



An evaluation of an Aboriginal Employment and Training Activity

Executive Summary

The Department of the Prime Minister and Cabinet selected the Melbourne Institute of Applied Economics and Social Research at the University of Melbourne (UoM) from the Research and Evaluation Service Panel to review the employment outcomes for job seekers supported by an employment services provider under a complementary Indigenous employment program, compared with job seekers supported under the Vocational Training and Employments Centres (VTECs) and the mainstream employment services program, *jobactive*.

The specific employment services provider has not been named in this summary in order to protect its commercial interests. The provider received funding through the Tailored Assistance Employment Grants (TAEG) program to deliver employment and training activities to Indigenous job seekers.

The outcomes of Indigenous job seekers with placements delivered by the Indigenous-specific employment funding were assessed against the outcomes achieved for the *jobactive* (and former Job Services Australia) placements.

The analyses in the report aimed to allow for any potential differences in the composition of the job seeker groups in the three programs and the state of the local labour market. All individuals assessed in the impact evaluation had access to *jobactive* (JA) or the preceding Job Services Australia (JSA), which provides baseline results for the measurement of outcomes.

The evaluation used data on placements under the programs commencing in the window between 1 July 2014 and 30 April 2017. The review estimated that, after adjusting for differences in the characteristics of job seekers, a job placement under the TAEG service provider had a 20 percentage point higher probability of achieving a 26-week employment outcome than if they were placed under *jobactive* / JSA. Job seekers supported under VTEC were also found to have had positive outcomes compared to *jobactive* / JSA (40 percentage point higher chance of attaining a 26-week outcome). The 26-week employment advantage of complementary Indigenous employment programs was found across groups facing different levels of labour market disadvantage (based on job capacity assessments). The review also showed that the TAEG service provider and the VTEC service providers placed job seekers in higher quality jobs, than the *jobactive* / JSA placements, with the advantage in job status around twice as high with the TAEG service provider than under VTEC.

In addition, the review showed that once job seekers reached the 26-week mark, they are very likely to stay out of *jobactive* / JSA for another 6 months, with higher results for those job seekers who were provided services by the TAEG service provider and the VTEC service providers.