



JOBS AVAILABILITY SNAPSHOT 2020

 **Anglicare** Australia
in every Community

Anglicare Australia's Jobs Availability Snapshot was first published in October 2016.

Anglicare Australia's Jobs Availability Snapshot attempts to show what the job market is really like for those facing the greatest barriers to work – those who may not have qualifications or experience to draw on, those trying to re-enter the workforce after a long break, or those living in regional or remote areas.

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Anglicare Australia is a network of independent local, state, national and international organisations that are linked to the Anglican Church and are joined by values of service, innovation, leadership and the Christian faith that every individual has intrinsic value. With a combined expenditure of \$1.82 billion, a workforce close to 20,500 staff and 9,000 volunteers, the Anglicare Australia Network contributes to more than 50 service areas in the Australian community. In all, our services are delivered to 1 in every 20 Australians throughout the year. Our services are delivered in partnership with people, the communities in which they live, and other like-minded organisations in those areas.

Anglicare Australia has as its Mission to “partner with people, families and communities to build resilience, inclusion and justice.” Our first strategic goal charges us with reaching this by influencing “social and economic policy across Australia with a strong prophetic voice; informed by research and the practical experience of the Network.”

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J O B S A V A I L A B I L I T Y S N A P S H O T 2 0 2 0

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INTRODUCTION

There are many hurdles that can make it harder to find work. Leaving school early, taking time out of the workforce, having restricted hours, living in an area with few jobs, or living with a mental illness are all factors that can stop a person from finding paid employment. Older workers who lost their jobs late in their careers also struggle to find work again. Research also shows that the longer a person is unemployed, the longer they are likely to remain so.¹ This year, as Australia grapples with record job losses and a historic recession, it is especially important to make sure these people are not forgotten.

Anglicare Australia's Jobs Availability Snapshot aims to show what the employment market is really like for these people – those who may not have qualifications or work experience to draw on when applying for jobs.

The Snapshot uses government data on the number of people with barriers to gaining work in the Jobactive system. This is compared with the number of suitable job vacancies that have been advertised in our sample month of May. What we have found is a dire job market, and a reckoning for an employment system that has been failing people in the greatest need for years.

For many Australians, this recession has only exacerbated the obstacles they face in finding work. For example, the lack of jobs will see more people spend time outside the workforce if they lose their job, and fewer young people will be able to get a foot in the door. As governments now focus on solutions to Australia's unemployment crisis, it is more important than ever to help those with barriers to finding work.

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The current recession, triggered by government efforts to control the pandemic, has led to some positive changes. The JobKeeper payment has helped many people hang on to their jobs, and the increase to the JobSeeker payment has put people who are out of work above the poverty line for the first time in decades. The Government is now winding back this support, yet there is no sign of an easing of the recession or mass job creation. Other decisions, such as the return of mutual obligations that force people to look for jobs that aren't there, have created an extraordinary waste of funds – and caused distress at a time of hardship.

Those who are caught up in this system will not be helped by being punished. Instead they need support to live a decent life while Australia faces this downturn, and they need help to overcome the barriers they face as we all recover. This Snapshot aims to show to their reality, and find better ways forward as we face the future.



M E T H O D O L O G Y

The Snapshot compares data on the number of people with barriers to work with the number of suitable advertised positions in a sample month. May was chosen as the sample month because it falls outside cycles that alter job availability, such as seasonal work. It is also a typical reporting month for publicly available government statistics on the labour market.

The Snapshot draws on three federal government data sets:

- » The **Australia and New Zealand Standard Classification of Occupations** which is a typology of all potential positions in the labour market by the qualifications and skill levels required, and experience;²
- » The **Internet Vacancy Index** which examines the distribution of currently advertised positions, by skill level;³ and
- » Jobactive caseload data associated with the **Jobseeker Classification Index**, used to classify people accessing government funded employment services according to the barriers they face to entering the workforce.⁴

As the Government has released more information related to these three data sets, Anglicare Australia has continued to adapt our methodology. This changing methodology means that the Snapshot findings for 2020 and 2019 are not directly comparable to previous years. Since 2019, the number of suitable positions advertised has been based on

analysis released in the Department of Employment, Skills, Small and Family Business' Vacancy Report. This offers a more detailed level of jobs classification data than was previously available. This offers more accurate calculations than were previously available.

Job classification

The Australia and New Zealand Standard Classification of Occupations (ANZSCO) categorises the different types of jobs available in the labour market and the skill level they require. It lists each job type according to five skill levels:

- 1: Bachelor degree or higher qualification, or at least five years of relevant experience
- 2: Associate Degree, Advanced Diploma or Diploma, or at least three years of relevant experience
- 3: Certificate IV, Certificate III with at least two years training, or at least three years of relevant experience
- 4: Certificate II, Certificate III, or at least one year of relevant experience
- 5: Certificate I, compulsory secondary education, or on-the-job training.

The Snapshot focuses on Level 5 jobs as these are best suited to people looking for entry-level work, which requires minimal training and experience.

Job advertisements

The Internet Vacancy Index (IVI) collates job vacancies advertised online across Australia and rates them according to ANZSCO skill levels. It counts online job advertisements posted on SEEK, CareerOne and Australian JobSearch. While the IVI sometimes includes duplicates from single vacancies on multiple job sites, it can also mask the number of vacancies such as when a single advertisement is placed for a bulk recruitment round.

These variations do not affect the reliability of the IVI in measuring shifts in employment.⁵ It continues to be used the Government to measure vacancies. The Snapshot uses the IVI to calculate the number of suitable jobs nationally, and in each state and territory.

People seeking work

The Snapshot uses data provided by the Department of Employment, Skills, Small and Family Business on the number of people in Stream C within the Jobactive network to measure the number of jobseekers with barriers to work.

People receiving the JobSeeker payment must have an assessment through the Job Seeker Classification Instrument (JSCI) to gauge the level of difficulty they face in gaining work. This information determines

the level of support they receive from the Jobactive network. According to their score on the JSCI, people are categorised into streams of employment support within the Jobactive network. Stream C is for those who need the most support to find and keep work.

Not every person experiencing disadvantage uses government employment services. Of those who do, not all qualify for Stream C.

This means the Snapshot is conservative in estimating the number of people who meet Stream C definitions or face barriers to work. It should also be remembered that more highly-skilled jobseekers also apply for Level 5 jobs. This is even more likely in 2020 than in previous years, with hundreds of thousands of Australians losing their jobs since March. The number of people looking for jobs at this level almost certainly exceeds the number of people classified as Stream C.

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These figures show the rise in job losses and uncertainty caused by the economic shutdown

WHAT WE FOUND

Table 1 shows the total number of people looking for work, including those classified as Stream C in May 2020.

Table 1. People seeking work, May 2019 and May 2020

People seeking work	May 2020	May 2019
People unemployed	923,000	704,700
People underemployed	1,707,900	1,160,700
Jobactive caseload	1,442,760	619,956
Stream C caseload	106,620	99,942

Sources: ABS Labour Market Figures May 2019 and May 2020; and Labour Market Information Portal May 2019 and May 2020

These figures show the steep rise in unemployment and underemployment in response to job losses and uncertainty caused by the economic shutdown. They show that competition for all jobs is particularly fierce, and that people applying for Level 5 vacancies will not be confined to those people who are classified as Stream C applicants in the Jobactive caseload. The Snapshot's ratio of people to the number of vacancies is likely to be very conservative.

This is also reflected in the percentage of people classified as Stream C in the Jobactive Caseload, which has fallen to below eight percent, even though the number of people classified into Stream C of the Jobactive caseload has increased in raw numbers since last year. In our past Snapshots, the percentage of Stream C applicants has been consistent at around 15 percent. The fall in total percentage of Stream C in the Jobactive caseload almost certainly reflects the influx of people losing work at higher skill levels in this recession.

Jobs advertised

The Internet Vacancy Index (IVI) recorded 115,773 jobs advertised in May. Level 5 vacancies, which have been falling as a proportion of total job advertisements for some years and are expected to continue to decline, comprised just under 12 percent of all job advertisements in May this year.

Table 2. Proportion of jobs advertised by skill level, May 2020

Jobs advertised	Level 5 jobs, number	Level 5 jobs, percentage
115,773	13,606	11%

Ratio of people to jobs

In our Snapshot month, there were more than seven people in Stream C competing for each Level 5 job. Table 3 shows the ratio of Stream C participants to Level 5 vacancies.

Table 3. Ratio of people in Stream C to Level 5 jobs advertised by region

Region	Stream C to Level 5 job, 2020	Stream C to Level 5 job, 2019
Australia	7.8	5.5
ACT	2.5	1.8
NSW	7.8	5
NT	6.2	4
Queensland	7.3	6
SA	10.3	9.1
Tasmania	21	13.9
Victoria	6.4	4
WA	9.1	7.5

However these jobseekers are not just competing one another, especially in the midst of this downturn. Table 4 shows that in total, there are a staggering 106 jobseekers for each Level 5 vacancy.

Table 4. Ratio of all Jobactive jobseekers to Level 5 jobs

Level 5 jobs	Total Jobactive caseload	Ratio of jobseekers to Level 5 jobs
13,606	1,442,760	106

The impact of the recession can clearly be seen in these figures. The number of suitable jobs has shrunk, while there has been an increase in the number of people seeking work classified as Stream C in the Jobactive system. As a result, the ratio of people seeking skill Level 5 jobs compared to the number available has increased across the country.

Over half of employers consider experience to be essential for lower skilled vacancies,⁶ yet many people lack recent experience. This is a catch-22 facing many people trying to get a foothold in the workforce, and it is not confined to young people. Older workers who also struggle to return to the workforce if their previous jobs are not considered relevant, or if there has been a gap in their work history. Increasingly we are seeing that this situation describes older women trying to re-enter the workforce. Even before the recession, people with higher qualifications tended to seek and take employment in lower-skilled jobs. With such a sharp increase in the number of Australians who have lost work, including a major rise in underemployment, there is little doubt that competition for Level 5 jobs is far greater than we have seen in past years. It is abundantly clear that government intervention is essential. Without it, we risk many thousands of Australians being left behind as we work towards economic and social recovery.

WHAT CAN BE DONE

At the time of writing, just over 1.4 million Australians are receiving JobSeeker payments,⁷ and the actual number of people without work is likely to be masked by the JobKeeper scheme. It could be much higher than we realise. As JobKeeper is wound back, these figures could significantly deteriorate. We are, by the numbers, facing the worst recession in living memory.

Hidden in these figures is an even harder situation for Australians with barriers to finding work. There are now, effectively, eight people competing for every suitable position at their skill level.

Their situation is not new. As our previous Snapshots have shown, we have typically found that for every suitable job, there were around five people with barriers to work competing for them. This ratio has not shifted over the previous four years, and has been evidence of a failure of government policy. Now, the situation has become dire.

Across our communities, jobs have vanished. This deep recession demands urgent change. Australians who need the most help to gain work should be at the heart of our response.

Anglicare Australia calls for three major reforms:

- » A single Liveable Income for everyone who needs it;
- » Investment in job creation; and
- » Abolition of Jobactive. These funds should be reinvested in tailored support and direct job creation for the people who are failed by the private jobs market.





A liveable income for everyone

As Anglicare Australia put forward in 2018,⁸ governments should investigate a Universal Basic Income to end poverty, reform tax and wealth distribution, and reimagine our relationship to work and society.

An unprecedented recession is the time for these big ideas.

Every Australian deserves a liveable income, and it is past time that our welfare system was reformed to provide it. We must also change the current system to recognise that many people – who are forced to perform futile ‘obligations’ to receive support – are already contributing to society. They should be supported with a liveable income without coercion.

In short, it is time for governments to align their conception of participation in society with that of the community. Our market economy, and the governments that shape it, insist on valuing participation in society solely in terms of paid employment. Indeed the federal budget directed its efforts at stimulus through work and taxation ignoring completely other forms of stimulus or direct payment to citizens.

There has never been a better time to recognise the falsity of this thinking. This narrow definition of participation does not reflect the reality of the many ways people contribute to their communities, and it does not reflect how Australians recognise and value each other.

Nearly six million Australians are engaged in formal volunteering.⁹ Another 2.7 million provide unpaid care work, a third of whom are primary carers. Half of these provide care for more than 20 hours a week.¹⁰ This is outside of the core care work of raising children.

Unpaid contributions to our communities and economy are enormous, valued at tens of billions if they were paid roles. Unpaid care work makes up over a third of the Australian economy, and is largely done by women.¹¹ It is worth contrasting this with a recent analysis from the Parliamentary Budget Office, which found that JobSeeker is acting as a ‘pre-age pension’ for many older people, especially women, who have become the face of JobSeeker as they try to overcome barriers to finding work.¹² A liveable income would recognise the contributions already made by older women. It would support women – particularly single parents – as they do the invaluable work of raising new generations. Australians saw the power and value of our culture of volunteering and care during the recent catastrophic bushfire season. The extreme length of the season saw some volunteer firefighters on the front lines for more than 100 days.

Behind the firefighters were many hundreds of other volunteers who help their communities in times of disaster. They ran evacuation centres, handed out clothing, provided safe places to sleep, assisted people to find crisis accommodation, helped find missing loved ones, connected people to mental health support and pastoral care, and offered many other forms of assistance in a time of extreme need. These disaster response volunteers tend to be older people and women, although not all are retired. They provide an essential service, and the latest fire season showed how heavily we depend on them.

These examples show that Australians understand that work is defined by what we find meaningful, and its benefits are not simply economic. They extend a sense of contribution, respect, connection with others, and skill development. The countless thousands of hours volunteered by so many to combat the fires, and assist those affected by them, show the profound value we place on being able to help one another when it matters most.

Supporting people out of work with a liveable income has never been more important. Even with direct job creation and other measures to rebuild our economy, it will be some time before there are enough job vacancies to match those who want them. If people who are out of work can live a life of dignity on a liveable income and contribute according to their capacity, we would make major savings from the funds currently wasted on punitive measures to make them look for non-existent and unsuitable jobs. It would also provide a bedrock for volunteering and other kinds of participation to flourish at a time when communities are trying to heal and build resilience in the face of climate change and the recession. They are also better equipped to take up work again when the economy recovers.

What's more, giving everyone access to a liveable income would cost the same as forgoing tax cuts for the wealthiest announced in the Federal Budget.¹³

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Invest in job creation

In our 2017 Jobs Availability Snapshot, we showcased the potential for job creation in the aged and disability care sectors, including for people with barriers to work, through a series of case studies.¹⁴ The coronavirus pandemic has shown us that this is even more urgent. The Royal Commission into Aged Care Quality and Safety is already forecasting a major need to increase the aged care workforce, and ensure it provides proper training and careers for workers.¹⁵ As just one example, The Brotherhood of St Laurence, a member of the Anglicare Australia Network, is an expert in developing job creation programs for young people and those with barriers to employment. They have shown that job creation is possible and has enormous benefits for people who have found it the hardest to get work. Their work also shows the advantages of both systems-wide and place-based approaches.¹⁶ They have put forward a proposal for a national skilled pathway into aged and disability care work. This pathway would be co-designed and trialled with people seeking such work, aged and disability care providers, training organisations and governments.¹⁷ It can be trialled in some of the areas hardest hit with persistently high unemployment, now exacerbated by the recession.

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Of course, care work is not the only sector in Australia where there is considerable future demand for workers, or opportunities could be created. Other organisations have identified other areas for jobs creation and growth in Australia, such as manufacturing.

In smaller communities too, there is the potential to support local businesses, councils, and people to work together to create the right jobs. This place-based job creation is critical, particularly for regional Australia. The pandemic has pushed the fire-ravaged communities out of the public limelight, but thousands of people in regional New South Wales, Victoria

and South Australia are still picking up the pieces from fire-ravaged communities, homes and livelihoods. These are communities where place-based job creation should be supported. The Government has shied away from direct job creation, treating it as the work of the private sector. Incentives for employers in the Government's recent JobMaker scheme are a good example – incentives like these simply do not have a track-record of creating lasting

jobs. It is clear that government investment in job creation has become critical. Job creation programs offer pathways for people with barriers to employment. Job creation simply cannot be left to an already failing market – especially when the government public health response has exposed and added to the many fault lines in our system.

Abolish Jobactive

For years, we have known that Jobactive is entirely unfit for purpose,¹⁸ particularly failing those who need the most help.¹⁹ Yet in a perverse set of decisions, since the beginning of the pandemic, the Government has wasted a staggering half a billion dollars in payments to Jobactive providers for 'job placements' that are already being guaranteed by the Australian Government's JobKeeper payment.²⁰

The failure of Jobactive is hardly surprising amidst Australia's worst recession in decades. The rapid rise in unemployment is because jobs are vanishing. What is confounding is that the Government has chosen to waste hundreds of millions more dollars on Jobactive. Even the more worthy aspects of broader employment services, such as Disability Employment Services (DES), still only cover a small percentage of people with disability seeking work, and have a low success rate because of constraints induced by its design and funding.

We no longer have time to tinker with Jobactive. Faced with many more thousands of Australians out of work, and its consistent failure to help the people who need it the most, it is time to abolish Jobactive. The bulk of its funding should be redirected to job creation and training in known areas of demand, and to provide tailored support for people who have been failed for many years by the system. This would be a far more effective response to unemployment across the board, but will be of particular help to those with the greatest barriers to work.

An urgent policy that could be easily funded is a National Jobs Plan for people with disability, and an expansion of specialist employment support. People with Disability Australia (PWDA) have put forward a comprehensive set of recommendations with Jobs Plan²¹ as the centrepiece, along with improvements for DES and increased assistance to make workplaces more accessible. This proposal is essential for the many thousands of people with disability who have been failed by Jobactive, as we look to recover from this recession without leaving anyone behind. It also shows the need to ensure that the people most affected by government policy are part of designing solutions. This should be a model for designing tailored support for people with barriers to work across the board.



CONCLUSION

Many commentators have described 2020 as a year of strange, unexpected disasters which have wreaked havoc on communities. In truth, it has been a year of predictable crises that have exposed and worsened the failures in our safety net.

The twin crises of the coronavirus pandemic and climate-fuelled disasters have shaped this year, showing how our systems have been designed to look after the most advantaged best. Under extreme pressure, they have failed the people who need them the most. Never has this been more true than in our support for people who are out of work. The Government was forced to raise JobSeeker payments because they could no longer ignore the gaping holes in our safety net. Perversely, we are now being forced to fight to keep the Government's own solution.

The next fundamental question is how to support people back into work. This is a challenge, but it also an opportunity to rethink our systems, and to formally recognise participation. There is no need for this recognition to be conditional. People contribute to the making of communities, and the prosperousness and resilience of our society, in many ways. Recognising these contributions means ensuring that everyone has a living income, instead of forcing people to living in poverty and search for jobs that simply aren't there.

We must redesign our systems to include everyone. This is the most important lesson we can take from 2020. This principle must inform how we take the next steps, both to look after those enduring hardship now, and to build our collective future. We must reimagine how we support each other to ensure help goes to those who need it most, and demand that governments reorganise its systems to make this happen.

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