

Shaping the future of Employment Services

Submission – July 2026

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1. Acknowledgement of Country

SSI acknowledges the Aboriginal and Torres Strait Islander peoples as the First Australians and Traditional Custodians of the lands where we live, learn and work. We pay respect to Elders past and present and recognise their continuous connection to Country.

2. About SSI

Settlement Services International (SSI) is a large not-for-profit organisation dedicated to creating a more inclusive society in which everyone can meaningfully contribute to social, cultural, civic and economic life.

SSI was founded in Sydney in 2000 with the aim of helping newly arrived refugees settle in Australia. Over time, our expertise in working with people from diverse cultural and linguistic (CALD) backgrounds served as the foundation for a gradual expansion into other social services and geographical areas.

In 2018, SSI merged with Queensland-based Access Community Services and opened an office in Victoria providing an extensive footprint across the eastern coast of Australia. In 2024-25, SSI supported more than 53,000 people across almost 60 programs nationally. In addition to supporting individuals and communities through the services we provide, SSI seeks to influence the systems, laws and policies that result in inequities and limit opportunities. SSI is an impact-focused organisation, whose Impact Strategy sets out our goals for an equitable, resilient, enriched, and inclusive Australia where our clients fully participate in the economic, social, civic, and cultural life.

SSI has substantial experience delivering specialist employment services for refugees, migrants and people seeking asylum. From 2017 to 2024, SSI and its partners delivered the NSW Government's Refugee Employment Support Program (RESP), assisting more than 10,000 people across Western Sydney and the Illawarra through tailored career planning, training, skills recognition, employer connections and practical support. Building on this experience, SSI has delivered Asylum Seeker Employment Skills Support (ASESS) since 2023, providing eligible people seeking asylum with personalised assistance to address vocational and non-vocational barriers and connect with training, employers and other services. Since November 2025, SSI has also delivered specialist Inclusive Employment Australia (IEA) services across 39 locations across New South Wales, Queensland and Victoria, supporting more than 2,500 refugees living with disability, injury or health conditions. As one of two IEA refugee-specialist providers nationally, SSI brings together employment expertise, settlement knowledge, culturally responsive practice and employer partnerships to help participants secure and sustain meaningful employment.

3. Executive summary

Settlement Services International welcomes the Australian Government's commitment to replace the current one-size-fits-all approach with a more responsive, effective and dignified employment services system. SSI supports the Discussion Paper's proposed three-stream architecture, improved assessment and triage, stronger employer engagement and greater focus on meaningful progress and sustainable employment. Realising this vision will require the detailed design to align with service intensity, specialist capability, participant choice, funding, commissioning and performance to each person's needs and local labour market conditions.

SSI's central position is that service intensity must be matched not only to distance from the labour market, but also to the nature of a person's barriers, strengths and circumstances. For CALD and refugee participants, employment barriers are often inseparable from settlement, language, trauma recovery, housing, transport, digital access, family responsibilities, discrimination, lack of local networks, limited employer confidence and recognition of overseas skills and qualifications.

SSI's position is that the future system should allow specialist providers to bid directly for relevant streams and locations where they can demonstrate local need, employment services capability, community connection, employer relationships, financial viability and service quality. Specialist providers should not be limited to consortia or sub-contracting arrangements as the default pathway. Commissioning should allow the market to identify the right local mix of generalist, specialist and place-based provision, with government testing coverage, quality, viability and participant safeguards.

SSI supports separated Streams 2 and 3 where separation enables more targeted, specialist and high-fidelity services for people with different levels of need, particularly participants furthest from the labour market. This support is contingent on clear assessment and referral rules, participant choice, service/support continuity protections, a funding envelope that reflects the real cost of delivery, and commissioning settings that enable specialist capability to be viable where local need exists.

SSI recommends that the future system be designed around seven interconnected principles:

1. Participant need and choice should drive service intensity, provider fit and movement between streams.
2. Assessment and triage should be accurate, culturally safe, evidence-based and linked to referral governance.
3. Specialist capability should be commissioned where cohort, barrier or local labour market need indicates that participants will benefit most from tailored support.
4. Continuity of trusted relationships, Employment Goal Plans, employer pathways and community supports should be protected when circumstances change.
5. Funding should reflect the real cost of high-fidelity service delivery, particularly in Streams 2 and 3.
6. Performance should reward progress, quality, job fit, employer engagement, retention and sustainable outcomes.
7. Commissioning should be place-based, capability-based and viable, and allow specialist providers to bid directly where evidence supports local need.

These principles must operate together. Correct stream allocation alone will not deliver an effective service. Referral rules must recognise specialist service fit; providers must have the required local and cohort capability; and funding must cover the necessary service inputs. Movement between streams must also protect and support continued connection with trusted relationships. The reform should therefore align assessment, referral, commissioning, funding, service design and performance from the outset and throughout the system and participant journey.

4. Summary of SSI Recommendations

The Discussion Paper proposes a three-stream model supported by improved assessment and triage, an Employment Goal Plan, more effective mutual obligations, stronger employer engagement, redesigned commissioning and incentives, and continuous improvement. The recommendations below draw together SSI's responses to the 19 consultation questions and translate the seven principles above into practical reforms. Collectively, they seek to deliver tailored, culturally responsive services that protect participant choice and continuity of service supports, sustain specialist capability, meet employer needs and reward progress into suitable and lasting employment.

1. **Align service intensity and provider fit with participant need.** Assign participants to Streams 1, 2 or 3 through a holistic assessment of their strengths, circumstances, barriers, capacity to self-manage digitally and local labour market conditions, with genuine provider choice and reassessment as needs change.
2. **Require culturally responsive assessment and referral.** Use a two-stage, strengths-based culturally safe and trauma-informed process to determine both service intensity and specialist fit. For CALD and refugee participants, assessment should consider primary ancestry, country of birth, language spoken at home and need for an interpreter, consistent with ABS data, alongside informed consent and human judgement.
3. **Commission specialist CALD and refugee employment providers where local demand is demonstrated.** Embed specialist provision across Streams 2 and 3 where local demographics and participant needs warrant it. Services should offer settlement-informed support, bilingual and bicultural staff, interpreters, employment-focused workplace English language development, skills recognition, trusted community connections and culturally responsive employer engagement.
4. **Incorporate specialist capability into commissioning and referral design.** Allow specialist providers to bid directly where they demonstrate employment expertise, community reach, employer relationships, service quality and viability. Align assessment, participant choice, provider visibility, referral rules, cohort flags, referral monitoring and escalation pathways so commissioned specialist services receive appropriate referrals.
5. **Protect participant choice and continuity across the employment-services ecosystem.** A change in support intensity should not automatically require a provider change. Preserve trusted relationships, Employment Goal Plans, employer pathways and specialist supports through informed choice, funded warm handovers, information continuity and post-transfer follow-up.
6. **Make the Employment Goal Plan the central practice tool.** Use a living, participant-led plan to connect assessment, employment goals, supports, mutual obligations, milestones, funding, employer engagement, reassessment, stream movement and post-placement assistance.
7. **Reframe mutual obligations around purposeful engagement.** Requirements should be proportionate, linked to the Employment Goal Plan and supported by early human contact, interpreter access, problem-solving, natural justice and human review before significant compliance consequences.
8. **Fund high-quality services at their true cost.** Combine adequate service fees with simple progress, milestone and sustained outcome payments, flexible support funds and thin-market adjustments. Funding should cover smaller caseloads, skilled staff, interpreters, outreach, allied health and specialist inputs, employer engagement and retention support.
9. **Include specialist cohort loadings within the funding model.** Apply transparent CALD, refugee and other cohort or complexity loadings that recognise the additional cost of bilingual and bicultural capability, interpreter use, settlement-informed support, qualification recognition,

community outreach, culturally responsive employer engagement and sustained post-placement assistance.

10. **Make employers active partners in the system.** Fund providers to deliver workforce planning, quality matching, job design, inclusive recruitment, work trials, onboarding, adjustments and post-placement support for large employers and SMEs, including assistance to recognise and use overseas skills and qualifications.
11. **Build a skilled, stable and supported workforce.** Establish a national capability and workforce strategy covering attraction, retention, wages, supervision, cultural responsiveness, trauma-informed practice, multilingual and bicultural capability, ethical AI use, quality assurance and multidisciplinary clinical support for Stream 3.
12. **Reward lasting employment, not short-term placements.** Fund and measure job fit, employment quality, retention at 26 and 52 weeks, increased hours, earnings and career progression, alongside participant and employer experience and stream-appropriate milestones. Assess performance fairly by accounting for local labour market conditions, participant needs and cohort specialisation.
13. **Use technology to support—not replace—human judgement.** Digital systems should be accessible and explainable, with independent ethical oversight of AI and human review of decisions affecting participants. Participants should be able to easily and impactfully challenge decisions, while de-identified platform insights should be shared securely to improve job matching and service design.
14. **Combine national standards with local flexibility.** Set consistent participant rights, safeguards, quality standards and data definitions, while allowing place-based service models, employer coordination and provider mixes to reflect local industries, transport, training, settlement patterns and community infrastructure.
15. **Test and refine the model before national rollout.** Independently evaluate assessment, specialist referral, stream transitions, service continuity, provider viability, cohort loadings, funding adequacy, employer engagement and outcomes across metropolitan, outer-suburban, regional and thin-market locations. Publish the findings and explain how they inform the final design.

5. SSI's position on the future service model

SSI supports a future employment services system that operates as part of the broader human services and economic participation ecosystem. A narrow compliance or vacancy-matching model cannot adequately respond to the circumstances that shape a person's pathway to work. Employment support should remain focused on suitable and sustainable employment while connecting participants, where needed, with settlement, language, health, disability, housing, family, community and other services through trusted relationships.

SSI's experience across employment, settlement, disability employment, social enterprises, community programs and employer partnerships shows that participants are most likely to progress when support is strengths-based, culturally safe, trauma informed, practical, employer-connected and sustained beyond job commencement.

Australia's growing cultural and linguistic diversity strengthens the case for a service system that combines accessible mainstream provision with specialist capability. The 2021 Census found that almost half (48.2 per cent) of Australians had a parent born overseas and more than 5.5 million people used a language other than English at home. Culturally responsive and multilingual capability should therefore be built into service design, provider mix, referral pathways and local commissioning, rather than treated as peripheral.

Specialisation should be treated as a core service-quality requirement. Participants with cohort-specific, long-term or intersecting barriers need providers that combine employment expertise with the relevant cultural, community and service-system capability. For CALD and refugee participants, this includes settlement-informed assessment, bilingual and bicultural engagement, interpreter access, support to build English language proficiency for employment, recognition of overseas skills and qualifications, culturally capable employer engagement, tailored job matching and post-placement support. Specialist employment services should also connect effectively with settlement, health, housing, education, training and community supports. The same principle applies to other cohorts where specialist capability improves access and outcomes.

SSI's Refugee Employment Support Program (RESP) demonstrates the value of this model. Delivered across Western Sydney and the Illawarra from 2017 to 2024, RESP combined multicultural employment specialists, employer partnerships, training links and settlement-informed support. Over five years, it assisted up to 8,000 refugees and 2,000 people seeking asylum. The independent evaluation found that RESP provided an innovative and successful response to employment barriers and economic exclusion: more than one quarter of participants commenced employment, more than half of surveyed participants were employed—mostly in permanent roles—and the program exceeded its overall targets. Participants also reported a better experience than with mainstream employment services, including Workforce Australia.

The broader labour-market evidence reinforces the case for specialist provision. In June 2023, CALD jobseekers represented 43 per cent of people who had not worked in the previous two years, while earlier reporting indicated that around 23.5 per cent of unemployed people came from areas where English was not the main language. Although these measures use different definitions and periods, they point to a substantial cohort whose employment pathways can be affected by language, limited local experience and networks, discrimination and non-recognition of overseas skills and qualifications. Specialist capability should therefore be available within the mainstream architecture wherever local demand is demonstrated.

SSI supports distinct Streams 2 and 3 where this enables genuinely different service models. Stream 2 should provide structured, provider-led and employment-focused assistance for participants who can progress with targeted support. Stream 3 should provide intensive, relationship-based and coordinated

support for participants facing more complex or persistent barriers. Specialisation should be available in either stream where cohort or local need warrants it.

Separating service intensity must not fragment the participant journey. Effective stream design requires accurate and culturally responsive assessment, transparent referral governance, participant choice, timely reassessment, viable funding and continuity protections. A change in stream should not automatically require a change of provider where the existing provider can continue to meet the participant's needs.

Commissioning should allow specialist providers to bid directly in relevant streams and locations where they can demonstrate local demand, employment-services capability, community trust, employer relationships, service quality and financial viability. Consortia and subcontracting may be appropriate in some markets, but they should not be the default pathway. Government should shape the provider mix through evidence on participant need, coverage, quality and viability, and align commissioned specialist capability with referral rules, cohort identification and sufficient participant volume.

6. Evidence base informing SSI's response

SSI's response to this Discussion Paper and its proposed reform framework is grounded in government policy and evaluation, parliamentary review, economic and labour-market analysis, sector expertise and SSI's own practice experience and record of service delivery. The House Select Committee's *Rebuilding Employment Services* report and the *Economic Inclusion Advisory Committee's* 2026 report inform SSI's positions on personalised servicing, reduced fragmentation, participant agency and stronger links across the human services ecosystem. SSI's response is informed by Taylor Fry and the National Employment Services Association (NESA)'s analysis of service costs, funding design, market viability and commissioning; including Jobs and Skills Australia, the Australian Bureau of Statistics and Deloitte Access Economics' evidence on labour-market conditions, cultural and linguistic diversity, and skills underutilisation.

SSI research and program evaluations, including RESP, demonstrate the value of specialist, culturally responsive employment services and provide insight into participant experience. Evidence from Disability Employment Australia, the Institute of Employability Professionals, the Settlement Council of Australia and other sector sources has also informed SSI's positions on assessment, referral, workforce capability, employer engagement, technology, implementation and continuous improvement.

The sources collectively support an integrated design in which stream allocation, specialist referral, participant choice, service continuity, funding, workforce capability, employer partnerships, performance and commissioning reinforce one another. They also support transparent testing of key assumptions before national rollout and reporting that can identify whether the reformed system delivers equitable access, service quality and sustainable employment outcomes. Rather than restating this evidence separately, they are incorporated in this submission's response to the consultation questions.

7. Designing and funding high-quality services

The effectiveness of Streams 2 and 3 will depend on aligning service design, workforce capability, employer engagement, performance measures and funding. The streams should not operate as generic services distinguished only by caseload labels. Each requires a clearly defined service offer, sufficient practitioner time and funding that reflects the work needed to help participants progress into suitable and sustainable employment.

Stream 2 should provide structured, employment-focused assistance for participants who can progress with targeted support. The service offer should include vocational guidance, a participant-led Employment Goal Plan, job search and digital support, skills development, training and work experience, employer brokerage, job matching, access to flexible support funds, specialist referrals where required and post-placement assistance. Specialist capability should be available within Stream 2 where cohort or local need warrants it.

Stream 3 should provide intensive, relationship-based support for participants with complex or persistent barriers. Core features should include smaller caseloads, culturally responsive and trauma-informed practice, outreach, interpreter access, coordinated case management, allied health and specialist inputs, brokered training, work trials, workplace adjustments, supervision, safeguarding and sustained retention support. These are essential components of the model, not optional enhancements.

Funding architecture should combine adequate service fees with simple progress and milestone payments, sustained outcome payments, specialist cohort and complexity loadings, thin-market adjustments and flexible access to the Employment Fund or an equivalent support fund. Pricing should reflect the actual cost of the intended service model, including practitioner time, smaller caseloads, skilled staff, interpreters, outreach, case coordination, employer engagement and post-placement support.

Flexible support funds should cover practical and brokered assistance such as training, licences, equipment, transport, interpreters, specialist assessments, allied health support, work trials, workplace adjustments and partnership coordination. This is consistent with NESA's position that services should be priced based on the real cost of delivery and with the Hill Review's support for blended, pathway-based funding.

Progress and milestone payments should recognise meaningful steps in the participant's Employment Goal Plan, not only job placement. Depending on the stream and individual pathway, milestones may include sustained engagement, assessment or specialist input, stabilisation of key barriers, English or digital skills development, training, qualification recognition, work experience, employer introductions, interviews, work trials, job commencement, retention, increased hours, career progression and improved job quality.

8. SSI's responses to the consultation questions

8.1 Question 1. What are the key factors that should place a person in online and brief intervention services versus targeted provider services versus intensive services?

Stream placement should be based on need, complexity, support intensity and participant circumstances, not a single score or narrow measure of distance from the labour market. Assessment should consider work readiness, recent work history, skills, confidence, health, disability, housing, caring responsibilities, family violence, justice system involvement, digital capability, language proficiency, transport access, local labour market conditions, social networks, settlement stage, specialist service fit and the level of support required to obtain and sustain employment.

Online and brief intervention services should be reserved for people who can realistically self-manage with light-touch support. Digital access or digital literacy should not be confused with work readiness. A participant may be able to use online tools but still require targeted support because they lack Australian work experience, local networks, recognised qualifications, English confidence or employer connections.

Stream 2 should support people who are motivated and have some capacity to move towards employment but require structured assistance and targeted support. For CALD and refugee participants, this may include local labour market navigation, support to build workplace English language skills for employment, digital confidence, recognition of overseas skills, Australian workplace orientation, interview preparation, employer brokerage, local work experience, allied health or specialist referrals where required, and post-placement support.

Stream 3 should support participants with complex, persistent or intersecting barriers. This requires smaller caseloads, sustained case management, specialist capability and coordinated wrap-around support. Stream 3 should not be defined only by duration of unemployment. Some people require intensive support from day one, particularly where trauma, homelessness, family, domestic and sexual violence, disability, acute settlement issues, limited English, institutional distrust or social isolation are present. The funding model must be designed to recognise that such barriers require sustained engagement to manage and ultimately overcome.

8.2 Question 2. What types of support should be offered under each of the service streams?

Each service stream should offer a distinct level of support, with assistance becoming more structured, intensive and wrap-around as participant need increases.

Stream 1 should provide accessible, plain-language digital tools, brief human intervention when required, rapid escalation pathways, job search resources, labour market information, resume and interview support, and safeguards for participants who cannot effectively self-manage.

Stream 2 should provide structured, provider-led assistance for participants who can move towards employment with targeted support but need more than digital or brief intervention services. This should include assessment, Employment Goal Planning, vocational guidance, job search support, training pathways, local work experience, employer brokerage, job matching, workplace readiness, digital support, confidence building, access to the Employment Fund or equivalent support, allied health and specialist referrals where required, and post-placement support. For CALD and refugee participants, Stream 2 should also include support to build English language skills for employment, local networks,

Australian workplace orientation, recognition of overseas qualifications and culturally responsive employer engagement.

Stream 3 should offer intensive, flexible and relationship-based assistance to participants furthest from the labour market. Support should include smaller caseloads; culturally responsive, trauma-informed case management; coordinated links to housing, health, family violence and caring services; interpreters; allied health and specialist assistance; community outreach; mentoring; social enterprise or supported work pathways; vocational rehabilitation where needed; employer support and workplace adjustments; flexible employment support funding; and sustained post-placement assistance. The Hill Review identifies wrap-around and in-employment support, pathway planning, career progression, the Employment Fund, job brokering, job design and recruitment assistance as key features of a stronger employment services system.

Across all streams, employment should remain the primary goal, but the support offered must reflect the steps required to achieve and sustain employment. For some participants, immediate job search may be appropriate. For others, progress may first require stabilisation of urgent basic needs, English development, skills recognition, confidence building, employer exposure, training, work trials or supported transition into open employment.

8.3 Question 3. What factors should be considered to support the development of a new, high-quality assessment and triaging process?

A high-quality assessment and triage process is foundational to the future system. It should be strengths-based, support-first, culturally safe, trauma-informed, accessible and responsive to changing circumstances. It must also connect directly to service planning and referral governance. Inaccurate assessment can place participants in services that are too light, too generic or poorly matched to their needs, undermining the effectiveness of the entire model.

SSI supports a two-stage model:

- an initial government triage to identify the broad service intensity required, immediate risks and appropriate stream/specialist service assignment,
- followed by a more detailed provider-led assessment within the stream.

The substantive assessment should be conducted by practitioners who can build trust, identify strengths and barriers over time, and translate assessment into an Employment Goal Plan.

A dedicated assessment and referral function, or specialist assessment team, should be considered to strengthen consistency across the employment services ecosystem. This would be consistent with Disability Employment Australia's (DEA) recommendation for a clearer and more independent assessment and referral pathway that can direct participants to the most appropriate service across Workforce Australia Streams 1–3, Transition to Work, Parent Pathways and Inclusive Employment Australia.

This would improve consistency across the employment services system and reduce the risk of participants being directed to generic services when specialist or more intensive support would better meet their needs.

The process should apply a tell-it-once principle, so participants do not need to repeatedly disclose sensitive information. It should also include participant rights to request reassessment, independent triggers for review, warm handovers between services and sample-based quality assurance to ensure triage decisions are fair and accurate.

This is particularly important for characteristic-based specialist provision. Where specialist providers are commissioned for a defined cohort or characteristic in a service area, referral rules must identify eligible participants and make those providers visible as a genuine option. If eligible participants are

routinely referred to generalist providers despite available local specialist provision, participants may miss the service best suited to their needs and specialist providers may face avoidable viability risks. The future model should therefore include clear referral rules, cohort flags, participant choice safeguards, provider visibility, data monitoring and escalation pathways.

To consistently identify and refer CALD and refugee participants, SSI recommends using a core set of markers aligned with Australian Bureau of Statistics data: primary ancestry, country of birth, language spoken at home and need for an interpreter. Considered together, these markers provide a more reliable indication of potential suitability for specialist CALD or refugee employment services than any single measure. These markers should guide, rather than determine, referral decisions and be applied with informed consent, participant choice and human judgement.

Assessment tools must also be tested with diverse cohorts, including CALD, refugees, people with disability, First Nations participants, young people, mature-age workers, parents, people experiencing homelessness and people affected by family violence. Plain language, interpreters, translated materials, culturally informed questions and human judgement are essential. Testing should include whether the tool can reliably identify both service intensity and specialist service fit and ensure all elements are covered to allow appropriate triage and assessment.

8.4 Question 4. What information should be collected during the assessment process to support better identification of barriers to employment and triaging to the right service?

Assessment reform should be matched by transparent referral governance. Government should monitor referral patterns by cohort, location, stream, provider type and participant choice; establish escalation pathways where specialist services are systematically under-referred; and publish de-identified data to test whether participants are reaching the services best suited to their needs.

Assessment should be proportionate to the two-stage model described above. The initial government triage should collect enough information to identify broad service intensity, immediate risk factors, digital self-management capacity and stream/specialist service fit, without requiring participants to disclose every detail of their circumstances upfront. The later provider-led assessment should then build a fuller understanding of the participant's strengths, aspirations, employment history, qualifications, transferable skills, preferred industries, previous work experience, digital capability, English language confidence, transport access, caring responsibilities, health, disability, housing, safety, family violence, justice involvement, social connection, local labour market conditions and employer support needs.

For participants who may require specialist support, the assessment should capture both service intensity and specialist service fit. For CALD and refugee participants, this should include the agreed ABS-aligned markers of primary ancestry, country of birth, language spoken at home and need for an interpreter, together with settlement stage, overseas qualifications and work history, recognition or licensing barriers, lack of Australian references, cultural expectations, experiences of discrimination, community networks, trauma indicators, family responsibilities, confidence engaging with government systems and the need for culturally safe employer engagement. Similar attention should be given to First Nations participants, young people, mature-age workers, parents, people with disability, people experiencing long-term unemployment and participants with multiple or compounding barriers.

The assessment should also identify what is required to sustain employment, not only what is required to obtain a job. This includes workplace adjustments, transport planning, employer education, supervisor support, cultural capability support, mentoring, post-placement coaching, flexible work arrangements, training or bridging programs, allied health or specialist input, and any practical supports that may need to be brokered through the Employment Fund or an equivalent support fund.

Across both assessment stages, information should support three connected decisions:

- the appropriate service stream;
- the need for specialist provider referral; and
- the practical supports required to progress towards employment.

Initial triage should identify self-management capacity, digital access, immediate health, housing or safety risks, interpreter requirements and indicators of specialist service need. The provider-led assessment should then confirm case management intensity, allied health or specialist inputs, employer support needs, Employment Fund or equivalent support fund requirements, brokered supports and the social or employment milestones to be included in the Employment Goal Plan.

Information should be collected ethically, proportionately and with a clear service purpose. The initial triage should avoid becoming an overly intrusive compliance interview, while the provider-led assessment should create the space for participants to disclose more sensitive information over time as trust is built. Participants should understand why questions are being asked, how the information will be used, who can access it, and how it will support their pathway. Sensitive disclosures should never be used to punish or stereotype participants; they should unlock the right support, including reassessment, specialist referral, brokered supports, employer assistance and appropriate stream placement.

8.5 Question 5. What factors or circumstances should result in a participant moving between service streams?

Movement between streams should be based on changes in support need, progress, circumstances and participant preference. Reassessment should occur when a participant is not making meaningful progress, has been in a stream for a defined period without outcomes, cycles in and out of employment, experiences a major life event, discloses new barriers, requires more intensive employer support or demonstrates readiness to step down to a lower intensity service.

Stream 1 should have strict safeguards against long-term digital parking. Participants should not remain in online services for extended periods without human review. Language barriers, digital exclusion, low confidence, long-term unemployment, repeated unsuccessful job search, homelessness, family violence, mental health concerns or settlement issues should trigger reassessment and, where appropriate, escalation to Stream 2 or Stream 3.

Transitions between streams should be clear, timely, funded and actively monitored. A participant should not lose their Employment Goal Plan, be obliged to retell their story unnecessarily, or lose access to employer pathways, community connections or specialist supports. Where a provider changes, the system should require warm handovers, shared information, participant consent, continuity planning and follow-up checks to confirm the transfer has not caused disengagement. Movement between Workforce Australia, Transition to Work, Parent Pathways, Inclusive Employment Australia and future Streams 1 to 3 should operate as part of one connected employment services ecosystem, with clear responsibility for identifying the best-fit service and provider rather than leaving participants to navigate program boundaries themselves.

Where a participant in Stream 2 or Stream 3 has built trust and made progress with a provider, they should be able to remain with that provider if it continues to meet their needs. This choice should remain available when some barriers have been addressed, and the participant may otherwise be ready to move to a different level of service intensity. Continuity is particularly important where the current provider offers specialist capability. CALD and refugee participants may still require bilingual support, settlement-informed practice, culturally safe employer engagement, family-aware planning or assistance with recognition of overseas skills. Decisions about provider movement should therefore be

participant-led and supported by clear options, informed consent, a warm handover and post-transfer monitoring.

8.6 Question 6. How can the system encourage effective use of the Employment Goal Plan by participants and providers to ensure it is meaningful, timely and relevant?

The Employment Goal Plan should be the central practice tool for the future system: a living, participant-led plan that turns assessment into action and keeps the focus on progress toward suitable and sustainable employment. It should not operate as a compliance artefact or static list of activities. The plan should help the participant, provider and, where relevant, employer or support partners agree on the person's employment goal, the steps required to progress, the supports to be brokered, the milestones to be tracked and the responsibilities of each party.

To be meaningful, the Employment Goal Plan should be co-designed with the participant and clearly connected to the assessment and service stream. It should use plain language, be culturally safe and accessible, and be translated or interpreted where needed. Participants should understand why each activity matters, how it supports their employment goal, what assistance will be provided and how progress will be recognised. In Streams 2 and 3, the plan should also guide progress payments, social and employment milestone payments, use of the Employment Fund or equivalent support fund, allied health or specialist input, employer engagement and post-placement support.

The system should encourage regular, practical review rather than administrative re-signing. Minor updates should be simple to make, while material changes to goals, obligations, supports or provider responsibilities should require participant agreement. The plan should follow the participant across services under a tell-it-once principle and should be used to guide tailored participation requirements, funding decisions, progress measures, reassessment, stream movement and post-placement support. This is consistent with the Hill Review's emphasis on pathway planning, recognising individual capacity and goals, flexibility and adaptation to jobseeker needs, genuinely mutual obligations, and reducing the compliance and administrative burden that currently weakens engagement.

8.7 Question 7. What elements will be important to capture in the Employment Goal Plan?

The Employment Goal Plan should capture the information needed to support a personalised pathway to work. This includes the participant's employment aspirations, preferred industries, strengths, prior work history, qualifications, skills, transferable experience, training needs, barriers, support needs, service stream, specialist provider fit, agreed activities, brokered supports, Employment Fund or equivalent support fund items, employer engagement requirements, post-placement support needs and review points.

The plan should include progress goals that are meaningful to the participant and proportionate to the service stream. These may include engagement and trust-building, stabilisation of housing, health or safety issues, English or digital skills development, recognition of overseas qualifications, completion of training or licences, work experience, volunteering, employer introductions, interviews, work trials, job commencement, retention, increased hours, income progression, improved job quality and career development. For Stream 3, the plan should recognise that progress may be non-linear and that stabilisation, confidence, participation and readiness can be legitimate milestones on the pathway to employment.

For CALD and refugee participants, the plan should capture language goals, Australian workplace orientation needs, recognition of overseas qualifications, local work experience pathways, bridging training, mentoring, community connections, employer introductions, transport access, childcare, family responsibilities, culturally safe support and any trauma-informed or settlement-related assistance

required. It should also identify the practical supports and employer-facing work needed to sustain employment, including workplace adjustments, supervisor support, cultural capability support, post-placement coaching and early intervention where a placement is at risk. This aligns with the Hill Review's focus on pathway planning, job quality, post-placement support and career progression, and with NESA's emphasis on progress payments, service fees and performance measures that recognise non-linear progress rather than final employment outcomes alone.

8.8 Question 8. How do we change the way providers and participants engage with mutual obligations to focus on positive engagement that helps people move towards employment?

Mutual obligations should be reframed as purposeful/meaningful engagement that supports progress toward suitable and sustainable employment, rather than as a compliance system focused on activity volume. Obligations should flow directly from the Employment Goal Plan and reflect the participant's circumstances, capacity, service stream and agreed pathway. This would make requirements more relevant, understandable and connected to practical steps that build employability.

SSI supports meaningful participation requirements, but the system should distinguish between unwillingness to engage and barriers that prevent engagement. Where non-attendance or non-compliance reflects language barriers, trauma, digital exclusion, misunderstanding, unstable housing, caring responsibilities, poor health, family violence, lack of transport or low trust in government systems, the first response should be early human contact, problem-solving and re-engagement, not automated or punitive escalation.

Requirements should then be tailored by stream. In Stream 1, obligations should be simple, proportionate and supported by clear pathways to human assistance when online self-service is not working. In Stream 2, obligations may include job search, training, work readiness, employer contact, work trials or other activities directly linked to the Employment Goal Plan. In Stream 3, obligations should be lighter, highly individualised and focused on engagement with support, stabilisation, confidence building and gradual progress toward employment readiness.

Before any significant compliance consequence is applied, the system should require clear communication, interpreter access where needed, decisions made in accordance with natural justice principles, human review and evidence that reasonable steps have been taken to understand and address the cause of non-engagement. Providers should also be funded for re-engagement work, because positive engagement depends on time, trust, skilled practice and the ability to respond to barriers before they become compliance issues.

8.9 Question 9. How can employment services best partner with industry and large employers?

Employment services should partner with industry and large employers as collaborative workforce partners, not only as vacancy referrers. Providers need the data, time and funding to understand employer needs, workforce shortages, workplace culture, recruitment processes, job design, supervision requirements, retention challenges and opportunities to build diverse talent pipelines. Employer engagement should be funded as a core service function, with service fees, caseload settings and workforce capacity that allow genuine account management, employer education, recruitment support and post-placement follow-up.

Specialist providers are particularly well placed to support employers because they understand both participant needs and the workplace conditions required for success. For employers recruiting CALD and refugee participants, this includes translating overseas experience, supporting culturally responsive recruitment and onboarding, providing in-language candidate preparation where needed,

building employer cultural capability and intervening early where communication, confidence or workplace adjustment issues arise.

Specialist employer engagement is also an economic productivity strategy. Research commissioned by SSI and conducted by Deloitte Access Economics found that 44 per cent of migrants and refugees—more than 620,000 people—were working below their skill level. The research estimated that Australia's economy would benefit by approximately \$9 billion each year if migrants and refugees already in the country used their skills at the same rate as Australian-born workers. Specialist providers can help convert this underused capability into workforce value by identifying transferable skills, supporting qualification recognition and bridging pathways, preparing candidates, and working with employers to overcome assumptions about overseas experience.

Government could build on elements of the Local Jobs Program through regional or place-based employer account management functions that connect major employers, industry bodies and local providers. These functions could support large employer networking, promote awareness of employment services, coordinate recruitment pathways and build trust with industry, while preserving provider-led relationships with participants. A strengthened employer liaison or regional account management function within DEWR could help bridge national employers and local service ecosystems.

This approach is consistent with the Hill Review's focus on services that respond to employer needs, direct partnerships with employers, provider engagement with employers, job brokering, job design, recruitment support, in-employment support, outreach and marketing, streamlined recruitment and talent acquisition, and greater collaboration. Taylor Fry's funding blueprint also supports the underlying investment logic by identifying lower caseload ratios, increased frontline time and higher provider payments as key cost drivers for a higher quality reformed system.

8.10 Question 10. How can employment services best support small to medium enterprises?

Small and medium enterprises often need practical, low-burden support to recruit and retain staff. Employment services should act as a quasi-HR partner for SMEs by understanding business needs, screening candidates, supporting job design, arranging work trials, explaining wage subsidies or training supports, helping with onboarding and providing rapid post-placement assistance. This is most effective when delivered by specialist, place-based and local providers who understand the region's labour market, demographics, employer base and participant needs.

For CALD and refugee participants, specialist providers can support both sides of the employment relationship by preparing participants for Australian workplace expectations and helping SMEs understand overseas experience, language needs, cultural differences, onboarding requirements and early retention risks. This makes specialist provision integral to effective SME support.

Funding models should recognise that employer engagement takes time before a placement occurs. Providers should not be rewarded only when they place their own caseload into a job. Adequate service fees, smaller caseloads and funded employer-facing capability would allow providers to build SME relationships, maintain local employer networks, coordinate with training and support services, and broker practical supports through the Employment Fund or equivalent support funds.

This approach is consistent with the Hill Review's focus on services that respond to employer needs, alignment of skills, competencies and experience with employer needs, direct partnerships with employers, job brokering, job design and recruitment support, in-employment support, outreach and marketing, and greater collaboration. Taylor Fry's funding blueprint also supports the investment logic by identifying lower caseload ratios, increased frontline time and higher provider payments as cost drivers for a higher quality reformed system.

8.11 Question 11. What is the value of having a government job matching platform?

How can we increase this value?

A government job-matching platform has public value where it improves vacancy visibility, supports consistent labour-market data, strengthens skills-based matching and complements provider-led employer relationships. It should remain an optional tool within the broader employment services system—not a substitute for direct employer engagement, professional judgement or tailored matching for participants with complex or specialist support needs.

The platform should be accessible, plain-language, interoperable with provider systems and transparent about how matches are generated. AI may assist with skills identification, career pathways and vacancy matching, but it should augment—not replace—human judgement. Providers and participants should be able to review, correct and challenge platform information or recommendations.

Machine- or AI-driven matching should be subject to independent, ethics-focused oversight. Automated tools should not determine service access, obligations, payment impacts, stream placement or job suitability without human review. Oversight should monitor bias, exclusion, inappropriate matches and other unintended consequences across cohorts and locations, including impacts on CALD and refugee participants, people with disability, people of different ages and participants in regional areas. Findings, corrective actions and review processes should be transparent.

To improve matching quality, the platform should capture more than occupation titles and formal credentials. Employer data should include the skills required, job tasks, workplace culture, supervision arrangements, transport and location, flexibility, language and communication requirements, training capacity and willingness to provide workplace adjustments. Jobseeker profiles should recognise transferable skills, overseas experience, career goals, support needs and preferences. These factors are often decisive in achieving good job fit and retention.

A further public-value benefit is the government's ability to share de-identified, aggregated platform insights with participants, providers and employers. This could show how jobseekers search and navigate vacancies, which roles and supports attract interest, where applications progress or drop off, and which matches are more likely to lead to interviews, hiring and retention. Combined with employer-demand data, these insights could improve vacancy design, career guidance, skills investment, provider practice and local workforce planning. Data sharing should be transparent and privacy-preserving and should identify unequal access or outcomes without enabling individual profiling or discriminatory targeting.

8.12 Question 12. What supports do employers need to recruit and retain people?

Employers need practical support across recruitment, onboarding, workplace adjustment and retention. Employment services should act as workforce partners, not simply provide vacancy referrals. Providers should understand business needs, help solve recruitment and retention problems, and reduce the risk and administrative burden associated with hiring people who may require additional support. Assistance should include quality shortlists, clear candidate information, job design advice, work trials, wage or training supports, onboarding assistance, supervisor coaching, workplace adjustment advice, cultural capability support, mentoring and timely post-placement intervention.

For employers recruiting CALD and refugee participants, support should include assistance to understand overseas qualifications and experience, communication support, culturally responsive onboarding, guidance on inclusive supervision and practical help to resolve workplace misunderstandings before they affect retention. Specialist providers can translate participant strengths into workplace value by preparing both the participant and the workplace, supporting in-language communication where needed and intervening early when cultural, confidence, supervision or adjustment issues arise.

Retention support should be a funded component of the employment services model. Sustainable employment is more likely when providers remain engaged after commencement and can support both the participant and employer through the early stages of employment. This should include access to post-placement coaching, employer check-ins, workplace adjustment support, training linkages, conflict resolution, supervisor guidance, cultural capability support, and rapid re-engagement if the placement is at risk.

As outlined in Questions 9 and 10, employer support should be funded as part of the service model rather than treated as optional. Providers need capacity to build trusted employer relationships, understand local workforce needs, broker work trials and training, support job carving or redesign, connect employers with allied health or specialist advice where required, and remain involved after placement. Without adequate funding, employer engagement risks becoming transactional rather than a genuine workforce solution.

Employers also need clear points of contact across the employment services ecosystem. Regional employer liaison, Local Jobs Program-style coordination or account management functions could help larger employers and SMEs navigate providers, understand available supports and connect with the right specialist or place-based provider. These functions should complement, not replace, provider-led relationships with participants and employers.

This approach is consistent with the Discussion Paper's focus on stronger employer engagement, national industry partnerships, local employer engagement, tailored services and reviewing supports for employers to hire and retain jobseekers. It also aligns with the Hill Review's dedicated focus on employer services, including access to quality jobseekers, alignment of skills and experience with employer needs, direct partnerships with employers, provider engagement, job brokering, job design and recruitment support, in-employment support, outreach and marketing, streamlined recruitment and greater collaboration.

8.13 Question 13. What qualifications and experience should be expected of frontline staff within each stream?

Frontline capability should scale with service intensity. Stream 1 staff should be able to provide accessible information, identify escalation needs, use plain language and support digital navigation. Stream 2 staff should have strong employment services capability, vocational guidance skills, local labour market knowledge, employer engagement experience and the ability to support participant progress. Stream 3 staff should have advanced case management, trauma-informed practice, cultural responsiveness, complex-needs coordination, safeguarding awareness, employer engagement and post-placement support capability.

SSI supports a capability-based workforce framework that recognises formal qualifications, micro-credentials, lived experience, bilingual and bicultural capability, community knowledge and relevant sector experience. Formal qualifications alone should not be the sole measure of capability, particularly for culturally responsive practice where community trust and lived experience can be critical.

The future workforce framework should also reflect the scale of culturally and linguistically diverse unemployment. With a substantial share of unemployed and long-term unemployed jobseekers coming from backgrounds where English is not their main language, providers need access to staff who can communicate across languages and cultures, work effectively with interpreters and understand migrant and refugee employment pathways. Multilingual and bicultural capability should therefore be recognised as a substantive professional capability—particularly within specialist Stream 2 and Stream 3 services—rather than as an incidental workforce characteristic.

The ethical application of AI-driven systems should be recognised as an emerging workforce capability that can improve efficiency and productivity in employment support work. Staff should be trained to use

these systems safely and effectively, understand their limitations and apply human judgement throughout the employment support journey. Capability development should strengthen discretionary decision-making, review and oversight within automated processes, ensuring technology informs rather than replaces professional judgement. This should be treated as a critical workforce skill-uplift priority across all streams.

The future workforce model should also recognise the critical contribution of supporting and technical functions, including quality assurance, practice supervision, data and systems support, employer services and specialist advice. For Stream 3, multidisciplinary clinical capacity should be available to augment frontline practice and support a holistic response to complex or intensive case management. Clinical input should strengthen assessment, safeguarding, case consultation, coordinated service planning and escalation while preserving the central role of the employment practitioner.

The reform should be accompanied by a sector workforce strategy covering attraction, retention, wages, professional development, safety, supervision and career pathways. The Hill Review identifies frontline staff turnover, high and challenging caseloads, pay and conditions, qualifications, skills and professional development as core workforce and service capability issues. Taylor Fry's illustrative scenario also provides an investment benchmark. It includes increased provider payments to support an estimated 50 per cent increase in frontline staff salaries and reduced caseload ratios, with both measures intended to stabilise the workforce and increase time with participants. This is especially important for Stream 3, where high-fidelity delivery depends on lower caseloads, advanced practice capability, supervision, multidisciplinary coordination and continuity of trusted relationships.

8.14 Question 14. How could the future service accommodate the needs of diverse cohorts, including better linkages to other services?

The future service should accommodate diverse cohorts by building specialist capability into the core architecture of the system, rather than relying on generic providers to refer participants elsewhere once their diverse circumstances become too complex for mainstream services to address effectively. A nationally consistent system can still allow locally responsive and cohort-specific service models where there is demonstrated need. This is particularly important for participants whose barriers are shaped by settlement, language, culture, disability, trauma, age, caring responsibilities, long-term unemployment, homelessness, family violence, justice involvement or limited local networks.

Specialisation should have an explicit and enduring place across both Streams 2 and 3 in the new employment services ecosystem. It should not be reserved only for participants assessed as having the most complex needs. Participants in Stream 2 may be relatively closer to employment but still benefit most from tailored, cohort-specific support that enables faster and more sustainable progress. The service architecture should therefore allow specialist providers to deliver within either or both streams where they can demonstrate cohort expertise, local need, employment capability, employer relationships and service quality. For CALD and refugee participants, specialist provision should combine employment assistance with settlement-informed practice, bilingual and bicultural engagement, interpreter access, overseas skills recognition, community trust, culturally capable employer engagement and coordinated pathways to other essential supports.

Specialist, place-based and community-connected providers should be commissioned where local demographics and participant need support this. For CALD and refugee participants, this means providers with demonstrated settlement expertise, bilingual and bicultural workforce capability, cultural safety, interpreter access, community trust, employer relationships and the ability to coordinate with settlement, English language, housing, health, mental health, family support, family violence, legal, training, skills recognition, social enterprise and employer partners. The same principle should apply to other cohorts where specialist capability is required, including First Nations participants, young people,

mature-age workers, parents, people with disability, long-term unemployed participants and people experiencing multiple or compounding barriers.

The RESP Program shows how specialist capability can operate in practice. Delivered from 2017 to 2024, the program used multicultural employment specialists and partnerships with employers, training organisations and community services to tailor assistance to participants' skills, experience and goals. Its independent evaluation found that more than one quarter of participants commenced employment, while more than half of surveyed participants were employed, mostly in permanent roles. RESP exceeded its overall targets and provided refugees and people seeking asylum with a better experience than mainstream services, including Workforce Australia. These findings support an explicit role for specialist CALD and refugee employment services across Streams 2 and 3, with settlement, language, skills recognition, local networks and employer readiness treated as connected parts of the employment pathway.

The national skills-mismatch evidence reinforces the importance of specialist capability beyond entry-level placement. Deloitte Access Economics research commissioned by SSI found that 44 per cent of migrants and refugees—more than 620,000 people—were working below their skill level, with greater mismatch among migrant women, people from non-OECD countries and refugees. Closing this gap could add approximately \$9 billion to the Australian economy each year. Specialist services can support movement into work aligned with qualifications and experience through skills identification, recognition and licensing pathways, bridging training, professional networks, targeted employer engagement and career progression support.

Better linkages to other services should be treated as active coordination and brokerage, not passive referral. High-fidelity service delivery for diverse cohorts requires time and funding for outreach, warm referrals, shared planning, allied health or specialist input, interpreter use, community engagement, employer-facing work, post-placement support and follow-up. These linkages should be anchored in place-based relationships, because the right pathway often depends on local community services, local employers, training options, transport realities and cultural or language networks.

This links directly to assessment, referral and commissioning. Assessment should identify service intensity, specialist service fit and practical supports. Commissioning should allow specialist providers to bid directly where they can demonstrate local need, cohort expertise, employer relationships and service quality. Participant movement should preserve trusted relationships and specialist support where this remains in the participant's interests.

This approach is supported by the Hill Review's emphasis on wrap-around support, other human services, social participation, supporting particular cohorts, services for people from culturally and linguistically diverse backgrounds, specialist licences, place-based approaches, employer-responsive services and a connected service ecosystem. It also aligns with Taylor Fry's identification of target cohort payments, additional supports, lower caseload ratios and increased frontline time as material cost drivers in a reformed system.

8.15 Question 15. How can a nationally consistent service respond to local circumstances?

A nationally consistent service should establish clear minimum standards, participant rights, safeguards, assessment principles, service expectations, data collection/definitions and performance measures. Within this national architecture, providers should have flexibility to respond to participant and employer needs. National consistency should define the service framework and protections, but it should not impose uniform delivery regardless of community context, labour market conditions or cohort need.

Local responsiveness requires place-based labour market intelligence, employer relationships, community partnerships, transport and digital access solutions, cultural knowledge and the ability to tailor support to regional conditions. Commissioning and performance settings should recognise that labour markets differ significantly across metropolitan, regional and outer-suburban areas, including differences in transport, training markets, housing pressures, employer demand, industry mix, settlement patterns and access to wrap-around services. Regional coordination functions, including learnings from Local Jobs and hub models, should be retained and strengthened where they improve collaboration, reduce duplication and connect employers, training providers, community services and employment providers.

For SSI, local responsiveness means aligning employment pathways with the settlement footprint of communities, local employers, training providers, social enterprises and support services. In communities with high CALD and refugee populations, specialist culturally responsive employment capability should be commissioned as part of the local service architecture, supported by referral rules that make those providers visible and viable where local need exists.

This position is consistent with the Discussion Paper's emphasis on local employer engagement, tailored services, better connections to local services and labour markets, and improved commissioning, as well as the Hill Review's focus on place-based approaches, specialist licences, service regions, provider mix and funding for local initiatives.

8.16 Question 16. How should providers be incentivised to support participants into suitable, sustainable jobs, not just any job across both provider-led service streams?

Provider incentives should reward progress, quality, job fit, employer engagement, sustained employment and retention, not simply speed of placement. A heavily outcome-dominant model risks encouraging short-term placements, parking, creaming and insufficient investment in participants with complex barriers.

SSI supports a blended funding model that combines adequate service fees, progress payments, social and employment milestone payments, sustained outcome payments and complexity loadings. The model should reward the work required to move participants toward suitable employment, not only the final job outcome. Stream 2 can carry a moderate outcome component, provided it also funds engagement, training, employer brokerage, brokered supports, progress and post-placement support. Stream 3 should place greater weight on service fees, progress payments and milestone payments. Outcome payments should reward sustained employment, job quality, retention and progression over longer timeframes. This approach aligns with the Hill Review's discussion of outcome and upfront payments, blended and pathway-based funding, local initiatives, pathway planning, post-placement support, job quality and career progression. It also aligns with NESAs position that Stream 3 requires a viability-anchored base rather than an outcome-dominant payment model.

Incentives should therefore extend beyond the current emphasis on 26-week outcomes. Additional incentives for 52-week outcomes, together with funded ongoing support where a participant or employer continues to need assistance, would better reward providers for securing sustainable employment rather than short-term job starts. This would build on the logic of Inclusive Employment Australia's ongoing support arrangements, where support can continue beyond 26 weeks for as long as it is assessed as necessary to maintain employment stability. For participants with complex or intersecting barriers, employment sustainability often depends on continued coaching, employer problem-solving, workplace adjustment, confidence building and relationship management after the initial outcome point.

This is consistent with NESAs argument that barriers to employment fluctuate, including its cited finding that approximately one in six people who exit Workforce Australia Services re-enter within twelve

months. A stronger focus on retention, stability and progression after 26 weeks would encourage providers to invest earlier in job fit, employer relationships and post-placement support, while reducing the risk that participants cycle back into the employment services caseload after an initial placement.

Incentives should also recognise employer-facing and brokered support work. Providers should be rewarded for developing high-quality employer relationships, supporting best-fit matching, brokering work trials, job design, workplace adjustments, inclusive recruitment, training linkages, allied health or specialist supports where relevant, retention supports, employer satisfaction and sustained placements, even where the successful candidate may come from another provider's caseload.

Funding should reflect the real cost of specialist delivery. This includes interpreters, bilingual and bicultural workers, smaller caseloads, outreach, case coordination, qualification recognition, training pathways, employer engagement and post-placement support. The funding envelope must be sufficient to deliver the intended service model in Streams 2 and 3, particularly Stream 3. Taylor Fry cautions that moving medium-intensity participants to online support to contain costs assumes they will achieve outcomes comparable with current online users and may create service gaps. A funding model that expects high-quality, relationship-based and intensive practice must pay for the required workforce, time, supervision and service inputs. Otherwise, the system risks reproducing the parking, creaming, under-servicing and short-term outcome chasing that the reform is intended to address.

8.17 Question 17. How should employment outcomes and progress towards employment be measured? How should this differ between targeted provider services and intensive services?

As outlined in Question 16, the performance framework should balance progress outcomes, social outcomes and employment outcomes. Employment should remain the primary goal, but the system should also measure the quality of the pathway toward work, including engagement, capability building, job fit, employer engagement, retention, progression and participant and employer experience. This would avoid a narrow focus on short-term job commencements and better recognise the work required to support people into suitable and sustainable employment.

Progress and milestone measures should be linked to the Employment Goal Plan and should recognise meaningful steps toward employment, not only final placement. These may include sustained engagement, confidence, completion of agreed activities, training commencement or completion, work experience, volunteering, improved digital capability, English development, credential recognition, employer interviews, work trials, allied health or specialist support engagement where relevant, stabilisation of health, housing or other barriers, job commencement, retention milestones, increased hours, income progression and improved job quality.

Each stream should have a different performance framework because each stream is designed to do different work. This directly responds to the Discussion Paper's proposal that service intensity, provider expertise, mutual obligations and incentives should differ across streams to align with participant need. Stream 2 should balance progress and employment outcomes, with stronger emphasis on timely movement into suitable employment, job quality, retention and progression. Stream 3 should place greater weight on engagement, stabilisation, capability building, barrier reduction, employer readiness, supported transitions, retention and sustained outcomes over longer timeframes. This is consistent with the Hill Review's emphasis on pathway planning, job quality, post-placement support, career progression and broader measures of performance and service quality, and with Taylor Fry's recognition that higher-quality services require additional frontline time, lower caseloads and target cohort supports.

Performance comparisons should also be adjusted for local labour market conditions, participant demographics, service intensity, cohort specialisation and provider role. Results in areas with weaker

labour markets, limited transport, thin training markets, housing stress, high settlement need or high proportions of participants with complex barriers should not be compared directly with results in stronger labour markets without appropriate context.

Similarly, specialist providers working with CALD and refugee participants, people with disability, young people, mature-age workers, First Nations participants or long-term unemployed cohorts should be assessed against comparable providers and cohorts, rather than against undifferentiated market averages. This would make performance assessment more accurate, reduce perverse incentives, and support commissioning decisions based on genuine service quality rather than raw outcome rates alone.

8.18 Question 18. What commissioning approaches will best support increased provider diversity?

Commissioning should support provider diversity by assessing demonstrated capability, community trust, cultural expertise, employment outcomes, employer relationships, local knowledge, financial viability and partnership capability. Organisational type alone should not be used as a proxy for capability.

SSI supports commissioning models that allow specialist providers, community organisations, First Nations organisations, CALD organisations, social enterprises and established employment providers to bid directly where they can demonstrate local need, employment services capability, specialist cohort expertise, employer relationships, financial viability and service quality. Consortia and partnerships may be appropriate in some places, but they should not be the default or required pathway for specialist providers. An IEA-style nomination mechanism could allow providers to identify the participant characteristics, cohorts and locations where they can deliver specialist provision, with government testing market sufficiency, participant volume, pricing, quality and safeguards before finalising contracts.

For CALD and refugee communities, commissioning criteria should explicitly value settlement expertise, bilingual and bicultural workforce capability, community reach, cultural safety, interpreter use, employer cultural capability, overseas skills recognition pathways and evidence of working with people experiencing complex settlement-related barriers.

The RESP program shows the value of commissioning a specialist cohort model supported by culturally informed staff and strong employer and training partnerships. The program exceeded its targets, helped participants secure employment, including permanent roles, and provided a better experience than mainstream services. These outcomes should inform provider selection across Streams 2 and 3, alongside employment capability, community reach, cultural responsiveness, referral alignment, participant volume and financial viability.

Provider diversity also requires stable contract terms, realistic mobilisation, transparent viability modelling, thin-market funding and simplified tender processes. Procurement should not unintentionally privilege scale, incumbency or generic delivery over demonstrated specialist capability.

Commissioning and referral settings must also be designed together. If referrals do not align with the specialist cohorts and locations that providers have nominated, specialist services may be underutilised despite local need, while participants may be routed into generalist services that are not the best fit. Referral data should therefore be monitored by cohort, location, provider type and participant choice. This aligns with the Hill Review's focus on commissioning, provider mix, specialist licences and funding arrangements, and with NESA's emphasis on capability-based commissioning, realistic pricing, pilots and commercial viability testing before final procurement settings are locked in.

8.19 Question 19. How can employment services foster continuous improvement? For example, what strategies would improve the sharing of best practice?

Continuous improvement should be supported through relational contracting, transparent performance data, communities of practice, participant and employer feedback, provider learning networks, independent evaluation, pilot testing, workforce development and shared evidence about effective approaches for different cohorts.

The Department should create forums for providers, participants, employers, peak bodies and community organisations to share practice insights and identify system barriers. These should be supported by de-identified data, transparent pilot evaluations and live performance reporting, as well as service standards for government referrals and collaborative problem-solving before formal compliance action.

Continuous improvement should also inform commissioning and contract management. Before national rollout, pilots should test assumptions about caseloads, stream movement, specialist pathways, participant transfers, employer engagement, funding viability and outcomes for diverse cohorts. Consistent with the Hill Review's focus on innovation, learning, experimentation, research and evaluation, this process should use accessible data, clear measures of performance and service quality, collaboration and best-practice sharing. CALD and refugee participants should be identifiable cohorts in evaluations so the system can determine what works for people facing barriers related to settlement, language, overseas qualifications, discrimination, trauma, housing, transport and limited local networks.

Evaluation should explicitly assess whether proposed payment settings adequately fund providers to deliver the intended Stream 2 and Stream 3 models with fidelity.

Reporting should support privacy-protecting intersectional analysis and identify under-referral, service gaps and areas where specialist investment is achieving stronger outcomes.

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