

The Australian

No expectations can be turned into high hopes

- Mike Steketee
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Low unemployment masks a long-term problem many non-profit organisations are trying to solve

ECONOMISTS tell us that, with national unemployment down to 5.1 per cent, we are at or near full employment.

How come, then, that in Kwinana, just south of Perth, the rate at the start of this year was 11 per cent, compared with the West Australian average of below 5 per cent? Or that, while parts of Australia have unemployment of 3 per cent, in others it is double or triple that?

During much of the 1950s, 60s and early 70s, unemployment as measured by the Australian Bureau of Statistics was below 2 per cent and those who lost their jobs generally were out of work for only a few weeks. When unemployment passed 4 per cent in 1975, that, more than anything else, sealed the fate of the Whitlam government.

Last month, a little more than 564,000 people were receiving the Newstart allowance, the standard unemployment benefit. Of those, 340,000 had been on it for more than a year, although not in all cases continuously.

If this is full employment, it has nothing to do with people. Instead, it is an economic definition, based on a judgment of the point at which labour shortages start to push up the cost of labour and therefore inflation. That makes it all the more important to equip the army of people still out of work to fill the vacancies.

Some do not want to work, although job search requirements make that an increasingly difficult option. Many others are the legacy of almost four decades of economic upheaval, starting with the quadrupling of world oil prices in 1973 and 1974, followed by an explosion in wages and then an era of dramatic restructuring that opened the economy to international competition.

While these reforms increased national prosperity and created a much more flexible economy, it also threw more people out of work. Some, particularly older people, never worked again and an underclass of unemployed emerged, with children and grandchildren growing up in households where no one had held a job and expectations of doing so were low.

Disadvantage and disabilities meant that many lost out in the race for jobs in an oversupplied labour market.

Largely unnoticed, there are hundreds of organisations going the extra mile to lift these people out of welfare dependence, make them productive members of the community and, most important, give them worthwhile lives.

They are part of the not-for-profit sector of the community, which the Productivity Commission estimated this year provides 8 per cent of the jobs in Australia, contributes \$43 billion to national income and the equivalent of another \$15bn through volunteers, making it as big as the retail sector.

A book launched yesterday highlights the role of 10 of them. *More Forces at Work*, by Toni Wren, an employment and social policy consultant, includes some inspiring success stories and remarkable examples of looking for solutions outside the square.

"We look after the people other service providers don't know what to do with," Ron Miers of the Westgate Community Initiatives Group in Melbourne told Wren.

The organisations range from those with an annual turnover of less than \$2 million and 33 staff to a budget of more than \$94m and 800 employees.

Many receive government contracts, including through the privatised employment service system, but many also operate social enterprises: businesses primarily run for social purposes. They include everything from nurseries, cleaning agencies and council tips to furniture removal and driving schools.

Some make money but they plough the surpluses back into the enterprise or use them to provide other services.

One of the social enterprises operated by Great Lakes Community Resources on the mid-north coast of NSW runs council tips, including a recycling centre, and a dog and cat pound, and helps staff them with people serving community service sentences.

One young offender who appeared to be headed for a lifetime in and out of jail completed his 200 hours of community service, then worked at the business as a trainee for a year and went on to university.

Great Lakes does not tender for government contracts, instead generating almost 80 per cent of its \$4.7 million income from its social enterprises. One of its earlier successes was an Aboriginal arts enterprise that developed into the largest indigenous design licensing program in Australia and sales of more than \$6m here and overseas.

ACCES Services is based in Logan City outside Brisbane, helping newly arrived refugees, and often employs former clients. One of them is a Sudanese woman from a refugee camp who is rearing 11 children: four of her own, two grandchildren and five children of her sister, who was killed in Sudan. She works full time as a cleaner and has just bought her first house.

Last year, ACCES started taking refugees to where there were jobs: to Biloela in central Queensland, where there are vacancies that have been hard to fill at a beef-processing company.

Bridging the Gap works in Kwinana, where a recent survey found that 60 per cent of homes did not have computers, 43 per cent of its residents had left school before completing Year 10 and only 29 per cent had completed Year 12.

In 1998, chief executive Colin Kerr, a former federal employment department employee, asked the local school principal to give him "the 15 hardest kids in Year 10, the ones who don't come to school very much, who had substance abuse problems and came from the most difficult backgrounds".

After 10 weeks that included work experience and developing skills, five went back to school full time and six into jobs. Kerr tells *Inquirer* Bridging the Gap stays in touch with clients for three years and the success rate of its programs is 85 per cent, based on those who find and keep jobs.

One of the organisation's innovative ways of raising the horizons of young people who are disadvantaged and at risk is to send them on 10-week expeditions to Sabah in Malaysian Borneo.

It is a combination of adventure and hardship, including trekking through mountainous jungle, as well as working in local communities on building and other projects. It often turns around lives.

"These are people who have low expectations and a lot of their lives fit into the 'too hard' category," says Andy Wahid, head of youth development at Bridging the Gap. "The aim is to give them an I-never-thought-I-

could-do-that-moment, to get them addicted to that feeling and then to use that experience to take control of their lives and look at a career or go back into education."

MTC, which focuses on disaffected young people and newly arrived migrants in western Sydney, is one of the largest providers of language, literacy and numeracy programs in Australia.

Almost 60 per cent of the unemployed in Sydney have no qualifications beyond school, and poor literacy and numeracy are one of the main hurdles to getting jobs.

This not-for-profit has used more than \$1m of its surpluses to help set up and run an independent high school catering for children who have had difficulty at school or dropped out.

One of the contributors to decades of high unemployment in Australia is the demographic bulge that saw large numbers of baby boomers entering the workforce each year.

As the population ages, these new entrants are starting to decline and in the long run, apart from fluctuations in the economic cycle, the balance will shift towards those looking for work.

But that alone will not get us to true full employment: it will require all the tricks of the trade, including a few perhaps not yet thought up by the not-for-profits, to equip some of the unemployed for jobs.

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