

## VTE in welfare to work: Does it work well?

*John Guenther<sup>1</sup>, Ian Falk<sup>2</sup>, Allan Arnott<sup>2</sup>, Karen Borgelt<sup>3</sup>, Anthony Tyrrel<sup>4</sup>, John Churchill<sup>4</sup>, Steven Black<sup>5</sup>, Jane Gunn<sup>6</sup>*

*<sup>1</sup> Cat Conatus <sup>2</sup> Charles Darwin University <sup>3</sup> Allsorts Consulting and Training  
<sup>4</sup> Performance First <sup>5</sup> Meadowbank TAFE <sup>6</sup> Protea Training*

### **Abstract**

In 2005 the Commonwealth government introduced its ‘Welfare to Work’ reform program. The activities of the program have been badged under Centrelink as ‘Helping people move into work’. Key features of the reform include obligations of parents of children aged 6–15 years to seek part time work; people with disabilities who are assessed as being capable of working 15–29 hours per week will be obliged to seek work; and Newstart recipients over 50 years old will be obliged to seek full-time work the same as younger recipients. As part of the program, more vocational education and training places will be made available and the Language, Literacy and Numeracy Program will be expanded.

Charles Darwin University, in conjunction with a research team from around Australia are engaged in an NCVER funded project designed to determine the role of vocational training in welfare to work reforms. The team will produce a set of six ‘intervention cases’ that demonstrate good practice in service delivery and training provision with an equal emphasis on providers and clients in each of the above three groups. Drawing on these cases, this paper will present findings of the research.

The research uses a mixed methods and induction methodological approach to identify which features of vocational training programs work or do not work in conjunction with the government’s ‘welfare to work’ strategy—in particular the research is designed to identify the qualitative outcomes of Vocational and Technical Education (VTE) in welfare to work. The paper will also consider the implications of the reforms for VTE in terms of policy, program, partnerships and practice.

### **Introduction**

In 2005 the Australian Government introduced its ‘Welfare to Work’ reform program. The activities of the program have been badged under Centrelink as ‘Helping people move into work’. Key features of the reform include obligations of parents of children aged 6–15 years to seek part time work; people with disabilities who are assessed as being capable of working 15–29 hours per week will be obliged to seek work; and Newstart recipients over 50 years old will be obliged to seek full-time work the same as younger recipients. As part of the program, more vocational training places will be made available and the Language, Literacy and Numeracy Program (LLNP) will be expanded.

Charles Darwin University (CDU), in conjunction with a research team from around Australia is engaged in an NCVER funded project designed to determine the role of vocational training in welfare to work reforms. The team will produce a set of six ‘intervention cases’ that demonstrate good practice in service delivery and training provision with an equal emphasis on providers and clients in each of the above three groups. Drawing on two of the cases, this paper will present early findings of the research. The two cases include one with a focus on parents returning to work and

another with a focus on policy considerations. The latter case study does not limit its concerns to one particular welfare to work group.

## **Literature review**

### *Welfare to work groups*

Before considering the literature on the topic it is important to define who we refer to in our research. The definitions we offer are derived from a search of the available national and international literature.

In our research we define *mature aged people* as: people aged 45 and over currently looking for work. Age cut offs differ: Costello for example argues for 55 (Australian Broadcasting Corporation 2005). The Organisation for Economic Cooperation and Development (OECD 2006a) uses 50 as the cut-off and the Australian Government also uses this cut-off (Centrelink 2006a; Department of Employment and Workplace Relations 2006a). However, because of the practicalities associated with statistics, we adopt 45 as the cut-off age (ABS 2005c; Hudson 2006b).

We define *parents returning to work* as parents and carers of children who have previously worked and because of child-care responsibilities have been out of the workforce for two years or more. This group, according to the Australian Council of Social Service (2003), is predominantly women, who face a unique set of barriers to full-time employment (for example child care). According the ABS (2005d), the ratio of women to men who are underemployed is about three to two. Our definition does not exclude men and it does not exclude partnered parents but the literature suggests that lone parents are more likely to have greater difficulty accessing employment than others (ABS 2006a). This may be as much to do with associated education levels as it is with status as single parents (Headey et al. 2006), but it is not a phenomenon that is unique to Australia (OECD 2003).

For the purpose of this research we define *people with disabilities* as persons unemployed who have a disability, medical condition or addiction. There is little argument in the literature about what constitutes disability. Many Australian agencies (ABS 2004; Australian Institute of Health and Welfare 2006) have adopted the International Classification of Functioning, Disability and Health (ICF) definition, which describes 'disability' as an umbrella term for any or all of these components: impairment, activity limitation and participation restriction, as influenced by environmental factors (World Health Organisation 2002). Australians are also restricted in their interpretation of 'disability' by the *Disability Discrimination Act 1992* (Commonwealth of Australia 2006), which in some ways could be considered to be a broader definition, based on loss of function, disease, illness or disorders or the potential for the above.

### *Rationale for Welfare to Work*

A number of contextual factors have led to the current policies for the Australian Government's Welfare to Work initiatives. These include: a) an ageing population and the economic impact of this particularly in relation to skills and employment. The 2002 *Intergenerational Report* (Commonwealth of Australia 2002) suggested that as a result, higher labour force participation is required; b) a perception that a significant number of very long-term unemployed persons are not 'genuine' (Commonwealth of

Australia 2005:6); c) steep increases over the long term in the number of Parenting Payment and Disability Support Pension recipients (Commonwealth of Australia 2005). The Australian Government argues that these increases are unsustainable; and d) significant and sustained skills shortages in some occupations (DEWR 2004).

The measures introduced in the 2005 Commonwealth Budget and commenced at 1 July 2006 are most often described by the Government in terms of providing 'greater assistance' but the rhetoric is matched with discussion of 'obligations' and 'compliance' (Centrelink 2006a). Some argue that rather than providing incentives to work, welfare to work punishes the long term unemployed. Davidson (2005) suggests that what is needed for long term unemployed people is not punishment to change their behaviour but understanding and practical help to change their circumstances.

#### *Rationale for training as a vehicle in welfare to work*

Training has for a long time been seen to be a 'way in' for people to access jobs. The focus of welfare to work programs differs somewhat from this long held view in that it not only specifically targets people who are currently not in the workforce but it a) targets those who have either been unable or reluctant to enter the workforce and therefore are dependent on social security safety nets; and b) it is designed to address skills gaps and shortages in a labour market where labour demand is high. Further, the Australian Government acknowledges that 'education and training can be the best pathway to work for some jobseekers' (Centrelink 2006a). The OECD (2006c), reporting on the results of a five-country study into welfare-to-work initiatives suggests:

Policies concerned with workforce development and skills upgrading initiatives, while sitting within the adult learning agenda, address a narrower, more modest objective. That objective is to improve the skills, competencies and qualifications of low-qualified incumbent workers, and thereby respond to "skills shortages" and "skills gaps" experienced in local labour markets and within organisations. (p. 39)

The imperative for new Welfare to Work initiatives in Australia is no different. This was explicitly stated when the current reforms were announced in 2005 (Commonwealth of Australia 2005).

The imperative also comes at a time when skill levels are arguably higher than they have ever been rather than at a time when educational standards have been considered 'poor'. The reasons for this are multiple. Firstly, not all sectors of the Australian community are sharing in the so-called knowledge economy (Cumming 1997; Falk and Guenther 2002; Statistics Canada and OECD 2005). Secondly, there is a strong argument that some sectors of the community are inequitably under-represented in education and training participation data (Baldwin 2003; Boughton and Durnan 2004; Golding and Pattison 2004). Beyond these two reasons, a third reason provides perhaps the greatest impetus: national skills shortages are forcing industries to look beyond the 'easy to access' labour markets to the more difficult and as yet untapped markets, where considerable investment in training and skill development—due to multiple barriers and disadvantages (Ziguras et al. 2003)—is required (Senate Employment Workplace Relations and Education References Committee 2003).

### *Impact of policy on welfare to work groups*

Despite the above discussion about imperatives for training, the emphasis of the Australian Government's welfare to work is on 'work'. That is, the financial priority given to training (as administered by DEST) within the 3.6 billion dollar budget for the program amounts to less than 10 per cent of the total budget (Commonwealth of Australia 2005). Setting aside the impact of the program for the skill development of the priority groups for a moment, Welfare to Work is having a significant impact on these groups. Some argue that the new emphasis on compliance and changes to payment structures unfairly discriminate against many vulnerable people (Australian Council of Social Service 2005; Harding et al. 2005). Watts (2006) argues that:

Welfare-to-work establishes a way of churning low-skill labour in and out of that part of the labour market characterised by low pay, low skill and precarious employment a sector now left even less regulated or protected than ever before (p. 7).

The combination of Welfare to Work and Workchoices may further add to this vulnerability (Masterman-Smith and Chalmers 2006). In terms of employment, the Australian Government's recent commentary on 30 year low unemployment rates suggests that its labour market policies and reforms—including welfare to work—are responsible (Andrews 2007).

While it is still 'early days' for Welfare to Work in Australia, a number of questions remain unanswered about the efficacy of the program in terms of: a) meeting the skill needs of clients, employers and industry more generally; b) meeting the challenges of building a more skilled labour force into the future; and c) managing the impact of a potential downturn in the Australian economy and the labour market. Despite the rationale for training as a vehicle for welfare to work it would appear that the Welfare to Work strategy discourages JobNetwork, training providers and job-seekers from engaging in pre-employment learning activities beyond basic occupational health and safety training. For example the conditions for Community Work Coordinators (CWCs) allow for up to 20 per cent of an activity's time to be taken up with training, but the Key Performance Indicators (KPIs) do not specifically mention training at all (Department of Employment and Workplace Relations 2006b). A separate Australian Government initiative—*Skills for the future* (Prime Minister of Australia The Hon John Howard MP 2006)—potentially offers some Welfare to Work groups the opportunity of accessing Certificate II or Year 12 equivalent qualifications. The few 'good news stories' about training for potential employees affected by Welfare to Work appear to be dependent on the good-will of employers more than incentives offered through the Strategy (Department of Employment and Workplace Relations 2007).

### **Methodology**

The methodology employed for the research on which this paper is based can be described as a 'mixed methods' (Tashakkori and Teddlie 1998) approach, combining case study techniques (Yin 2003b, a), numerical data accessed from the most reliable Australian sources (Australian Bureau of Statistics and National Centre for Vocational Education and Research), and empirical observations made in the field. The researchers have compiled a 'statistical profile' which has been used to inform analysis of qualitative data derived from a series of 84 semi-structured interviews with welfare to work clients, training providers, government agencies and enterprises—

each with an interest in Welfare to Work and training—across six sites in South Australia, Western Australia, Queensland, New South Wales, the Australian Capital Territory and Victoria. The profile summarises employment and training data for each of three welfare to work groups: parents returning to work; mature aged people; and people with a disability. The empirical data are being brought together in six ‘intervention cases’—case studies of welfare to work strategies within each geographical context—and a cross-cutting analysis of the data using the transcribed data from all the sites. The method builds on previous research conducted by CDU on pathways to employment and training for employment disadvantaged groups in the Northern Territory (Northern Territory Council of Social Service 2004).

The methodology ‘triangulates’ the findings from quantitative data with available literature—using deductive approaches to analysis—and qualitative data obtained from welfare to work stakeholders—using inductive approaches to analysis—to enable generalisable implications for stakeholders involved (Erzberger and Kelle 2003; Miller 2003; Johnson and Christensen 2004; Falk and Guenther 2006).

### Findings and discussion

We start first with a tabular summary of the most recently available data for training and employment of welfare to work groups. We then present findings from a ‘parents returning to work’ case and a ‘policy’ case. The two cases presented here should not be seen as representative of the research as a whole. Rather, they are indicative of some of the issues arising from interviews with Welfare to Work stakeholders.

#### *What do statistics tell us?*

Table 1, drawn from the authors’ research, summarises the relative position in terms of training and employment for welfare to work groups along with comparison groups—partnered parents (which are not strictly excluded from welfare to work programs) and the general population. The data are drawn from the most recent statistics available in the most reliable sources. Sources include various publications and datasets from NCVET and ABS.

**Table 1. Summary of statistics for welfare to work and comparison groups (various sources) for Australia**

<i>Australia</i>	<i>People with a disability</i>	<i>Mature aged people</i>	<i>Partnered parents</i>	<i>Lone parents</i>	<i>General population</i>
Total 15-64 population '000	2339 <sup>1,2</sup>	5129 <sup>4</sup>	3574 <sup>4</sup>	474 <sup>4</sup>	13850 <sup>4</sup>
Per cent of total 15-64 population	19.2% <sup>1,2</sup>	37.0% <sup>4</sup>	25.8% <sup>4</sup>	3.4% <sup>4</sup>	100.0%
Per cent of group participating in labour force	53.2% <sup>1,2</sup>	72.6% <sup>4</sup>	81.0% <sup>4</sup>	62.4% <sup>4</sup>	65.5% <sup>1</sup>
Per cent of group unemployed	8.6% <sup>1,2</sup>	3.2% <sup>4</sup>	2.6% <sup>4</sup>	12.9% <sup>4</sup>	4.8% <sup>4</sup>
Per cent of all VTE students who are members of this group	5.9% <sup>3</sup>	19.0% <sup>3</sup>	24.4% <sup>5</sup>	7.5% <sup>5</sup>	100.0%
Per cent of group with VTE qualifications	11.8% <sup>1,2</sup>	17.6% <sup>5</sup>	18.2% <sup>5</sup>	17.4% <sup>5</sup>	15.9% <sup>6</sup>

Sources: 1: ABS 2004; 2: ABS 2006c; 3: NCVET 2006; 4: ABS 2006d; 5: ABS 2006b; 6: ABS 2005a

Drawing on this table it is evident that:

*People with disabilities* are relatively under-represented for all indicators shown. That is, their participation in the labour force and in employment, their participation in vocational training and their qualification levels are all lower than might be expected in the general population.

The employment and training picture for *mature aged people* is relatively bright. While we cannot say definitively that this group are not disadvantaged—and certainly issues of early retirement and a possible reluctance to pick up new knowledge based skills rate high among mature aged people—unemployment and vocational skill stocks are not of significant concern. There is however a perception among mature aged unemployed people that the reason they cannot find work is because of their age (ABS 2005b) and there may be a reluctance on the part of some employers to take full advantage of the depth of knowledge and experience offered by more mature people (Hudson 2006a). The value of training for this group as a vehicle for transition from welfare to work is uncertain (OECD 2006b).

In terms of VTE, *lone parents* are well represented among students with 7.5 per cent of the total student cohort being made up of lone parents. VTE qualification rates among this group are slightly higher than might be expected for the general population. The table does not however show the level of qualifications that are being achieved. A more detailed analysis of the Survey of Education and Work (ABS 2006b) shows that lone parents are more likely to achieve Certificate I and II qualifications (and also less likely to achieve Bachelor qualifications) than the population as a whole.

#### *Case 1: Senior policy advisors*

Interviews for one case study were conducted at three Australian Government departmental head offices. The purpose of this case study was to draw out the overarching policy expectations of the VTE sector, within the framework of the Australian Government's Welfare to Work strategy. The Departments will be referred to as Department A, B and C. The Departments' activities are a mix of policy development and service delivery. The case presented here reflects the stated views of interviewees, who are naturally constrained somewhat in their ability to reflect their own views because of their positions as senior level public servants.

It was clear from discussions with Department A that they are pursuing a 'work first' agenda. The view was that with the economic situation as it is, the opportunity to move the Welfare to Work groups into work should be a priority. In this context the Department saw the VTE sector providing some very basic skills but acknowledged that in many circumstances no training may be required. The VTE sector was described as a 'tool to achieve the work first policy'. There was no expressed expectation of the VTE sector, and training needs discussed were often focussed on individual pre-employment capacity-building rather than traditional longer term skill development. Moving into work and receiving on-the-job training were seen as good outcomes. It was perceived that there is a need for the VTE sector to see how it can add value to this scenario.

The discussion with Department B emphasised that their priority is to the broader and longer term skill development of Australia. Welfare to Work is seen as a response to the current part of the employment cycle. Under the Department B response to Welfare to Work, additional places have been made available in many programs: 'it is

more like an enhancement of our existing mechanisms rather than a whole set of new structures'. The emphasis is on short term remedial intervention (literacy, numeracy and English as a Second Language (ESL) programs were mentioned) and Australian Apprenticeships.

The perception of Department C, from the training point of view, was that for those under 21 the emphasis was on capability development, while for those over 21 it was on work. There was a strong emphasis on 'pathways to work'. Although Department C is committed to the work first agenda, they pointed to local variations in job markets and the need to have flexibility in policy application to meet these variations. At the local level they believed that they have well developed relationships with the VTE sector. There was also a view that the 'VTE sector is complex, so diverse and so scattered', and as such is difficult to engage, other than locally.

The Department felt that a clear line of sight from policy, through implementation, to a unified VTE sector would mean better outcomes. The example of large numbers of parents with new obligations to work in 2007 was given: 'We have got all these parents coming next year and somebody should be telling us, or the parents, where the skill gaps are and telling them now what they should be training in...'

Case 1 highlights the strong emphasis from a policy and service delivery perspective that Welfare to Work is primarily about work and that training is a support for this strategy. The case also highlights a perception that the vocational education sector is difficult to engage with. There is no doubt that this is because of the complexities built within the system itself and the wide array of client groups engaging with that system. It is reasonable to suggest that the VTE sector is not as clearly delineated as the Higher Education or Compulsory Education sector, either in terms of participants or expected outcomes. Related to this is a view that the training needs of the expected influx of welfare to work groups into the labour market has not been properly considered.

#### *Case 2: Parents returning to work*

One of the intervention cases examined client perceptions, where clients were predominantly parents returning to work. The case reports on the findings from two providers who provide Work For the Dole (WFD) programs under the mutual obligation provisions of the Welfare to Work program introduced in July 2006 (Centrelink 2006b). While WFD does not offer accredited training as part of the program, it does offer training credits worth up to \$800 for accredited training for those who complete the program, which may take from 310 to 1100 hours depending on age and unemployment status, to earn (Department of Employment and Workplace Relations 2006c). It is clearly positioned to encourage welfare recipients make the transition to employment.

Twelve parent participants and two program managers were interviewed for this case study. Each of the parents of young children interviewed was extremely stressed about their mandatory entry into WFD programs. Up until July 2006 participation was voluntary. Currently these parents receive additional benefits from the Australian Government which they will lose if forced to take up paid employment. Those who have low level education feel that they will be forced into menial work at less pay than they receive through their current benefits and fear the high cost of childcare which they will rely on if they find paid work.

A number of parents stated that they were not receiving the real help that they thought they needed to be able to succeed. They felt ill-equipped mentally or educationally to cope in the workplace. For example, many cannot use a computer as they cannot afford to own one and so have not learned how to. Others have not been able to keep up with technology and felt that they would be humiliated if they were put in a work situation where they had to use a computer. Those interviewed thought that threats of cutting off their payments if they did not conform to the WFD rules compounded their problems rather than motivated them to achieve.

Several mothers stated that it was not their choice to become single parents or to have to rely on Parenting Payments. They said that they went into motherhood expecting to be able to responsibly raise their children and now are experiencing a great sense of fear, guilt and in some cases depression about potentially putting their children at risk in order to find paid work or meet their Centrelink obligations.

While these issues may not seem to directly relate to training, they form such stress and concern to participants and in particular, parents, that all of the interviewees felt that even if training was widely available to them, they would not be able to concentrate while these worries or the need to handle the manifestations of these worries existed. The providers also commented on increasing domestic violence cases, drug and alcohol related issues and WFD participants involved in crime or the effects of crime. They speculated whether such issues would hinder effective adult learning if training was available through the WFD program. One parent stated, 'Those who are able to get work, would get work eventually, with or without the program. The help that is most needed is for the long-term unemployed, to help them build their self esteem and to make them included so that they feel that they have a valuable contribution to make and will want to work. Then and only then will the program work for those people'.

It is clear that the WFD program is not a training program. It is a mutual obligation program where participants are required to work a predetermined number of hours in exchange for their Centrelink payments. Providers are expected to achieve Key Performance Indicators (KPIs) and targeted numbers of participation outcomes—that do not include training outcomes. They reported that they do not have the time, staff, money or freedom within their contracts to ensure that training is delivered or training outcomes are achieved. They commented that training is supposed to be delivered by the Job Network Providers, because of numerous problems, including the lack of skills within Job Network Providers, meaningful training is rare.

While WFD providers in this case recognised the importance of training for mutual obligation clients, they were effectively restricted from being able to provide the required training because of contractual requirements that emphasised program participation or employment outcomes to the exclusion of learning outcomes. Parents themselves, because of their fears and limited financial capacity, were unable to access needed training programs that might have been alternatives to WFD mutual obligation activities. Training then, in this welfare to work context is: a) at the periphery of participants' expectations; b) outside the core scope of WFD providers; and c) effectively discouraged by the obligations and KPIs mandated by providers' contracts.

## **Implications and conclusions**

From the two cases described in this paper four implications will be offered.

### *Implication 1: Welfare to work is a 'work first' policy*

Consistent with the Australian Government's views discussed in the literature, there is no doubt from the findings of the two cases presented here, that Welfare to Work is primarily about moving people out of welfare into work—as quickly as possible. While training is offered as an alternative to work in mutual obligation scenarios—and is well recognised as part of the rationale for welfare to work strategies—there is little expectation, with the exception of Australian Apprenticeships, that training does actually provide a pathway to work for participants and providers alike. This is not to say that training is not wanted or needed by these groups but that expected outcomes of mutual obligation and related programs are clearly aligned to work. Work plays an important role in the lives of people who are in Welfare to Work 'priority groups' but we would also argue that appropriate training forms a foundational precursor to successful and sustained labour force integration.

### *Implication 2: There is a recognised role for vocational training but...*

The case studies also highlight the recognition of the important role vocational training can and does play in assisting the transition from welfare to work. There are however a number of 'buts' that inhibit the realisation of this recognition. One is that there is an assumption—possibly hope—that employers will address training needs with their newly transitioned workforce. A second is that for many making the transition, the skills they bring require sub-AQF level training, which falls outside the scope of traditional funding for vocational training. As discussed in the literature review, this additional barrier requires additional resources, which Welfare to Work only partly addresses. We do note however the Australian Government's efforts under the *Skills for the Future* program (which are clearly designed to help those most vulnerable build the skills they need to effectively engage in the labour market) to address some of these barriers. We would argue that such initiatives could be more intentionally integrated into Welfare to Work strategies and thereby give greater effect to the recognised value of vocational learning, particularly for the three priority Welfare to Work groups.

### *Implication 3: A strategic approach is required for WTW labour market entrants*

While there was little in the literature to suggest that consideration is being given to tackling the likely influx of Welfare to Work labour market entrants, we found that this was a concern of those working in policy and service delivery agencies within the Australian Government. Further, respondents in the service delivery agency identified problems working with the vocational training sector at a national level. It would be reasonable to assume that Australian Government—through the Department of Science, Education and Training—should coordinate strategic development of Welfare to Work skills development programs in a way that engages the service delivery agencies (e.g. Department of Employment and Workplace Relations and Centrelink). Apart from identifying the skills needs of these groups such a strategic review would also necessarily examine and forecast the required skill levels of these new labour market entrants to ensure the sustainability of their employment, particularly ahead of the next cyclical downturn in the labour market. The inference from Case 1 was that the VTE sector should coordinate itself better and advise government of 'who should be training what to whom'. We would however see that it

is government that should coordinate the research and action required for this—in line with Welfare to Work policies it develops—so that the VTE can get on with its job of training those who need skills. And further, to better facilitate meaningful training, the skills needs of clients should be reflected in the KPIs of service providers to ensure an appropriate emphasis on this aspect of the transition from welfare to work.

*Implication 4: Vocational learning interventions may be staged for the context*

We noted in the findings of Case 1 that some policy advisors saw a role for vocational learning that was dependent on the context. That is, there were some instances where training was required in preparation for work and others where training was required in conjunction with work. Similarly in Case 2 we saw how some parents engaged in mutual obligation activities felt ‘felt ill-equipped mentally or educationally to cope in the workplace’ and that considerable preparation at a number of levels may be required in order for that to be achieved. Clients’ learning needs are on a continuum that extends well below AQF level 1 and upward towards vocationally specific skills required on the job. This learning continuum may suggest the need for staged learning activities that for some clients begin with prevocational activities designed to build identity, relational and language skills and for others begin with more specific job readiness skills. The application of training credits to the full range of learning needs may better address the role that learning can play for clients in the transition from welfare to work.

*Conclusions*

This paper has reported on a selection of findings from research conducted by Charles Darwin University and a team of researchers around Australian on the role of training in the Australian Government’s Welfare to Work strategy. The two case studies presented show two quite different pictures of the experiences of Welfare to Work clients and providers and the perceptions of Australian Government policy and service delivery agencies.

A common theme that emerges from these findings is that training is at the periphery of Welfare to Work. The policy is very clearly articulated and enacted as a ‘work first’ strategy. Training in this context is then left to the goodwill of providers, who are constrained by KPIs and contractual obligations to meet participation and employment outcomes. Training, in these contexts is allowed for but not demanded. The literature and data suggest that these KPIs include few if any performance outcomes related to training or skill development. However, the cases also highlight the recognition of the important role training can and should play in building the skills of new labour market entrants, though in some cases it is assumed that this will occur once they are employed. Welfare to Work may well be effective in helping welfare recipients enter the labour market but questions remain about the sustainability of their employment because in terms of their skills vulnerability, little changes as a result of their involvement in mutual obligation activities. The policy case study further highlights the need to address the emerging training needs that will arise when an increasing number of low-skilled and arguably vulnerable workers enter the labour market in the coming months and years. Clients were shown to be in need of training for a variety of reasons, but the present system effectively means this does and will not occur. Tailoring of the policy and strategy through building training into KPIs would achieve this end.

## References

- ABS (2004). *Disability Australia*, Australian Bureau of Statistics, Canberra.
- ABS (2005a). *Education and work: Australia*, Australian Bureau of Statistics, Canberra.
- ABS (2005b). *Job Search Experience Australia*, Australian Bureau of Statistics,, Canberra.
- ABS (2005c). *Mature Age Persons Statistical Report: Education and training*, Australian Bureau of Statistics, Canberra.
- ABS (2005d). *Underemployed Workers*, Cat. 6265.0, Australian Bureau of Statistics.
- ABS (2006a). *Australian Social Trends*, Australian Bureau of Statistics, Canberra.
- ABS (2006b). *Confidentialised Unit Record File No: 1932 Education and Work Survey 2005 (SEW05)*, Australian Bureau of Statistics, Canberra.
- ABS (2006c). *Confidentialised Unit Record File No: 1934 Survey of Disability, Ageing and Carers 2003 (DAC03)*, Australian Bureau of Statistics, Canberra.
- ABS (2006d). *Labour Force, Australia, Detailed - Electronic Delivery, Sep 2006*, Australian Bureau of Statistics, Canberra.
- Andrews, K. (2007, January 2007). "More Than Two Million Jobs Created Under The Howard Government." from <http://mediacentre.dewr.gov.au/mediacentre/MinisterAndrews/Releases/MoreThanTwoMillionJobsCreatedUnderTheHowardGovernment.htm>.
- Australian Broadcasting Corporation (2005). Government says workforce participation key to ageing problem. *AM*.
- Australian Council of Social Service (2003). *Overcoming Joblessness in Australia: 12 Budget Priorities*, Australian Council of Social Service, Strawberry Hills.
- Australian Council of Social Service (2005), *Response to the Government's 'Welfare to Work' proposals: July 2005*, ACOSS Info 378 - August 2005, Australian Council of Social Service, Strawberry Hills
- Australian Institute of Health and Welfare (2006). *Australia's health 2006*, AIHW, Canberra.
- Baldwin, T. (2003). *Setting directions for training mature aged and older unemployed people in VET*, Equity Research Centre, Collingwood.
- Boughton, B. and Durnan, D. (2004). Beyond Equity? Indigenous people's rights and the national VET system. *Equity in vocational education and training: Research readings*. Bowman, K., Ed., National Centre for Vocational Education Research, Adelaide.
- Centrelink (2006a). *Helping people move into work-a community information pack*, Centrelink, Canberra.
- Centrelink. (2006b). "Welfare to Work — Questions and Answers." Retrieved January 2007, from [http://www.centrelink.gov.au/internet/internet.nsf/services/welfare\\_questions\\_answers.htm](http://www.centrelink.gov.au/internet/internet.nsf/services/welfare_questions_answers.htm).
- Commonwealth of Australia (2002), *Intergenerational Report 2002-03, Budget paper 5*, Retrieved October 2006 from [http://www.dfat.gov.au/budget/2002-03/bp5/html/01\\_BP5Prelim.html](http://www.dfat.gov.au/budget/2002-03/bp5/html/01_BP5Prelim.html).
- Commonwealth of Australia (2005), *Welfare to work: Budget overviews*, Retrieved October 2006 from <http://www.budget.gov.au/2005-06/overview/html/index.htm>.
- Commonwealth of Australia (2006). *Disability Discrimination Act 1992*, Attorney General's Department, Canberra.

- Cumming, J. (1997). *The quantitative literacy performance of Australians: Implications of low level skills, Aspects of Literacy—Assessed Skill Levels Australia 1996*, Australian Bureau of Statistics, Canberra.
- Davidson, P. (2005). "Welfare to work & long term unemployed people." *Impact*: 4-6. Department of Employment and Workplace Relations (2006a), *About Welfare to Work reforms*, Retrieved January 2007 from <http://www.workplace.gov.au/workplace/Category/SchemesInitiatives/MovingIntoWork/AboutWelfaretoWorkreforms.htm>.
- Department of Employment and Workplace Relations (2006b), *Employment Services Contract 2006-2009*, Specific Conditions for Community Work Coordinators, DEWR, Australian Government, Canberra Retrieved January 2007 from <http://www.workplace.gov.au/NR/rdonlyres/7A079FBB-D091-4D6C-B8DA-622859C465C0/0/CWC23406.pdf>.
- Department of Employment and Workplace Relations (2006c), *Your guide to work for the dole and community work*, DEWR, Australian Government, Canberra Retrieved January 2007 from [http://www.workplace.gov.au/NR/rdonlyres/97EDD12D-B037-4A77-9D7F-BAAF2D4A88AE/0/JN\\_Guide\\_to\\_Work\\_for\\_the\\_Dole\\_and\\_Community\\_Work.pdf](http://www.workplace.gov.au/NR/rdonlyres/97EDD12D-B037-4A77-9D7F-BAAF2D4A88AE/0/JN_Guide_to_Work_for_the_Dole_and_Community_Work.pdf).
- Department of Employment and Workplace Relations. (2007). "Good news stories." Retrieved January 2007, from <http://www.movingintowork.gov.au/movingintowork/GoodNewsStories/>.
- DEWR (2004). *National and State Skill Shortage Lists, Australia 2004*, Department of Employment and Workplace Relations, Canberra.
- Erzberger, C. and Kelle, U. (2003). Making inferences in mixed methods: the rules of integration. *Handbook of Mixed Methods in Social and Behavioral Research*. Tashakkori A and Teddlie, C., Ed., Sage, Thousands Oaks: 457-488.
- Falk, I. and Guenther, J. (2002). *Literacy and numeracy for the new world of un/employment—Implications of a fully literate Australia*, ALNARC. Language Australia, Melbourne.
- Falk, I. and Guenther, J. (2006). Generalising from Qualitative Research: Case studies from VET in Contexts. *15th NCVER conference*. Mooloolaba, Queensland.
- Golding, B. and Pattison, S. (2004). Inequity in Australian vocational education and training by location. *Equity in vocational education and training: Research readings*. Bowman, K., Ed., National Centre for Vocational Education Research, Adelaide.
- Harding, A., Ngu Vu, Q., Richard Percival, R. and Beer, G. (2005). "Welfare-to-Work Reforms: Impact on Sole Parents." *Agenda* 12(3): 195-210.
- Headey, B., Warren, D. and Harding, G. (2006). *Families, Incomes and Jobs: A Statistical Report of the HILDA Survey*, Melbourne Institute of Applied Economic and Social Research: The University of Melbourne, Melbourne.
- Hudson (2006a). *Employers still failing to tap into mature aged talent pool*, Hudson, Sydney.
- Hudson (2006b). *The Evolving Workplace: The Seven Key Drivers of Mature-aged Workers*, 20:20 Series, Hudson Highland Group, Sydney.
- Johnson, B. and Christensen, L. (2004). *Educational Research: Quantitative, Qualitative, and Mixed Approaches, Research Edition, Second Edition* Pearson Education Inc., Boston.

- Masterman-Smith, H. and Chalmers, J. (2006). Where Welfare to Work and WorkChoices meet: findings from research into Low Pay and Part-time work *Jobs Australia 2006 National Conference*. Sydney.
- Miller, S. (2003). Impact of mixed methods design on inference quality. *Handbook of Mixed Methods in Social and Behavioral Research*,. Tashakkori A and Teddlie, C., Ed., Sage, Thousand Oaks.
- NCVER (2006). *Students and courses 2005*, National Centre for Vocational Education Research, Adelaide.
- Northern Territory Council of Social Service (2004). *Creating effective pathways to employment and training for the employment disadvantaged in the Northern Territory*, Charles Darwin University Learning Research Group and Northern Territory Council of Social Service, Darwin.
- OECD (2003). *Society at a glance: OECD social indicators (2002)*, Organisation for Economic Cooperation and Development, Paris.
- OECD (2006a). *Ageing and Employment Policies - "Live Longer, Work Longer"*, Organisation for Economic Cooperation and Development, Paris.
- OECD (2006b). *Sickness, Disability and Work: Breaking the barriers*, Organisation for Economic Cooperation and Development, Paris.
- OECD (2006c). *Skills upgrading: new policy perspectives*, Organisation for Economic Cooperation and Development, Paris.
- Prime Minister of Australia The Hon John Howard MP. (2006, 12 October 2006). "Skills for the Future." Retrieved January 2007, from <http://www.skillsforthefuture.gov.au/about.htm>.
- Senate Employment Workplace Relations and Education References Committee (2003). *Bridging the skills divide*, Senate Printing Unit, Department of the Senate, Parliament House, Canberra.
- Statistics Canada and OECD (2005). *Learning a Living: First Results of the Adult Literacy and Life Skills Survey*, Statistics Canada and Organisation for Economic Cooperation and Development, Ottawa and Paris.
- Tashakkori, A. and Teddlie, C. (1998). *Mixed Methodology: Combining Qualitative and Quantitative Approaches*, Sage, Thousand Oaks, CA.
- Watts, R. (2006). Welfare to work: Reframing the debate. *Jobs Australia Conference*. Sheraton on the Park, Sydney.
- World Health Organisation (2002). *Towards a common language for functioning, disability and health: ICF*, WHO, Geneva.
- Yin, R. (2003a). *Applications of Case Study Research*. Second Edition, Applied Social Research Methods Series, Sage Publications, Thousand Oaks, CA.
- Yin, R. (2003b). *Case Study Research Design And Methods*. Third Edition, Applied Social Research Methods Series, Sage Publications, Thousand Oaks, CA.
- Ziguras, S., Dufty, G. and Considine, M. (2003). *Much Obligated: Disadvantaged job seekers' experiences of the mutual obligation regime*, Brotherhood of St Laurence, St Vincent de Paul Society and University of Melbourne Centre for Public Policy, Fitzroy.