

personal, social and vocational issues affecting disadvantaged job seekers. There is a general understanding of what has worked well and why.

Regional organisations (Employment and Skills Formation Networks and Regional Development Boards) and their staff have an extensive and thorough knowledge of their region including emerging employment opportunities, supportive employers, industry, job vacancies and the needs of the various client groups. The flexibility in the manner in which DFEEST funds the regions has been critical to the success of customised, local labour market initiatives as has local and regional decision making in response to the needs of local employers and in response to local labour market conditions.

The appropriate policy and implementation framework for the future **must strengthen** the relationship between economic development and labour market policies and programs in order to capitalise on the strength of *South Australia Works* to design customised programs to meet location specific employment, training and skill formation needs. This would increase the impact of the Program in responding to State-wide objectives.

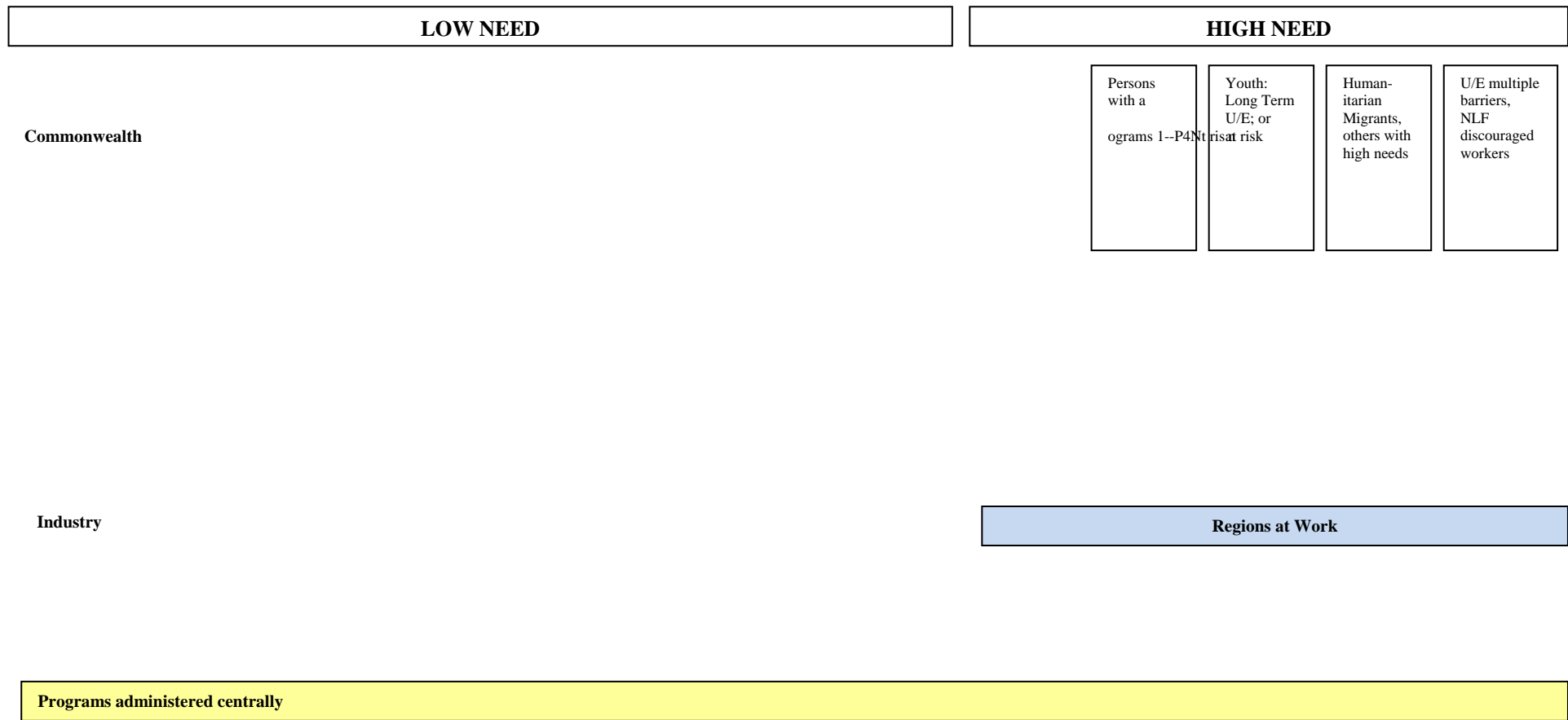
For South Australia to achieve its full potential it is imperative that regions fulfil their potential, and the adoption of uniform regional boundaries provides the foundation for a new approach to even greater efficiency in service delivery. The adoption of uniform regional boundaries provides a unique opportunity to strengthen the relationship between economic development, regional policy and labour market policies and programs.

Design Principles

The basic principles underlying the proposed design are:

- i) Needs, priorities and opportunities are likely to differ substantially across the state, making flexibility important. The OECD has noted the need to harmonise the delivery of regional development and labour market programs, and a further regionalisation of the delivery of *South Australia Works* activities creates significant opportunities to do this.
- ii) Reforms to Commonwealth employment programs mean that there are now fewer 'gaps' for a state based program to fill. Future operations of *South Australia Works* will strengthen the relationship with the Commonwealth Job Services Australia providers with the clear view that the first call on funding will be from the Commonwealth.
- iii) Streams 1 and 2 of Job Services Australia provide a good, cost effective, high volume program targeted at the less disadvantaged and as such should contribute significantly to the South Australia's Strategic Plan targets on employment participation.
- iv) A comparative advantage of *South Australia Works* relative to Job Services Australia is the range of contacts with local employers and experience in brokering deals with employers, particularly in the regions.
- v) Each program included in the initiative introduces a range of costs; centrally, resources are needed to ensure that activities match program requirements; providers need to ensure that they are meet(47 Tw(9/5TD.000n1.15 TD.3.8(e)4.6(e63t thes; providJ-)70.92

Figure 1: Relationship Between *South Australia Works*, Commonwealth and Industry Programs and Target Groups



Other Considerations

The Industry Skills Directorate has carriage of the Productivity Places Program (PPP).

While the target population for job seekers under existing *South Australia Works* and PPP are the same, the two programs will need to liai

Governance Arrangements

The basis of the management arrangements for the program would be bilateral agreements between each region and DFEEST Central Office. Each region would be required to develop a three year strategy and annual implementation plans in concert with DFEEST Central Office. The regions would then develop and deliver a range of projects in order to fulfil the implementation plan. The three year strategies would have specific targets for each of the priority groups for the program (with the level of the targets based on the level of relative need in the region), but the implementation plans would not be required to deliver equally for the target groups in a given year (i.e., the relative weighting of assistance provided to priority groups (youth, indigenous, mature workers, workless households, etc) would be different for each region to reflect relative needs in the region, numbers in priority groups, local industry and labour market opportunities.

An important factor in the ability of Regions at Work to deliver to its potential will be the placement of appropriately skilled staff, particularly in their role of oversight of the work of the Employment and Skill Formation Networks. Successful delivery of the program requires the Regional Coordinator to be a ‘social entrepreneur’ with strong deal making skills, a good understanding of the needs of employers, and either good local networks, or the ability to establish them quickly.

Under this proposed model DFEEST Central Office would be responsible for, *inter alia*:

- a) analysing policy objectives in order to tailor programs/projects that are effective in responding to the skill, training and employment needs of individual regions, industries, employers and/or target groups;
- b) identifying the specific target groups for Regions at Work activity in each region, drawing on detailed regional profiles and input from the TaSC, EDB and SIU and the qualitative information available from regions;

Regions would be responsible for, *inter alia*:

- a) developing a three year strategy in concert with DFEEST Central Office;
- b) developing annual implementation plans;
- c) designing projects that meet the needs of local job seekers and employers;
- d) identifying and recruiting project participants;
- e) forming relationships with local employers to ensure employer participation in projects;
- f) forming partnerships with local Job Services Australia and Disability Employment Services providers to undertake joint projects;
- g) forming relationships with local community services organisations to ensure that, where necessary, clients can be provided with the support they need to achieve and sustain an employment outcome;
- h) ensure that over the life of the three year strategy projects are implemented which meet the relevant targets for all target groups; and
- i) maintaining central data systems documenting their activities, partnerships etc.