCC Authorisation.

For the above reasons, NESA supports Job Futures Limited's application. 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