

Inclusive and Sustainable Employment for Jobseekers Experiencing Disadvantage:

Workplace and Employment Barriers

By Dr Fiona Macdonald
Policy Director
The Centre for Future Work at the Australia
Institute

April 2023

About The Australia Institute

The Australia Institute is an independent public policy think tank based in Canberra. It is funded by donations from philanthropic trusts and individuals and commissioned research. Since its launch in 1994, the Institute has carried out highly influential research on a broad range of economic, social and environmental issues.

Our Philosophy

As we begin the 21st century, new dilemmas confront our society and our planet. Unprecedented levels of consumption co-exist with extreme poverty. Through new technology we are more connected than we have ever been, yet civic engagement is declining. Environmental neglect continues despite heightened ecological awareness. A better balance is urgently needed.

The Australia Institute's directors, staff and supporters represent a broad range of views and priorities. What unites us is a belief that through a combination of research and creativity we can promote new solutions and ways of thinking.

Our Purpose – *'Research That Matters'*

The Institute aims to foster informed debate about our culture, our economy and our environment and bring greater accountability to the democratic process. Our goal is to gather, interpret and communicate evidence in order to both diagnose the problems we face and propose new solutions to tackle them.

The Institute is wholly independent and not affiliated with any other organisation. As an Approved Research Institute, donations to its Research Fund are tax deductible for the donor. Anyone wishing to donate can do so via the website at <https://www.tai.org.au> or by calling the Institute on 02 6130 0530. Our secure and user-friendly website allows donors to make either one-off or regular monthly donations and we encourage everyone who can to donate in this way as it assists our research in the most significant manner.

Level 1, Endeavour House, 1 Franklin St
Canberra, ACT 2601
Tel: (02) 61300530
Email: mail@tai.org.au
Website: www.tai.org.au
ISSN: 1836-9014

About the Centre for Future Work

The Centre for Future Work is a research centre, housed within the Australia Institute, to conduct and publish progressive economic research on work, employment, and labour markets. It serves as a unique centre of excellence on the economic issues facing working people: including the future of jobs, wages and income distribution, skills and training, sector and industry policies, globalisation, the role of government, public services, and more. The Centre also develops timely and practical policy proposals to help make the world of work better for working people and their families.

www.futurework.org.au

About the Author

Dr Fiona Macdonald is Policy Director, Industrial and Social at the Centre for Future Work.

The author thanks Sophia Fatouros and Tim Fisher for their helpful guidance in formulating the research proposal and Rebecca Mackinnon and Jim Stanford for their feedback on a draft. However, the report and any errors or omission are the full responsibility of the author.

This report was commissioned by Jobbank. Jobbank is an independent, Victorian-based not-for-profit organisation that works with business and with government, community and non-profit partners to support sustainable, inclusive employment and make social procurement work.

The **Australia**
Institute | Centre for
Research that matters. **FutureWork**

Table of Contents

Overview and Summary of Key Findings	4
Introduction	6
Victoria’s Social Procurement Framework	7
Barriers to Sustainable Employment for Diverse Groups	8
Women and gender equality in employment.....	9
People with disability	10
Aboriginal Victorians	11
Other disadvantaged jobseekers in the Victorian labour market	11
External Barriers: Inadequate Services and Supports.....	12
Employment assistance	12
Income support and work	13
Access to affordable childcare services	14
Employment and Workplace Barriers.....	15
Recruitment and selection practices.....	16
Job characteristics and work environment.....	17
Insecure work and underemployment	18
Lack of flexible and part-time work arrangements	20
Conclusion.....	21
References	23

Overview and Summary of Key Findings

In the context of government procurement policies that place requirements on suppliers to employ workers from disadvantaged cohorts, it is timely to consider demand-side strategies for achieving inclusive and sustainable employment. This report contributes to this effort by documenting employment and workplace-related barriers for jobseekers in groups targeted in the Victorian Government's Social Procurement Framework. It draws on recent Australian and international literature to identify some of the most important of those barriers.

This report identifies critical employment and workplace-related factors that act as barriers to sustainable employment outcomes for workers from groups in the community who have been identified as experiencing labour market disadvantage. It considers employer knowledge, employment practices, work organisation and employment arrangements in the context of other individual and external systemic and structural barriers to sustainable and inclusive employment.

A key finding of the literature review is that *sustainable* employment outcomes for disadvantaged jobseekers can be highly dependent on workplace and employment-related factors. A focus on sustainable employment requires looking beyond job availability and employment placement to consider workplace factors that affect people's opportunities for and likelihood of retaining work.

How work is organised, how jobs are designed, job quality, equity and opportunities for decision-making in the workplace all matter for sustainable employment outcomes for people in disadvantaged jobseeker cohorts. Sustainable employment outcomes can also be dependent on the inclusiveness of workplaces and on opportunities employees have to acquire skills at work.

There is a strong emphasis on supply-side barriers to employment in the relevant literature and in the design of employment assistance programs, along with a parallel emphasis on job placement. However, supporting people to develop relevant skills, be job-ready and matching them to job vacancies may not produce sustainable employment outcomes. Getting people into work is not enough to ensure they can stay in work.

Employment and workplace-related barriers to sustainable employment identified in the review include: recruitment and selection practices; insecure work and

underemployment; poor job quality, poor working conditions, and non-inclusive workplace environments; and lack of access to flexible work arrangements.

Victoria's *Fair Jobs Code* standards provide a strong foundation for employment that is sustainable and inclusive. Assisting employers, unions and community groups to work collaboratively on workplace priorities and strategies to meet the *Fair Jobs Code* standards is a clear starting point for addressing workplace and employment barriers for disadvantaged jobseekers. Building on the findings presented in this report, further research and work with these groups should also identify specific targeted actions and include development of guidance and practice resources for workplace strategies and policies.

Introduction

Employment assistance is often strongly focused on the supply-side of the labour market. Yet, frequently, for people experiencing labour market disadvantage, employment assistance and job placement do not lead to longer-term employment pathways and outcomes.

In much of the employment program evaluation literature outcome measures of employment assistance interventions are often limited to job placement, with less attention paid to the sustainability of employment outcomes. The literature provides little insight into the ways in which the employment environment and employer and workplace practices might affect longer-term employment outcomes. However, it is clear that, while placement in employment can provide benefits and improve wellbeing, including through increasing income, providing routine and increasing social contact, it is also clear that *poor* employment experiences in bad jobs can have cumulative negative effects.

This report documents barriers to inclusive and sustainable employment for disadvantaged Victorians, focusing on demand-side employment and workplace-related barriers. It adopts an understanding of inclusive and sustainable employment as employment that supports ongoing economic participation and decent work in environments where diversity and people's unique perspectives and skills are recognised and valued. The report draws on findings of recent Australian and international peer-reviewed and other publicly available literature, including recent government and other public inquiries into barriers to employment.

Workplace and job/employment barriers for disadvantaged jobseekers interact with and need to be considered in the context of the individual and external systemic barriers faced by jobseekers. To provide this context, following an introduction to the relevant Victorian policies, the report commences with an overview of common barriers to sustainable employment for jobseekers experiencing labour market disadvantage. It then summarises recent research findings relating to systemic and individual barriers for people in jobseeker cohorts identified in Victorian social procurement and employment policies.

Following this are brief discussions of external barriers associated with employment assistance, income support payments and access to childcare. Employment assistance services, income support and childcare assistance can be very important for transitions to employment and for sustaining work. However, aspects of these systems can also

create barriers to sustainable employment outcomes. They can impact on jobseekers in ways that influence the employment options available to them. In addition, they can interact with particular work and employment opportunities to affect the likelihood of jobs being beneficial for individuals and/or the chances of employment being maintained.

The main section of the report presents an overview of findings identified in the literature concerning external employment and work-related barriers for priority groups of jobseekers. Employment and workplace barriers identified include: recruitment and selection practices, insecure work and underemployment; job quality, job characteristics and the workplace environment; and access to flexible work arrangements. The report concludes with some brief comments on the potential for addressing employment and workplace barriers to support better employment outcomes.

VICTORIA'S SOCIAL PROCUREMENT FRAMEWORK

The Victorian *Social Procurement Framework* identifies employment and job-readiness outcomes for various population groups as desired outcomes to create opportunities for people in these groups. Specific employment outcomes sought are gender equality and the employment of Aboriginal people and people with disability by organisations supplying goods and services to the Government.¹ The Government has also identified Aboriginal Victorians, people with disability, long-term unemployed people, women, disengaged young people, sole parents, migrants, refugees and asylum seekers, workers in transition and people in regions with entrenched disadvantage as priority groups for assistance in finding and keeping employment (Victorian Government 2018).

The Victorian Government is also committed to promoting 'fair, safe, secure, cooperative and inclusive' workplaces. Reflecting this commitment, the *Victorian Fair Jobs Code* promotes fair labour standards, secure employment and job security, equity and diversity, and cooperative workplace relationships and workers' representation among businesses tendering for large or significant government procurement contracts and applicants for significant business grants.

¹ Other employment outcomes—including employment of Aboriginal Victorians and fair treatment of workers—rely on purchasing from social enterprises, Australian Disability Enterprises, Aboriginal businesses, and purchasers that comply with IR laws and promote secure employment (Victorian Government 2018).

Barriers to Sustainable Employment for Diverse Groups

Individual, employment-related and structural and systemic barriers to sustainable employment interact and often multiply the disadvantages experienced by people seeking work. Experiences are diverse and each person seeking work has unique circumstances and faces different challenges. However, some challenges are common among people in particular population cohorts who are vulnerable to unemployment or exclusion from the labour market.

External structural and systemic barriers to sustainable employment interact and overlap with individual and personal barriers, and with workplace and employment barriers. People from disadvantaged groups often face multiple barriers to gaining and staying in work. For example, a person with a chronic illness that limits their ability to work has a personal barrier to employment. That person could also experience structural or systemic barriers such as lack of available, accessible health care and lack of demand in the local labour market. Workplace and employment factors such as discriminatory practices, job design or inflexible work arrangements could also present barriers.

In Australia, barriers to employment for people who are long-term unemployed or with weak labour market attachment commonly include having relatively little work experience, low skills and/or health limitations, and a scarcity of job opportunities (OECD 2017). Unemployment itself creates barriers such as financial hardship or poverty—due to low levels of income support payments—that limit access to opportunities and resources that can improve employment prospects, as well as having significant effects on physical and mental wellbeing. Unemployment commonly leads to loss of confidence and self-esteem. These and other circumstances, such as lack of experience, can also make it difficult for people to manage new or difficult situations (Victorian Government 2020).

Key findings in relation to barriers for priority groups in Victoria are outlined below in separate sections relating to women and gender equality in employment, people with disability, Aboriginal Victorians, and other groups experiencing labour market disadvantage (including recent migrants).

WOMEN AND GENDER EQUALITY IN EMPLOYMENT

In general, women experience more barriers to participating in the labour market than men. For example, on average, it takes young women longer to gain employment than young men, even when women have more hours of work experience or more relevant skills (Foundation for Young Australians 2018, p. 28). Historically, discrimination and gender-coding of some jobs as masculine or more suitable for men have been barriers to women's employment. They remain barriers for women to gaining entry and sustaining work in some male-dominated occupations. There is a very high level of gender segregation in the Australian labour force and women are over-represented in part-time employment and in casual employment (Littleton and Jericho 2023), especially when they are in their early career and prime working-age years. There are large gender gaps in both labour force participation and employment during the prime child-rearing ages. Among parents with dependent children under four years of age the unemployment rate for mothers is almost double that for fathers (4.5% compared with 2.8% in June 2021). Overall, women are also more likely to be underemployed than men (7.2% compared with 5.1% in June 2022).²

In addition to caring for children, women provide most of the unpaid care for people with disability and older people requiring care. Seven in ten (71.8%) primary carers for older people and people with disability are women, and women are two and a half times more likely to be primary carers than men (ABS 2018). As women provide most unpaid care in families they are far more likely than men to move in and out of employment multiple times during their working lives, placing them at a disadvantage in relation to work experience, skills development and career opportunities.

Caring responsibilities for children, older family members and family members with disability often limit jobseekers' ability to find and retain suitable work. Barriers to employment cited by carers include: lack/cost of alternative available care, disruption to the person being cared for, loss of skills and lack of suitable hours of work (ACTU 2020).

In the context of considering how to support women's equal participation in employment, caring responsibilities can be portrayed and treated as individual barriers to employment. However, sustainable employment outcomes for working carers require income support and employment assistance programs as well as employment and workplace arrangements that support work *and* care. The persistence of gender inequality in employment and in lifetime incomes arises, in large part, from social norms and structural arrangements that maintain family and employment models that

² Multiple sources including: ABS 2020a, 2021b, 2022a, 2022b, Pennington and Stanford. 2020.

do not provide strong incentives for equal care and equal participation in employment by men and women.

Single parents face particular barriers to gaining and keeping employment due to needing to manage work and care. The vast majority (82.8%) of single parent families with children and other dependents are headed by women, and they are much less likely to be in employment (61.3%) than men in single parent families with children and dependents (75.8%) (ABS 2021b).

Experience of family violence is a systemic problem which can be a significant personal and employment barrier for some women. It can lead to a disrupted work history and increase the likelihood of women's work experience being confined to casual roles. It can also lead to ill-health and loss of self-esteem. Workplaces can be sites for the perpetuation of family and domestic violence, but they can also be important sites for women to gain support and security (Victorian Government 2020).

PEOPLE WITH DISABILITY

The unemployment rate for people with disability is twice as high as the unemployment rate for people without disability. This is despite the fact that the vast majority of unemployed people with disability (82%) do not require additional support from their employer to work and most (82%) do not need to take time off work because of their disability (AIHW 2020, p. 283).

Unemployed people with disability experience discrimination more than twice as often as employed people with disability, with 24 per cent of unemployed people reporting experiencing discrimination in the previous year (AIHW 2020, p. 138). Discrimination is a significant ongoing and systemic barrier to employment. At the workplace level barriers that lead to the exclusion of people with disability from employment are often present from the recruitment stage, when biased negative assumptions about capability, inaccessible processes and other factors prevent people from gaining access to work.

Other barriers to employment reported by people with disability include lack of work experience, lack of availability of accessible transport, lack of assistance in finding, securing and maintaining employment, difficulty in accessing skills training and education and potential loss of income support (AHRC 2016). Disability itself can be a barrier for some people where this limits capacity to work.

ABORIGINAL VICTORIANS

In 2018-19, fewer than half (49.1 per cent) of working-age Indigenous Australians were in employment, compared to three quarters (75.9%) of non-Indigenous Australians (Australian Government 2020, p. 66). Unemployment is associated with poorer mental health which in turn can be associated with intergenerational disadvantage and racism (Victorian Government 2020). Unemployment is also associated with low levels of social capital and civic engagement (Hunter 2000). Aboriginal and Torres Strait Islander people are also more disadvantaged than other Australians on a range of socioeconomic measures (Qian et al. 2019).

Barriers to sustainable employment for Aboriginal people include norms and expectations in services and in employment ‘that generally don’t acknowledge or accommodate the cultural norms of Indigenous Australians’ (Qian et al. 2019, p. 15). These factors can be barriers to both gaining and retaining employment. Indigenous jobseekers have been found to be more likely to have successful employment outcomes where training and employment services are provided in environments where their culture is acknowledged and incorporated. Poor cultural awareness in workplaces can be a barrier to retaining employment. For example, in Victoria, lack of workplace recognition of the extended family and cultural responsibilities that older Aboriginal people in particular have, has been identified as a significant barrier to employee retention (Victorian Government 2020).

OTHER DISADVANTAGED JOBSEEKERS IN THE VICTORIAN LABOUR MARKET

Priority groups identified for employment support in Victoria also include long-term unemployed people, disengaged young people, sole parents, migrants, refugees and asylum seekers, workers in transition and people in regions with entrenched disadvantage (Victorian Government 2018). Jobseekers in these groups also often face barriers that include limited work history and poor access to opportunities for the skills development, education and experience that employers want.

Newly arrived migrants and refugees and people seeking asylum can face barriers to gaining and maintaining employment that include unfamiliarity with Australian systems, difficulty translating their skills and qualifications into the local context, poor English language skills, weaker professional networks, unfamiliarity with work cultures and norms and ongoing effects of trauma (Barraket 2014, Kong et al. 2018, Qian et al. 2019).

External Barriers: Inadequate Services and Supports

External structural and systemic barriers to sustainable employment include flaws and inadequacies in the design and operation of services and programs that are intended to support people. The barriers identified in this section all influence and/or interact with external employment and workplace barriers to support or diminish chances for sustainable employment outcomes.

Income support, childcare and employment services are critical supports for people looking for work, gaining work and retaining employment. However, they may also contribute to barriers to inclusive and sustainable employment. Employment assistance that focuses on placement as an outcome, insecurity of income due to difficulty maintaining income support in transitions to work and when wages are uncertain, and lack of affordable childcare all operate to reduce the chances of workers from disadvantaged communities achieving sustainable employment outcomes.

Addressing these barriers is likely to require significant policy change at the federal level. However, immediate steps can be taken to ensure advocacy and support for jobseekers and for sustainable employment outcomes give attention to these issues and barriers.

EMPLOYMENT ASSISTANCE

Employment services have been found to be most effective when the specific needs of disadvantaged job seekers are treated as central, and when supports and activities are tailored to the person's individual circumstances. Approaches should be holistic and include direct links to training and other support services (NESA 2019). The person must have agency in the development of plans for work that:

... focus on pathways that enable the person to achieve their aspiration, adopt a holistic approach identifying vocational and non-vocational factors influencing employment prospects, and are informed by labour market conditions and opportunities. In monitoring implementation of return to work plans, the emphasis is on working in partnership with disadvantaged job seekers ... (NESA 2019, p. 11)

Australia has adopted a strong work-first approach to employment which gives priority to initial employment placement and can fail to reflect these aspirations for employment assistance. While a work-first approach has been shown to be effective in the short term, it can see some jobseekers 'set up for failure' (NESA 2019, p. 12).

A strong focus on employment placement as an outcome of assistance services, as well as onerous job search requirements attached to income support payments, can see people placed in low-skilled, short-term jobs that interrupt efforts to gain skills and experience that support viable careers. Lack of job-readiness and training are some issues that may not receive adequate attention. In addition, placement of people in inappropriate jobs and lack of post-placement support can undermine jobseekers' chances of staying in work.

Post-placement support has been seen to be equally as important as placement for many disadvantaged jobseekers as it can play a critical role in assisting disadvantaged jobseekers to remain in employment (NESA 2019). Flexible and sustained support can assist disadvantaged workers who face continued challenges from personal or other issues to stay in employment. Post-placement support can help new employees adapt to job and workplace requirements (AHRC 2016, Hussein and Bloom 2015). There is considerable evidence that sustained post-placement support is needed for young people and some people with disability, with lack of this support identified as a major barrier to employment success (Gmtroski et al 2018).

Skill development beyond placement can assist disadvantaged job seekers meet employers' expectations and reduce the likelihood of job loss (NESA 2019). Mentoring and other tailored supports, including equipment and adjustments for individual workers, are also important. However, as noted in the later sections of this report, post-placement support cannot address all external workplace and employment barriers to sustainable employment outcomes.

INCOME SUPPORT AND WORK

Transitions from income support payments to wages, and reliance on combinations of income support payments and wages, can lead to financial hardship, deterring jobseekers (including those with dependents) from gaining employment. This is especially the case where work is casual or otherwise insecure, with variable working hours that cause wages to be insecure and unpredictable.

Uncertainty of income in the longer-term is one issue, but for many jobseekers starting work, insecurity of income may be a problem from each week to the next. The complexity of the income support system and difficulty of re-accessing payments once

going off them, as well as the fear and risk of overpayments, contribute to these problems. For some groups, including single parents and others with dependents, potential loss of a Health Care Card providing concessions for medicines is also a significant issue (Hill 2022).

ACCESS TO AFFORDABLE CHILDCARE SERVICES

Access to affordable childcare services is critical for women's participation in the workforce. Australia has one of the most expensive childcare systems globally, with services unaffordable for almost 40 per cent of families (Gromada and Richardson 2021, Grudnoff 2022, Noble and Hurley 2021, p. 3). Availability of childcare services is poorest in lower socio-economic areas. Centre-based child care is only available during weekday day time hours (i.e. 6 am - 6 pm) which makes it unsuitable for women who work outside those hours.

The current structure of child care subsidies—the primary mechanism by which the federal government assists families with the costs of childcare—creates disincentives for equal workforce participation by women as child care expenses can account for a large part of a mother's wage. If a woman works full-time and is the lower-paid partner in a two-earner family the family is likely to be worse off than if she worked part-time, due to the higher costs the family will have to pay for formal childcare. This disincentive to work also exists for sole parents (Stewart 2018).

The childcare subsidy activity test aims to encourage participation in the workforce. However, it can have the opposite effect by creating significant uncertainty for parents in casual employment due to the ongoing risk that they will fail to meet the activity test, thus generating overpayment debts.

Employment and Workplace Barriers

A vast body of academic and other research, policy and program evaluation literature on barriers to employment for disadvantaged jobseekers has focused on identifying and addressing individual personal and vocational factors, and their association with employment outcomes. Demand-side factors are often recognised as creating barriers to employment. However, less attention is paid to the nature of jobs, the employment environment and workplace demands, and to how these factors and the broader organisation of work can present barriers to gaining and retaining employment for people experiencing disadvantage.

As an example, one ‘comprehensive’ employment model for low-income mothers includes individual, family and community as employment factors for women with young children, including support for childcare. However, the model does not include any work-related factors that could impact on women’s ability to manage work while also parenting young children (Urban and Olsen 2005). This is despite the existence of a very large body of knowledge documenting the ways in which work cultures, working time, job design, flexibility policies and employment contracts are important in determining women’s employment experience.

Employment has many benefits for people and, generally, has been shown to impact positively on individuals’ health and wellbeing (Victorian Government 2020). However, the benefits of employment are neither uniform nor guaranteed and are affected by external, in-work and personal factors. Having any job is not always better than having no job (Qian et al. 2019).

This section focuses on workplace and employment-related barriers in the context of some of the common individual, personal and other barriers experienced by disadvantaged jobseekers that were outlined in the earlier sections of the report. This discussion indicates the interconnectedness of barriers and draws attention to the importance of taking external demand-side employment and workplace-based barriers into account to address barriers to sustainable employment for jobseekers experiencing labour market disadvantage.

Various job-related factors are associated with high turnover and with exit from jobs, including for people who are vulnerable to disadvantage. Characteristics of some jobs have negative impacts on health and wellbeing. Work environment, job quality, job

characteristics and other factors (including low pay, overwork and feeling undervalued) can affect employment outcomes, including whether someone stays in their job. Conversely, personal choice, sense of control and self-direction, and being valued in one's employment situation can support retention in employment (Qian et al. 2019).

Employers who are interested in providing *sustainable* employment for jobseekers experiencing disadvantage may have difficulty doing so due to particular job requirements. However, barriers to inclusive and sustainable employment also arise from employers' choices and decisions and/or lack of knowledge, awareness and skills to develop positive, inclusive workplaces and good jobs or to implement retention strategies. Employment barriers can be reinforced as a result of unconscious bias, discrimination, non-inclusive recruitment practices or non-participative workplaces. The discussion that follows draws out the main findings of the literature review in relation to specific workplace and employment barriers.

Recruitment and selection practices can be powerful barriers to inclusion. Some forms of employment and types of employment contracts also present significant problems for the goal of sustainable and inclusive employment. Insecure work and short hours' part-time jobs in which people are underemployed and/or working time and earnings are unpredictable are one example. Other significant barriers discussed are poor quality jobs and non-inclusive work environments and lack of flexible work arrangements.

RECRUITMENT AND SELECTION PRACTICES

The experience of job seeking unsuccessfully in a competitive labour market where job seekers are unable to source vacancies at all or, in their line of work, or face repeated rejection ... is discouraging, is demoralising, and leads to disengagement from the labour market.
(NESA 2019, p. 6)

Common recruitment practices can exclude disadvantaged jobseekers, potentially deepening disadvantage. Advertising practices and the use of automated decision-making in recruitment are examples of aspects of recruitment and selection of employees that can create barriers.

Job advertisements can exclude many jobseekers by including unnecessary, broad or vague selection criteria. Recruitment and selection processes may not be able to be accessed by some people. For example, some web-based processes can exclude people with disability and others with limited access to digital technologies. The use of

automated systems that use computer algorithms to produce shortlists of candidates can increase efficiency in recruitment, but can also lead to unfair treatment and discrimination, including through reproducing existing biases and previous unequal treatment of particular groups based on age, gender, ethnicity, disability, health and other characteristics (Köchling and Wehner 2020).

JOB CHARACTERISTICS AND WORK ENVIRONMENT

There are a variety of factors related to characteristics of jobs and workplaces that are associated with decreased likelihood of a person staying in work. Some factors have been found to affect employees in general, while other factors are likely to affect particular groups of employees. While job satisfaction is likely to be higher in workplaces that value and foster employee engagement and wellbeing, conversely, people who work in bad jobs with poor working conditions experience higher risk of health problems and job dissatisfaction and are more likely to leave work (Kubicek et al 2010).

Research in Australia and elsewhere has found that, in general, workers in low-skilled occupations and in low-quality jobs are more likely to leave their jobs. Aspects of job quality found to be associated with increased likelihood of leaving work and with absence from work due to sickness are: having low control over work, having little opportunity for decision-making, unfair pay, high job demands and insecurity. For women and people with disability, an additional factor associated with intention to leave work and with taking more sick leave is low support from managers or supervisors (Milner et al. 2018, Stansfeld et al. 2018).

For people with disability the likelihood of leaving work or being absent due to sickness is affected by the same work-related factors as those affecting people without disability. Research also suggests that people with disability are disproportionately likely to have poorer quality working experiences and that having a disability affects the likelihood of leaving employment, above any health effects (Milner et al. 2018). It is possible that people with disability are more exposed to stressors such as discrimination and bullying in workplace settings, leading to greater sickness absence and likelihood of leaving work (Milner et al. 2020). Supportive supervision has been found to be very important for some people with disability commencing work (Kubicek et al 2020, Milner et al. 2020).

Barriers to retention of Aboriginal and Torres Strait employees have been identified as including discrimination and racism, lack of recognition of skills and knowledge, non-inclusive work environments, high workloads, poorly documented/understood roles

and responsibilities, low pay and unfair pay (Biddle et al. 2016, Lai et al. 2018). Non-inclusive work environments in which there is a lack of cultural awareness and sensitivity and in which Aboriginal people experience a lack of cultural safety, are a particular barrier to retention (Deroy and Schütze 2019). The experience of racism at work is common. Appropriate support and remuneration and ensuring role clarity have been found to be important to support the retention of Aboriginal workers in the health industry (Lai et al 2018).

Another barrier appears to be absence of employer action on Indigenous employment. A recent survey of 42 large employers—organisations with very poor representation of Indigenous employees—found a third did not provide any Indigenous-specific development programs and only half collected data on the retention of Indigenous employees (BCEC and Murawin 2022).

There is a growing body of resources and support available to assist employers create more inclusive workplaces. One way of seeing the task has emphasised moving away from ‘an ideal worker’ model that assumes all employees are typically male, available all the time, have unbroken career records and no caring responsibilities. While strategies for achieving this shift will vary, some starting points include ensuring recruitment processes encourage diversity, working with the expectations of employees and introducing diversity through traineeships or structured work experience programs. Cultural and disability awareness training for all employees, including in induction courses, is important (AHRC 2020). Addressing general workplace culture issues may be critical to addressing racism and discrimination (Biddle et al. 2016).

INSECURE WORK AND UNDEREMPLOYMENT

Insecure, casual and temporary jobs that offer only episodic or short-term work can expose disadvantaged workers to financial hardship, especially since many of these jobs are low paid (Public Sector Research Group 2018). Casual employment is commonplace in Australia, especially in lower-paid jobs. Almost one in four (23%) employees is in a casual job (ABS 2021a). Casual jobs are without paid leave, mostly without certainty of ongoing work and often without security of hours and income from week-to-week. Average casual pay rates are much lower than for equivalent permanent part-time and full-time jobs, despite casual loadings (Pennington 2021).

Nearly one-fifth of young people working full-time hours (35 hours or more a week) are in casual jobs. Often they hold multiple jobs, although this may not be their preference. Lack of job security and benefits (such as paid leave) impact negatively on

psychological wellbeing (Foundation for Young Australians, 2018). Compared with other workers, people with disability are much more likely to experience greater job insecurity than those without disability (Milner et al. 2018).

Casual employment is more common among female than male employees and is highest among young people and among women aged to 34 years (ABS 2020b ,2021a). The challenges of combining work and care contribute to women's over-representation in casual employment as over half of part-time jobs are casual. Women are twice as likely to be in part-time employment than men (43.2% compared with 18.5%) and are more likely than men to be underemployed (ABS 2022a).

Casual work is sometimes considered as offering flexibility for parents and carers who need flexible carer-friendly employment to be able to stay in work. Some people with disability who need flexibility also seek to gain this through casual employment (AHRC 2016). However, many casual jobs do not offer employees much or any flexibility, including in retail, hospitality and care sectors where casual work is prevalent. Rather, many casual and part-time employees in these industries report they have very little control over their work hours. It is not uncommon for employees to report feeling obligated to work 'on-demand' to keep their jobs and/or earn an adequate income (Cortis et al. 2021, Macdonald et al 2018). Without paid leave entitlements, casual employees are vulnerable to income and job loss when they need to take time off, including due to illness or other health requirements, or to care for others or meet cultural responsibilities.

Underemployment is not uncommon in casual jobs, especially for women. It can contribute to insecurity and uncertainty for people experiencing disadvantage. Underemployed workers are in jobs in which they work less hours than they want. Underemployment can also entail people working in jobs that do not match their skills, expectations or experience. Women are more likely than men to be underemployed, with fewer hours than desired (7.1% compared with 4.9%) (ABS 2022b). Women returning to work after bearing children are also more likely than others to be underemployed in relation to their skills and experience, including as returning to part-time work can mean returning to a lower-skilled job (ABS 2022a).

Underemployment in relation to hours or to skills and experience is also more prevalent among people with disability than it is among the total workforce and it has been found to be 'particularly damaging for the mental health and wellbeing' of people with disability (Milner et al. 2017, p. 1198). Among young people, underemployment has been found to be associated with depression and chronic disease (Foundation for Young Australians 2018).

LACK OF FLEXIBLE AND PART-TIME WORK ARRANGEMENTS

Flexible work arrangements can be very important for retention, with some people experiencing disadvantage particularly likely to rely on flexible work arrangements to stay in work. Parents of young children, especially single parents and others with significant care responsibilities, often require flexible arrangements on an ongoing basis to manage their care and work roles. Other workers may also require flexible arrangements, including to manage health or to meet cultural responsibilities.

Lack of flexible work arrangements can lead to underemployment as people settle for insecure casual jobs with fewer hours than they need so as to manage care or cultural responsibilities, health or disability. Employees without flexible arrangements may use all their leave entitlements, including annual leave, which can lead to people leaving work altogether. Fear of discrimination or poor performance assessment prevents some employees from requesting flexible work arrangements and, in the case of some people with disability, from requesting workplace adjustments (AHRC 2016, Baxter and Kelly 2016). In some workplaces flexible work arrangements, while ostensibly available, are difficult to access due to individual managers' attitudes, complex application processes, or full-time Monday-to-Friday 9-to-5 cultures that deter employees from requesting flexible arrangements or part-time hours. These barriers may be more significant for disadvantaged workers (Victorian Government 2020).

Conclusion

This report has focused on external workplace and employment-related barriers to sustainable employment outcomes for disadvantaged jobseekers. Key findings of the literature review are that job quality, working arrangements, inclusivity and opportunity for participation at work all matter for sustainable employment. Emphasis on employment placement alone is not likely to produce sustainable employment outcomes. Action is required to tackle barriers present in workplaces and in employment arrangements.

Employment can provide people with benefits that improve wellbeing in various ways, including through increasing income, providing routine and increasing social contact. However, where job quality, pay and working conditions are poor, employment can also have cumulative negative effects. Placing disadvantaged jobseekers in jobs in which they are insecure, underemployed, or cannot establish daily routines, or placing them in workplaces in which they experience poor or discriminatory treatment and disempowerment, are not likely to produce sustainable employment outcomes or create social value.

Contemporary thought on good practice in employment assistance emphasises the importance of demand-led approaches to assisting disadvantaged job seekers (BSL 2019). A demand-led approach entails working in partnership with employers to build effective support for disadvantaged jobseekers that can lead to sustainable employment outcomes that meet employers' needs.

Victoria's Social Procurement Framework and *Fair Jobs Code* contain principles and standards that provide a strong foundation for engagement with employers to develop sustainable and inclusive employment. Advocacy and engagement with employers and unions on workplace strategies and policies for meeting these standards could include consultation and support to develop guidance and practice resources for achieving good employment outcomes for disadvantaged job seekers. This should include guidance and resources addressing the *Fair Jobs Code* standards: 'promote secure employment and job security', 'foster cooperative and constructive relationships between employers, employees and their representatives' and 'foster workplace equity and diversity' (Victorian Government 2022, Fair Jobs Code webpage).

Some workplace and employment barriers for disadvantaged jobseekers may be more readily addressed than others. For example, there is currently some momentum for change to support greater employee-friendly flexibility in work arrangements. Recent

strengthening of employee rights to flexible work (DEWR 2022) provides an opportunity for awareness raising and training to support greater availability of flexible work arrangements that meet the needs of diverse groups of employees. Following the long COVID lockdowns in 2020 and 2021 many employers and employees have found ways to adapt to remote work. Many are better prepared and willing to consider how job redesign and work requirements can incorporate greater flexibility in work arrangements for all employees (WGEA 2021). Leave policies and provisions in enterprise agreements can be designed to suit specific workplace and employee circumstances and needs. Arrangements such as cultural leave can support Aboriginal employees who may have obligations to meet cultural responsibilities.

Organisations such as Jobbank that work with businesses to meet social procurement goals are ideally placed to facilitate and support collaborations between employers, unions and community representatives to identify priorities and develop workplace strategies. Further research and work with these groups could also include development of guidance and resources for workplace practice and policies to address the employment and workplace barriers faced by disadvantaged jobseekers that are identified in this report.

References

Australian Bureau of Statistics (ABS). 2018. *Disability, Ageing and Carers, Australia*. Canberra: ABS.

ABS. 2019. *National Aboriginal and Torres Strait Islander Health, Australia, 2018–19* (NATSIH). Canberra: ABS.

ABS. 2020a. *Barriers and incentives to Labour Force Participation, Australia*. Canberra:

ABS. 2020b. *Gender indicators*, Canberra: ABS.

ABS. 2021a. *Characteristics of Employment, Australia, August*. Canberra: ABS.
<https://www.abs.gov.au/statistics/labour/earnings-and-working-conditions/working-arrangements/latest-release>.

ABS. 2021b. *Labour Force Status of Families, June 2021*, Canberra: ABS.

ABS. 2022a. *Gender Indicators 2022*. Canberra: ABS.
<https://www.abs.gov.au/statistics/people/people-and-communities/gender-indicators>.

ABS. 2022b. *Labour Force Australia, June 2022*, Canberra: ABS.
<https://www.abs.gov.au/statistics/labour/employment-and-unemployment/labour-force-australia/jun-2022#underemployment>.

Australian Council of Trade unions (ACTU). 2009. *Social Inclusion and Workforce Participation Policy*. Melbourne: ACTU.

Australian Government. 2020. *Closing the Gap Report*. Canberra: National Indigenous Australians Agency.

ACTU 2020. *Leaving Women Behind: The Real Cost of the COVID Recovery*. Melbourne: ACTU.

Australian Human Rights Commission (AHRC) 2016. *National Inquiry into Employment Discrimination Against Older Australians and Australians with Disability*. Sydney: AHRC.

Australian Institute of Health and Welfare (AIHW). 2020. *People with disability in Australia, 2020*. Canberra: AIHW.

Bankwest Curtin Economics Centre (BCEC) and Murawin. (2022). Woort Koorliny Australian Indigenous Employment Index 2022, Broadway Nedlands: Mindaroo Foundation

Barraket, J. 2014. Fostering the wellbeing of immigrants and refugees? Evaluating the outcomes of work integration social enterprise. In S. Denny and & F. Seddon (eds.), *Social Enterprise: Accountability and Evaluation Around the World*. pp. 118-135. Abindon, Oxon: Routledge.

Baxter, J. and Hand, K. 2016 Flexible child care: key findings from the AIFS evaluation of the Child Care Flexibility Trials, Australian Institute of Family Studies, Melbourne.

Biddle, N., Hunter, B., Yap, M. and Gray, M. 2016. Eight ways we can improve Indigenous employment. *The Conversation*, 6 June.
<https://theconversation.com/eight-ways-we-can-improve-indigenous-employment-60377>.

Brotherhood of St Laurence (BSL). 2019. The social & economic benefits of sustainable work for jobseekers experiencing disadvantage. *Submission to the Economy & Infrastructure Committee of the Victorian Parliament*. Fitzroy: BSL.

Cortis, N., Blaxland, M. and Charlesworth, S. 2021. *Challenges of Work, Family and Care for Australia's Retail, Online Retail, Warehousing and Fastfood Workers*. Sydney: Social Policy Research Centre, UNSW.

Deroy, S., & Schütze, H. 2019. Factors supporting retention of aboriginal health and wellbeing staff in Aboriginal health services: a comprehensive review of the literature. *International Journal for Equity in Health*, 18(1), 1-11.

DEWR 2022. Legislation to improve Australia's workplace relations system has received royal assent from the Governor-General. DEWR. <https://www.dewr.gov.au/secure-jobs-better-pay>.

Foundation for Young Australians. 2018. *The New Work Reality*. Melbourne: Foundation for Young Australians.

Gromada, A. and Richardson, D. 2021. *Where do Rich Countries Stand on Childcare?* Florence: UNICEF Office of Research-Innocenti.

Grudnoff, M. 2022. The economic benefits of high-quality universal early child education. Canberra: Centre for Future Work, Australia Institute.

Gühne, U., Pabst, A. and Kösters, M. et al. 2022. Predictors of competitive employment in individuals with severe mental illness: Results from an observational, cross-sectional study in Germany. *Journal of Occupational Medicine and Toxicology* 17(3): 1-11.

Hill, J. 2022. Speech to National Employment Services Association CEO Forum, 4th October. https://www.julianhillimp.com/NESA-CEO-Forum_04102022.html.

Hunter, B.H. 2000. Social exclusion, social capital, and Indigenous Australians: measuring the social costs of unemployment. Centre for Aboriginal Economic Policy Research, Australian National University (ANU), *Discussion Paper No.204*. Canberra: ANU.

Kensbock J.M., Boehm S.A., Bourovoi K. 2017. Is there a downside of job accommodations? An employee perspective on individual change processes. *Frontiers in Psychology*. 8:1536.

Köchling, Alina, and Marius Claus Wehner. "Discriminated by an algorithm: a systematic review of discrimination and fairness by algorithmic decision-making in the context of HR recruitment and HR development." *Business Research* 13, no. 3 (2020): 795-848.

Kong, E., Bishop, S. and Iles, E. 2018. Social enterprise and CALD refugee settlement experience. In E.N Shé, L.J. Burton and P.A. Danaher (eds.), *Social Capital and Enterprise in the Modern State* (pp. 203-225). Cham, Switz: Palgrave Macmillan.

Kubicek, B., Korunka, C., Hoonakker, P. and Raymo, J.M. 2010. Work and family characteristics as predictors of early retirement in married men and women. *Research on Aging*. 32(4): 467–498.

Lai, G. C., Taylor, E. V., Haigh, M. M. and Thompson, S. C. 2018 Factors affecting the retention of Indigenous Australians in the health workforce: A systematic review *International Journal of Environmental Research and Public Health*, 15(5), 914-36.

Littleton, E. and Jericho, G. 2023. The Times They Aren't A-Changin (enough). Centre for Future Work, Australia Institute

Macdonald, F., Bentham, E. and Malone, J. 2018. Wage theft, underpayment and unpaid work in marketised social care. *Economic and Labour Relations Review*, 29(1): 80-96.

McQuaid, R.W. and Lindsay C. 2005. The concept of employability. *Urban Studies* 42(2): 197–219.

Milner, A., Aitken, Z., Byars, S., Butterworth, P. and Kavanagh, A. 2020, Do gender and psychosocial job stressors modify the relationship between disability and sickness absence: An investigation using 12 waves of a longitudinal cohort. *Scandinavian Journal of Work, Environment & Health* 46(3): 302-310.

Milner, A., King, T.L., LaMontagne, A. Aitken, Z., Petrie, D. and Kavanagh, A. 2017. Underemployment and its impacts on mental health among those with disabilities: evidence from the HILDA cohort. *Journal of Epidemiology and Community Health* 71(12): 1198-1202.

Milner, A., Taouk, Y., Disney, G., Aitken, Z., Rachele, J. and Kavanagh, A. 2018. Employment predictors of exit from work among workers with disabilities: A survival analysis from the household income labour dynamics in Australia survey. *PLoS one* 13(12), e0208334.

National Employment Services Association (NESA) 2019. NESA's response to the Victorian Government Inquiry into Sustainable Employment. South Melbourne: NESA.

Noble, K., & Hurley, P. 2021. Counting the cost to families: assessing childcare affordability in Australia. Melbourne: Mitchell Institute, Victoria University.

OECD. (2017). *Multiple barriers to employment: the facets of joblessness in Australia. Connecting people with jobs: key issues for raising labour market participation in Australia*. Paris: OECD Publishing.

Pennington, A. 2021. *Women's Casual Job Surge Widens Gender Pay Gap*. Canberra: Centre for Future Work, Australia Institute.

Pennington, A & Stanford, J. 2020. *Gender Equality in Australia's Labour Market: A Factbook*, Canberra: Centre for Future Work, Australia Institute.

Qian, J., Riseley, E. and Barraket, J. (2019). Do employment-focused social enterprises provide a pathway out of disadvantage? An evidence review. Hawthorn: The Centre for Social Impact, Swinburne University.

Sanders, J., Munford, Boden, J., Johnston, W. 2020. 'Earning, Learning, and Access to Support: The role of Early Engagement in Work, Employment Skills Development And Supportive Relationships in Employment Outcomes for Vulnerable Youth in New Zealand, Children and Youth Services Review, 110, 104753.

Stansfeld, S. A., Carr, E., Smuk, M. Clark, C., Murray, E. Shelton, N. and Head. J. 2018. Mid-life psychosocial work environment as a predictor of work exit by age 50. *PLoS One* 13, no. 4: e0195495.

Stewart, M. 2018. Personal income tax cuts and the new Child Care Subsidy: Do they address high effective marginal tax rates on women's work? *Tax and Transfer Policy Institute - Policy Brief*, 1/2018, Canberra: Australian National University.

Tsang, H., Lam, P. Ng, B. and Leung, O. 2000. 'Predictors of employment outcome for people with psychiatric disabilities: A review of literature since the mid'80s. *Journal of Rehabilitation* 66, no. 2: 19.

Urban, J.A., and Olson. P.N. 2005. A comprehensive employment model for low-income mothers. *Journal of Family and Economic Issues*, 26(1): 101-122.

Victorian Government. 2018. Victoria's Social Procurement Framework – Buyer Guidance. Guide to Key Concepts. Victorian Government.
<https://www.buyingfor.vic.gov.au/social-procurement-document-library>.

Victorian Government. 2020. *Inquiry into Sustainable Employment for Disadvantaged Jobseekers*. Economic and Infrastructure Committee, Legislative Assembly. Melbourne: Parliament of Victoria.

Victorian Government. 2022. Victorian Fair Jobs Code. Victorian Government.
<https://content.vic.gov.au/sites/default/files/2022-09/Fair-Jobs-Code-%28August-2022%29.pdf>

Workplace gender Equality Agency (WGEA). 2021. Flexible work post-COVID, 8 December. WGEA. <https://www.wgea.gov.au/publications/flexible-work-post-covid>.