



# **JOBS AVAILABILITY SNAPSHOT 2021**

 **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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As part of its mission the Anglicare Australia Network “partners with people, families and communities to provide services and advocacy and 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 1

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# INTRODUCTION

As Australia moves from recession to recovery, work has become a key indicator of how we are rebounding.

The narrative has been one of success. In spite of recent lockdowns across Eastern Australia, many commentators have been pointing to our strong recovery and low unemployment rate.

But there's something missing from this story. Most employment statistics assume that each person can compete for every job. We know this isn't true.

Anglicare Australia's Jobs Availability Snapshot, released each year, shows what the job market is really like for jobseekers who don't have qualifications or experience to draw on. In every part of the country, these jobseekers outnumber entry-level vacancies by as many as eight to one.

**In spite all of the changes to the workforce over the past year, the number of people with barriers to work has barely budged**

In spite all of the changes to the workforce over the past year, the number of people with barriers to work has barely budged. Even with a resurgence in the number of entry-level job vacancies, people with the greatest barriers to work aren't getting them. They are competing with 27 jobseekers for each one of these roles.

The unemployment rate isn't low because everyone who wants a job has one. Instead, many people are giving up on looking for work and dropping out of the workforce entirely. Others are technically employed, but are working zero hours each week. The number of people in the labour force is dropping, and rates of underemployment remain high.

Since this Snapshot was taken, NSW, Victoria and the ACT have entered extended lockdowns. This time, there is no JobKeeper safety net to help keep people connected to their jobs. The jobs situation is likely to worsen.

For those without work, the JobSeeker payment will leave them well below the poverty line without the extra support they were given in 2020. It's hard to find work when you don't have enough food on the table, or can't afford an internet connection. Instead of forcing people to live in poverty and participate in a punitive system of obligations and penalties, we need to change how we support people looking for work, and rethink the value we put on other contributions people make, outside the paid labour force.







# M E T H O D O L O G Y

The Snapshot investigates whether the labour market is creating the right opportunities for people with barriers to work. It compares data about the number of people with barriers to work with the number of suitable job advertisements in the sample month of July.

The July data reflects the early weeks of the Sydney lockdown, but not the lockdowns across NSW, Victoria or the ACT.

The snapshot is based on three Federal Government datasets:

- » The **Australia and New Zealand Standard Classification of Occupations** is a typology of all potential positions in the labour market by the qualifications, skill levels, and experience required;<sup>1</sup>
- » The **Internet Vacancy Index** examines the distribution of currently advertised positions, by skill level;<sup>2</sup> and
- » Jobactive caseload data associated with the **Jobseeker Classification Index** is used to classify people accessing government funded employment services according to the barriers they face to entering the workforce.<sup>3</sup>

## 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 levels 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 requiring 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.<sup>4</sup> It continues to be used by 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 Education, Skills and Employment on the number of jobseekers within Jobactive who have 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 Jobactive. 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. The Stream C cohort is a major focus of this Snapshot.

Not every person facing barriers to work is a Jobactive participant. Some are clients of Disability Employment Services, while others are not eligible for income support. Of those who are, not all qualify for the Stream C category.

It should also be remembered that more highly-skilled jobseekers also apply and compete for Level 5 jobs, as do those who are underemployed and looking for more hours. This is even more likely in 2021, as the impacts of the pandemic continue to be felt across the labour force. This means that the number of people looking for jobs at this level almost certainly exceeds the number of people classified as Stream C, and the Snapshot's findings are conservative.

This Snapshot  
investigates  
whether  
the market  
is creating  
the right  
opportunities  
for people

# WHAT WE FOUND

Table 1 shows the number of Jobactive participants in July 2021, including those classified as Stream C. Over one million people participated in Jobactive, and more than 10 percent were classified as Stream C with significant barriers to work.

The actual number of Jobactive participants classified as Stream C is similar to 2020. This likely indicates that many of the people out of work as a result of the pandemic were higher-skilled. It also demonstrates that for people with the greatest barriers to finding work, a stronger job market alone will not be enough to support them into secure work.

This is supported by other evidence demonstrating entrenched unemployment among people receiving unemployment benefits. Data from the Department of Education, Skills and Employment shows that the average length of time in Jobactive for people in Stream C is five years.<sup>5</sup>

Table 1. People seeking work, 2021 and 2020

People seeking work	2021	2020
People unemployed	639,200	923,000
People underemployed	1,153,339	1,707,900
Jobactive caseload	1,013,452	1,442,760
Stream C caseload	104,457	106,620
Stream C %	10.7%	7.4%

Sources: Australian Bureau of Statistics Labour Market Figures July 2021 and May 2020; Labour Market Information Portal, July 2021 and May 2020

## Jobs advertised

The IVI recorded 231,560 jobs advertised in July 2021. This is almost double the number of advertisements recorded for our previous Snapshot in 2020. Of the positions advertised, 16 percent were classified as Level 5 vacancies. Almost half of all vacancies (47 percent) called for tertiary qualifications or at least three years' experience, reflecting a long-term trend for more advanced skills in the workforce.

Table 2. Proportion of jobs advertised by skill level, July 2021

Jobs advertised	Level 5 jobs, number	Level 5 jobs, percentage
231,560	38,040	16%

Source: The Vacancy Report July 2021, Labour Market Information Portal

These figures reflect a strong resurgence in advertisements, but it is important to remember that this year's Snapshot month fell before recent lockdowns. Since then, recruitment activity has slowed. Preliminary data from August 2021 shows that the number of job advertisements has decreased, as lockdown restrictions spread to Victoria, the ACT and across NSW.

## Ratio of people to jobs

When comparing the number of people in Stream C of Jobactive to the number of vacancies, we find that for every Level 5 position, about three people are competing for each job. Throughout Australia, there is no region with enough entry-level jobs to meet demand. The situation is most dire in Tasmania, where almost eight jobseekers with barriers to work are competing for each Level 5 position.



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

Region	Stream C to Level 5 job, 2021	Stream C to Level 5 job, 2020
Australia	2.8	7.8
ACT	1.2	2.5
NSW	2.8	7.8
NT	2.0	6.2
Queensland	2.8	7.3
SA	4.4	10.3
Tasmania	7.9	21
Victoria	1.9	6.4
WA	3.4	9.1

Source: The Vacancy Report July 2021, Labour Market Information Portal

These improvements appear to be driven by an increase in the number of Level 5 jobs advertised, which have bounced back following record-lows in 2020.

However, these results highlight the fact that jobseekers with barriers to work are not just competing with one another. Higher-skilled candidates can and do apply for entry-level roles. Underemployment also increases demand for these jobs, as people seek more hours or second jobs. This is especially true as people seek to recover from an unprecedented downturn. Table 4 shows that in total, there are a staggering 27 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
38,040	1,013,452	27

Source: The Vacancy Report July 2021, Labour Market Information Portal

Jobseekers with barriers to work are not just competing with one another. Higher-skilled candidates can and do apply for entry-level roles.

This ratio is dramatic, but it is nevertheless an improvement on the results of last year's Snapshot, which was shaped by lockdowns and recession. In 2020, there were 106 jobseekers for each Level 5 vacancy.

The improvement in this ratio, coupled with the stubbornly consistent number of people in the Stream C caseload, suggests that the recovery is being driven by the most employable jobseekers taking the most easily available jobs. Those with barriers to work have been left behind as the number of jobseekers in Stream C remains high.

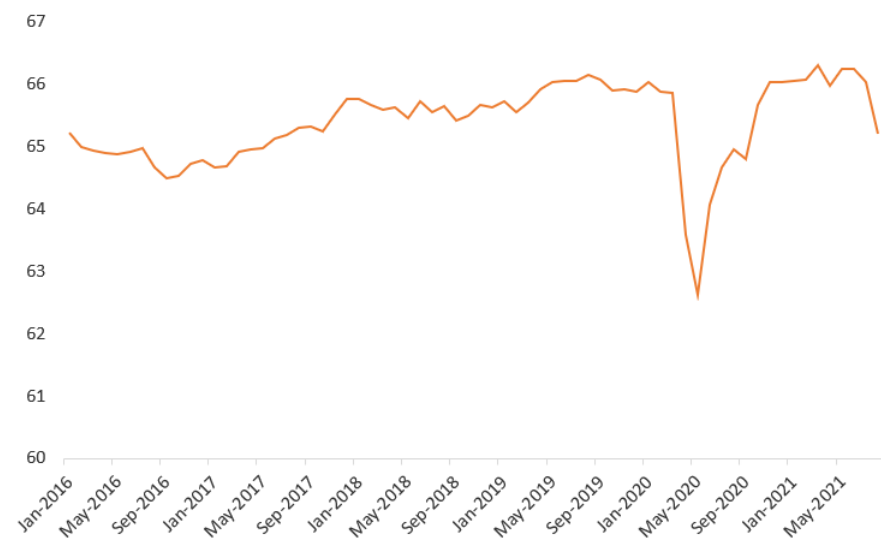


## Trends in work and participation

The results show that the unemployment rate has fallen compared to last year. It is now at its lowest level since 2008. A major reason for this fall, according to the Australian Bureau of Statistics, is that many people gave up looking for work during lockdowns. As a result the labour force participation rate dropped to 66 percent,<sup>6</sup> masking many of the realities facing our labour force.

This change to the participation rate, highlighted by Figure 1, explains why almost 1.3 million Australians were receiving JobSeeker or Youth Allowance payments in our Snapshot month,<sup>7</sup> with over one million people in the Jobactive caseload, yet only 639,200 people were officially considered to be unemployed. This is in stark contrast to Roy Morgan's Real Unemployment Rate for July, which is much higher at 1.422 million Australians.<sup>8</sup>

Figure 1. Trends in the labour force participation rate



Source: Australian Bureau of Statistics, Labour Force, Australia August 2021

The official unemployment rate also hides the number of people who remained notionally employed, but had their hours cut to zero. In July, 180,000 people worked zero hours but were counted as employed, in spite of the fact that they were stood down or worked no shifts.<sup>9</sup>

The true rate of people without work is likely to be much higher than the unemployment rate suggests.

It also appears that many of the new vacancies created and advertised have been part-time, casual and insecure. Casual jobs account for almost 60 percent of all waged jobs created since the trough of the recession. Part-time work accounts for almost two-thirds of all new jobs. Very insecure positions, including gig economy jobs, also account for much of the rebound in self-employment.<sup>10</sup>

Insecure and precarious work is associated with an absence of key protections, such as sick pay, annual leave and superannuation, uncertain hours and continuity of employment, and often, lower wages. The difficulty of not knowing how many hours they will work makes it hard to save and build up a financial buffer, and increases the likelihood that they will find themselves out of work again.



# WHAT CAN BE DONE

The most profound finding from this year's results is that people with barriers to work are not benefiting from the economic recovery. Many aspects of this year's results have improved dramatically, at least according to official statistics. Job advertisements have increased while unemployment, underemployment, and the Jobactive caseload have all declined. Yet the number of jobseekers with barriers to work remains stubbornly unchanged. Those who need the most help to find work, and those who are likely to be long-term unemployed, are not benefitting from the recovery in the labour force. This points to the difficulty many people face in securing work, in spite of the rhetoric of recovery. People are being forced to look for jobs they are unable to get. Any jobs that are available to them are increasingly precarious and insecure.

The labour market continues to fail people with barriers to work. We need to change how we support jobseekers, particularly for those with barriers to work.

## A permanent basic income

Australia's social security system assumes every working-age person will be able to find full-time work. The expectation is that the reliance on income support will be temporary. This snapshot shows how unrealistic these assumptions are. There are three people facing barriers to work for every entry-level job, and 27 jobseekers for each of these roles overall. Many people will be unemployed for a long time. Even a strong job market will not be enough to help everyone secure a job.

In the meantime, people are forced to live on the JobSeeker payment. Its meagre rate pushes them deeper and deeper into poverty, making it harder to secure a job.

But there is an alternative. In 2020, JobSeeker was lifted above the poverty line, and JobKeeper gave stability to people in insecure work. People were able to afford fresh food, fill their prescriptions and pay their bills on time. This effectively gave Australians access to a form of basic income for the first time.

A permanent basic income would lock in these benefits. Every Australian deserves a liveable income. It is past time that our welfare system was reformed to provide it.

Anglicare Australia's *Valuing Every Contribution* research examined support for a permanent basic income.<sup>11</sup> Not only did we find strong support for the idea, but there was little evidence that it would reduce the incentive to work. Some people indicated a permanent basic income would mean they could work less, but this could benefit others who are looking for work or want to work more. Others would be able to volunteer more, or care for loved ones in need of help.<sup>12</sup>

We must change the current system to recognise that many people – who are forced to perform futile obligations to receive support – are already contributing to society. Through volunteering, caring for family members and loved ones and contributing to community life.

## Abandon mutual obligations

Activity requirements for people out of work in Australia are among the strictest and most punitive in the world. These obligations include searching for up to 20 jobs a month, participation in courses or programs, and for some people, Work for the Dole. If these obligations are judged not to be met, payments can be suspended, leaving people without income. With so few jobs available or attainable for people with barriers to employment, mutual obligation requirements are pointless and demoralising for job seekers. People are being forced to submit applications for jobs they will never get, or participate in training that will do little to improve their job prospects.

In a recent survey by Anglicare Australia, people overwhelmingly did not believe that their obligations were tailored to their needs (just 19 percent agreed), or that they were being given the support they need to find work. Even fewer (11 percent) believed that these activities were helping them find paid work.<sup>13</sup> An overwhelming number thought their activities and obligations were pointless (79 percent), and a majority saw them as obstacles preventing them from finding work or participating in more meaningful activities (56 percent).<sup>14</sup>

People subject to mutual obligations search just as intensively for jobs, but take longer to find employment and are less likely to be employed twelve months later. Even for those who do manage to find work, after one year they are in lower quality jobs in terms of hourly wage, hours worked and weekly wage, than other Australians who had not been subject to mutual obligations.<sup>15</sup>

The regime of punishment and compliance that has grown up around the current Jobactive system should be replaced with a system that is tailored and person-centred. It should look more like the system that jobseekers want, with less busywork and more genuine support, including support to turn jobs into lasting opportunities.

The proposed New Employment Services Model provides little in the way of additional flexibility while adding an extra layer of automation that risks an even more harsh, inflexible and less person-centred system of mutual obligations.

## Investing in the care industry

Across Australia, some sectors are desperate for workers. The care industry is the fastest growing industry in Australia. The demand for skill Level 4 aged and disability care workers is projected to grow by nearly 25 percent over the next five years. The Royal Commission into Aged Care Quality and Safety reported an estimated need for more than 130,000 additional, full-time equivalent workers by 2050. This would be a 70 percent increase on current levels.

These are meaningful jobs, in a growth industry, with a solid career trajectory.

As a female-dominated industry, job creation in the care sector can help close the gender wage gap and improve the rates of women's economic participation.

# We need to create pathways for people looking to be trained and skilled for the jobs of the future

We need to create pathways for people looking for work to be trained and skilled to fill the jobs of the future. There is a real opportunity to connect people with barriers to employment with entry-level jobs, including by providing genuine and supported work placements and encouraging completion of high-quality training to ensure people have the right skills to meet the needs of employers and service users. This approach makes good economic sense. Experts report that investing in childcare and other forms of social care would create twice as many jobs as the same investment in construction.<sup>16</sup> The Anglicare Australia Network is already grappling with the challenge of meeting workforce demand and developing inclusive employment strategies, as shown by our case studies. At the same time, jobs created in the care sector need to be permanent, secure roles, with competitive wages and good conditions. Inadequate and short-term funding from the government makes it impossible for sector employers to offer secure work. The Royal Commission into Aged Care Quality and Safety noted that casually employed carers can struggle “to provide continuity of care and form ongoing relationships with older people,” and that the system would function best if moved away from this reliance on casual workers.<sup>17</sup> Care work will not be suitable for everyone who is unemployed and needing entry-level work. Governments should also identify other sectors of the economy where the demand for jobs can be matched with the right opportunities for those struggling to gain employment. This will mean creating supported employment pathways and local community jobs.



### National Youth Employment Body

Over the last year the National Youth Employment Body and the Transition to Work National Community of Practice have supported five communities in Darwin, Penrith, Logan, the Gold Coast and Adelaide North to implement a coherent and tailored skills pathway into aged care and disability support for young people.

Anglicare Australia Network member the Brotherhood of St Laurence was the enabling organisation, providing the methodology, research and evaluation expertise to enable collaborative efforts.

Forty-eight young people have successfully completed the pathway, with many confidently moving into employment or further training relevant to their aspirations and goals.

The Skills Trial pathway has provided young people with holistic support to explore different roles and careers, build work readiness and industry exposure, skill development and work experience, which has enabled them to make an informed decision on further training or work in the sector. Even if the sector is not for them, young people have shown they are ready to take the skills, confidence and experience developed through the pathway on to other opportunities.

The trial has involved employers in the co-design and all steps of the pathway (information sessions, recruitment, training), encouraging local organisations to adapt their practice and thinking on the skills and innovations required to engage a young workforce into entry-level roles.

### SPARK Aged Care Apprenticeships

Informed by its research on the workforce issues facing the aged care sector, Anglicare Australia member Benetas is trialling the SPARK Aged Care Apprenticeships program. This is a revolutionary program which flips recruitment on its head, and is aligned with the Aged Care Workforce Strategy, A Matter of Care.

In 2018 Benetas pilot tested an initiative to 'grow our own' talent, which involved ten candidates. The SPARK Aged Care Apprenticeships program sources people with the right values first and foremost. They are then taught the skills they require to work in aged care.

Benetas then employs them on a work based traineeship to give them the workplace experiences, coaching and support from buddies, as well as the opportunity to complete their Certificate III in Individual Support at TAFE, all whilst working at Benetas. This TAFE program is delivered in a flexible way to enable the work based learning to continue.

The process includes, for example, site visits, work experience shifts, learning about a resident's life and reporting back. The site and the person then decide if they want to progress. If both agree then a fixed term 12-month contract is offered as an apprenticeship.

This program is in its infancy but is continuing to grow. Benetas currently has a total of 34 'Sparkies' working and learning at Benetas. Benetas is very optimistic about the benefits the program will provide not only for its staff, but for the older people they serve.

# CONCLUSION

As we move into the next phase of our recovery, it is clear that the workforce is leaving many people behind. The recovery is being driven by the most employable jobseekers taking the most easily available jobs. Those with barriers to work are still without jobs, and there is no clear plan on how to support them.

The Government, and many commentators, are focusing on the positives. Job advertisements have increased while unemployment, underemployment, and the Jobactive caseload have all declined. In spite of this, the number of jobseekers with barriers to work has barely budged. Those who need the most help to find work, and those who are long-term unemployed, are not benefitting from the recovery in the labour force.

The recovery, along with the recession before it, have shown how our systems have been designed to look after the most advantaged best. In the recovery, as with the pandemic, 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. As this Snapshot is released, much of Australia is emerging from lockdowns that are far tougher than those endured in 2020, with far less support. It is clear that Australia needs a permanent solution to this enduring problem. A permanent basic income offers us the path forward.

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 create jobs where they are needed. With so many people in need of entry-level jobs, and with so much demand forecast for workers in the care sector, we have an opportunity to plan a future workforce that meets our needs.

We know this can be done, and we know it works. Our research goes beyond the statistics to show how the Anglicare Australia Network itself has been helping to get people into work and to keeping them there. Agencies like Benetas and the Brotherhood of St Laurence have created imaginative employment programs for disadvantaged and entry-level jobseekers in aged care and home support services. With the disability and aged care sectors set to grow exponentially across Australia, this is a model we can expand to provide stable work for those who need it.

This is the right kind of market intervention. The government is fond of saying that the best form of welfare is a job. If that is true, then it behoves us to make sure the jobs are actually there.

If we persist with an approach that's failing, we are not simply denying people jobs. We are denying them stability, activity, dignity, and a connection to society.







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