



Increasing employment opportunities for marginalised Victorians through the use of TAFE training and social enterprises

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An International Specialised Skills Fellowship

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i. EXECUTIVE SUMMARY

The main purpose of this report is to convey the findings of the HESG ISS Institute Fellowship awarded to Peter Hurley. The purpose of the Fellowship was to understand how vocational colleges, such as TAFEs, can link with both providers in the employment sector and social enterprises to create innovative and effective programs for the unemployed. The United Kingdom, Denmark and Finland were visited and used as case studies. The countries were selected because they have an established program of support for social enterprises and, like Australia, have an advanced Vocational and Educational Training (VET) sector. A range of stakeholders were interviewed including social entrepreneurs, VET teachers, government policy advisors and academics.

The Fellowship stakeholder interviews highlighted how other countries face many of the same challenges as Australia. It can be difficult to engage learners and jobseekers who have barriers to employment and thus attention and care is needed to create effective training programs for this cohort. The research has shown that the most effective programs for the long-term unemployed are those that are small scale, 'bottom up' and reflect work-like practices as closely as possible. There are many different ways to meet these criteria. Every country investigated as part of this Fellowship had a different approach, however, all shared a strong commitment to create programs that benefit disadvantaged groups such as the long-term unemployed.

The findings of this report shows that there is considerable scope for VET colleges to expand into new areas to ensure they continue to meet their purpose of providing effective vocational training to traditionally disadvantaged groups.

The main findings include:

1. There is a proven record of establishing relationships between VET colleges and social enterprises that can be replicated in Australia.

- In the countries visited, the relationships with VET colleges and external providers was dependant on the public funding arrangement. Relationships between social enterprises and VET colleges in Australia will need to adapt to the current funding environment.

2. Linking with social enterprises can be profitable for Australian VET colleges.

- There are many models that can be pursued within Australia. Typically, VET providers should favour programs that involve a larger number of participants/students as this will maximise training dollars.

3. It is important to link with a social enterprise that run as an effective business and are self-supporting.

- There were many models in operation overseas, however, the most successful were those that met certain business principles, such as focusing on the quality of the product, operating in a competitive environment and ensuring a profitable turnover.

4. Social enterprises provide an effective way to create 'bottom up', local, small scale programs.

- Programs that meet these features have been shown to be the most effective in transitioning unemployed people to employment.

A closer alignment of Active Labour Market Programs (ALMPs), social enterprises and VET colleges in Australia would create a more effective service for unemployed people. This report uses lessons from overseas which shows how social enterprises can be used as an effective mechanism to align the areas of employment services and vocational training.

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ii. ACRONYMS & ABBREVIATIONS

ALMP	Active Labour Market Programs
HESG	Higher Education Skills Group
NFP	Not for profit organisation
RTO	Registered Training Organisation
SCH	Student Contact Hour
TAFE	Technical and Further Education
UK	United Kingdom
VET	Vocational Education and Training

iii. DEFINITIONS

ALMP

Active Labour Market Programs or Active Labour Market Policies are government programmes that intervene in the labour market to help the unemployed find work. Many of these programmes grew out of earlier public works projects designed to combat widespread unemployment in the developed world during the interwar period.

Social enterprise

A social enterprise is an organisation that applies commercial strategies to maximise improvements in human and environmental well-being. For the purposes of this report they are considered not for profits who operate in a competitive market place that incorporate a social, environmental or economic aim.

VET college

A VET college is a large publically owned entity whose role is to provide vocational education and training. They include TAFEs, polytechnics and universities. They usually have a broad set of offerings and significant resources.

1. ABOUT THE FELLOW

Name: Peter Hurley

Qualifications: Bachelor of Arts, Monash University, 2001

Master of Education (International Policy), The University of Melbourne, 2010

Doctor of Philosophy, Monash University, 2015 - current

Peter Hurley has worked in higher education and TAFE for the past ten years. Most recently, he was a Project Manager at Bendigo Kangan Institute managing diverse labour market programs. This included handling the Institute's response to redundant workers and managing the delivery of programs to jobseekers. Peter is currently undertaking a PhD at Monash University and his research interests include international education, and the nexus between employment and education. Peter is the current President of the Monash Postgraduate Association (MPA), General Secretary of the Council of Australian Postgraduate Associations (CAPA) and is also the recipient of the 2015 AVETRA/TDA Innovation Scholarship.

2. AIM OF THE FELLOWSHIP PROGRAM

One of the core missions of Vocational Education and Training is to provide training and services to those that are disadvantaged or have barriers to learning. One important cohort is the long term unemployed. Linkages between VET colleges and other organisations that provide services to the unemployed can be weak. A better understating of how to link the training that TAFE can provide with the skills that industry needs, and incorporate the support services that other organisation deliver, would increase the realisation of benefits for the whole community.

The aim of the Fellowship was to look at the ways in which training colleges in the United Kingdom (UK), Denmark and Finland, have run and designed effective programs for the long term unemployed. In particular, it examined programs for the long term unemployed that are run in conjunction with industry partners. The focus of the Fellowship was social enterprises that involve a placement of three to six months in length in the hospitality, transport, and construction industries. The United Kingdom, Denmark and Finland were selected because of their notable advancements in this area.

The Fellowship study researched:

- Linking with social enterprises
- Course design
- Innovative learning and engagement methods
- Interacting with other organisations that provide services to the long term unemployed.

3. THE AUSTRALIAN CONTEXT

This Fellowship enabled the Fellow to understand better ways to link the policy areas of vocational education and employment services. A focus of the fellowship is the link between VET, Active Labour Market Programs (ALMP) and social enterprises.

Active Labour Market Policies (ALMP) refer to the different types of government policy interventions to assist unemployed people integrate or re-integrate into the workplace. They differ from 'passive' labour market policies in a number of ways. 'Passive' labour market policies usually refer to providing replacement income during periods of unemployment or to early retirement schemes. ALMPs have a more interventionist focus and can take a range of forms including training, job creation measures, jobseeker support, hiring and payroll subsidies, and support for new enterprise creation. Within Australia, these policies are delivered through the Department of Employment. The most noticeable face of ALMPs in Australia are Centrelink and *jobactive* providers. Expenditure on ALMPs in Australia accounts for about 0.3 per cent of GDP or over \$5 billion.¹

ALMPs can be categorised into the following seven areas²:

- 1. Education and Training schemes.** These are the classic elements of ALMPs and include training or re-training to cover either general skills or vocationally specific skills. The underlying argument is that employability and job-finding chances are increased through the acquisition of skills.
- 2. Information and job—broking activities.** These are the activities undertaken by organisations such as Centrelink and *jobactive* providers whose role is to register and provide job-matching and vacancy information to jobseekers, and to provide information on jobseekers to employers
- 3. Work experience, coaching and volunteering.** This is the more involved services usually involving coaching, mentoring and motivational activities
- 4. Sanctions and Incentives.** These approaches are used to 'activate' unemployed people, such as through the threat of benefit withdrawal for non-compliance or through financial incentives such as a monetary bonus on acceptance of an offer.
- 5. Self-employment subsidies.** Payment to individuals to encourage them to enter self-employment and start their own enterprise.
- 6. Employer subsidies.** Subsidies paid to employers to hire jobseekers, such as through bonuses or a reduction in payroll tax.
- 7. Job creation schemes.** Traditional make work schemes, often in the public or not-for-profit sectors, which provide job opportunities to the unemployed.

An example of an ALMP in Australia is the Victorian Government's *Back to Work Scheme*. It uses a range of measures such as payroll deductions and employment incentives.

Social enterprises are businesses that exist primarily to benefit the public and the community, rather than shareholders and owners. Social enterprises are commercially viable businesses with a purpose of generating social impact. They are normally organisations that are driven by a public or community cause, which could have social, environmental or cultural emphasis. Social enterprises derive most of their income from trade, rather than donations. Social enterprises also use the majority of their profits to work towards their social mission.

There are a number of social enterprises that already exist. Within the employment sector social enterprises have been used extensively to create programs and opportunities for employment. Prominent examples of social enterprises include The Big Issue and Fair Trade Coffee. Social Traders,

¹ OECD. (2013). *Activating Jobseekers*. Paris: OECD Publishing.

² Meager, N. (2009). The Role of Training and Skills Development in Active Labour Market Policies. *International Journal of Training and Development*, 13(1), 1-18.

3. THE AUSTRALIAN CONTEXT

the organisation representing social enterprises in Australia, estimates that 39 per cent of all activity in the not-for-profit (NFP) sector is generated through trading activity, equating to \$22 billion annually. Social Traders estimates that social enterprise activity constitutes 2 to 3 per cent of GDP.³

Working within the TAFE system, the Fellow has recognised that the linkages between vocational education and training, employment services and social enterprises are underdeveloped. This has been noted elsewhere:

experience has shown that the education settings available are not able to cater to the learning needs of young people, and that opportunities to learn on the job, which would support learning and achievement for a large cohort of otherwise disengaged young people, are sorely missing from the landscape of options.⁴

Vocational education and training has the capacity to increase the capability of workforce and it also has the ability to serve the most disadvantaged members of the community through the provision of the required skills and knowledge to enter the workplace. Identifying ways that vocational education and training can complement the aims of ALMPs and social enterprises can result in more effective policy outcomes and the provision of services to a group of people in the community who face numerous barriers to employment.

³ Daniels, M., (2014) *Social enterprise in Australia*, retrieved from <http://socialenterpriseawards.com.au/wp-content/uploads/2014/07/1150-Keynote-State-of-the-Nation-Mark-Daniels.pdf>

⁴ Social Traders. (2013) *Employment Services Beyond 2015: The Role of the Social Enterprise*. Retrieved from <http://cdn.socialtraders.com.au/app/uploads/2016/05/Employment-Services-Beyond-2015-The-Role-of-Social-Enterprise-.pdf>

4. IDENTIFYING THE SKILLS AND KNOWLEDGE ENHANCEMENTS REQUIRED

Research has shown that when vocational education and training is successful, as part of ALMPs, there are a number of features. The literature suggests that successful programs tend to be:

- 'bottom up' schemes
- small-scale initiatives
- targeted to meet the local needs of job seekers and employers
- result in a formal qualification
- reflect workplaces and work practices as closely as possible.¹

The above points form the skill enhancement areas of this Fellowship study.

1. Observe and identify how small, 'bottom-up' education programs are created in UK and northern Europe.

- Meet with training providers who have a record of producing small, innovative, 'bottom up' training schemes for the unemployed.
- Ascertain the features of the education programs and how they differ from other programs that may be offered.
- Discuss how these programs have been effective, what has worked and what has not worked.

Action: Based on the research, document and list the features of small, 'bottom up' programs.

2. Observe and identify how education providers and other interested parties use social enterprises to create links to local industry in the UK and northern Europe.

- Meet with a range of education providers and other interested parties such as not-for-profits and social enterprises.
- Discuss linkages to industry and how programs are structured to include industry and meet local jobs needs.
- Identify features of industry engagement within training programs.

Action: Develop a set of principles which shows how these features could be used in an Australian context.

3. Observe and identify how training organisations in the UK and northern Europe use the formal education system to deliver training in a simulated workplace environment.

- Discuss the training system in each country to identify strengths and weaknesses for delivering training in a simulated workplace environment.
- Understand the use of assessment within each program and how it interacts with the formal education system.

Action: Based on the research, identify a number of recommendations that can facilitate partnerships between social enterprises and TAFEs.

¹ Borland, J. (2014, January 30) Work for the Dole doesn't work, but here is what does. *The Conversation*. Retrieved from <https://theconversation.com/work-for-the-dole-doesnt-work-but-here-is-what-does-22492>

5. THE INTERNATIONAL EXPERIENCE

Danish Business Authority, Copenhagen, Denmark

Contact: Sophian Driff, Project Leader

Underpinning knowledge and insights:

The Danish Business Authority embarked on a series of projects designed to foster and promote social enterprises in Denmark. Some of the provided knowledge included deconstructing how social enterprises operate, in order to make a distinction between a social enterprise and other types of businesses. This is very useful as there are number of different types of social enterprises. A number of successful social enterprise ideas were outlined. What was also useful was understand the benefits that government support can bring to the vitality of social enterprises. Government support does not need to just be in the form of financial support, although this helps. It can also be in the form of removing barriers to establishment, providing mentoring and training support and fostering a culture where social enterprises can thrive

Department of Training and Education, Copenhagen, Denmark

Contact: Ramanan Balasubramaniam, Policy Manager

Underpinning knowledge and insights:

The Department of Training and Education has a youth engagement area that focuses on the retention of young people in training. A number of innovative programs have been trialled including: a website that guides young people to build a resume; a caravan that visits different parts of Denmark to provide information about schools and education; and, various learning materials targeted at women, youth, refugees and people with dyslexia. The Department of Training and Education found that the most effective programs were those that were focused at an institutional level. For instance, training the trainers resulted in increases in productivity, retention and effectiveness. This theme continued throughout the visits. Programs had the broadest impact when they were based within institutions and lifted the capability of trainers to provide teaching and learning. Also, the visit highlighted the need for ancillary support to learning and teaching. The provision of teaching a set of skills is the primary purpose of vocational and education colleges. Often, however, there are a set of barriers that impede learning. When working with disadvantaged cohorts there is a need to provide ancillary support and customised learning materials in order for learning to occur. TAFEs are very well established to provide this support. If social enterprises are to function in conjunction with TAFEs, it is worthwhile considering supporting the learning with other programs, such as literacy and numeracy support, or with counselling.

Tietgen Competency Centre, Odense, Copenhagen

Contact: Anette Jensen, Manager

Underpinning knowledge and insights:

Tietgen is a training centre similar to TAFEs in Australia. Tietgen has partnered with the wing of an employment services provider which runs as a social enterprise. Tietgen operates in rural Denmark. There are a number of paid staff who contact local business to determine if there is a service that the social enterprise can provide. During the visit, examples of work undertaken included: the construction of hides for use in forests when hunting; and sorting trash for recycling. Local job service providers link

5. THE INTERNATIONAL EXPERIENCE

unemployed people to the enterprise. The college, Tietgen, provides language literacy and numeracy support. Generally, the skills utilised by the participants were low level and accessible.

Some of the important features of this operation is that the social enterprise must operate within the market according to market conditions. It charges according to market rates and remains solvent through trading. It is able to operate by maintaining a high level of quality and by having access to a source of cheaper labour.



Fig 1. The Fellow with a trainer at Tietgen College in Odense, Denmark



Fig 2. Visiting a social enterprise in rural Denmark

Metropolitan University College, Copenhagen, Denmark

Contact: Rasmus Helleberg Frimodt, Head of Department

Underpinning knowledge and insights:

The features of the Danish system were discussed. One of the main lessons is that Denmark has high training requirements for vocational teachers. Every teacher who is hired by a vocational college must complete a higher degree. All research within Denmark shows that the quality of training, and thus the training outcomes, is most improved when the capabilities of the trainer are increased. This is an interesting lesson for Australia and the use of the Certificate IV in Training and Assessment. A more professionalised, higher qualified teacher workforce may be able to provide increased outcomes in the VET sector.

Waste to Taste, Helsinki, Finland

Contact: Johanna Kohvak, Founder

Underpinning knowledge and insights:

Waste to Taste is an example of a successful social enterprise and was set up to mirror a successful Dutch program. Food that is being thrown out by restaurants, supermarkets and bakeries is collected on a daily basis. A qualified chef creates a menu every day and a buffet lunch is provided. The venue is in an old psychiatric hospital that has been closed and handed over to community groups. Asylum seekers and refugees form the staff and learn how to cook and prepare food in a Finnish commercial environment.

Again, this operation showed how important it is for a social enterprise to act according to business principles. There is a clearly evident business plan and a sophisticated website. The business is divided into separate areas such as logistics, front of house and food preparation. It has taken about six months for this operation to be established.



Fig 3. The old psychiatric hospital in Helsinki where from Waste to Taste is run

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EduPoli, Helsinki, Finland

Contact: Anne Norland, Project Manager,

Underpinning knowledge and insights:

EduPoli provide intensive support to unemployed people transitioning in to the workplace and is provided in a teaching and learning environment. The program involves two weeks of initial training, followed by a period of a work placement undertaken over approximately 20 weeks. A contract is drawn up between the participants, the employer and EduPoli. The teachers at EduPoli stay engaged with the participant providing mentoring support.

This program demonstrates how important it is to provide support and mentoring. The program also highlights the benefits of beginning any period of employment with an initial training session as this facilitates the transition from unemployment to work placement.

TAFEs are well placed to provide this type of support. For instance, TAFEs could provide a period of mentoring before the beginning of a work placement. This support can continue through a placement. Mentoring and coaching support can be paired with other programs such as language and literacy training.



Fig 4. The Fellow with staff from “You Can” project at EduPoli

Social Enterprise UK, London, England

Contact: James Butler, General Manager

5. THE INTERNATIONAL EXPERIENCE

Underpinning knowledge and insights:

The United Kingdom is considered a world leader in social enterprises. The peak body, Social Enterprise UK, operates like a business. This peak body promotes all aspects of social enterprise within the United Kingdom and solicits support from the financial sector in order to do so.

Social Enterprise UK advocates for fertile conditions for the growth of social enterprises including the passage of procurement laws that require those who authorise public spending to consider the wider social, economic and environmental benefits. There is also significant work with the corporate sector to encourage collaboration with the social sector. Social Enterprise UK shows how changes in the for profit sector which encourage, and in some instances mandate, a stronger connection with the NFP sector can create opportunities for the growth of social enterprises.

BikeWorks, London, England

Contact: Jim Blackmore, Founder

Underpinning knowledge and insights:

BikeWorks is a social enterprise that provides mobile bike servicing across London. It employs refugees, the long-term unemployed and others who may have barriers to employment. It is supplemented by a set of permanent staff who oversee the operation and management.

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Clients book for a bike service online. A bike mechanic visits them at their workplace or home and completes the service. The mechanics learn a range of skills from bike repair to customer service.

BikeWorks is an effective social enterprise which has grown since its inception in 2006. BikeWorks may not prove an effective model to house within a TAFE as it does not have certain characteristics that make it attractive, such as large numbers of participants who undertake training. Nevertheless, the marketing and operation of the enterprise again reinforce the importance that social enterprises operate as effective businesses in order for them to be successful.



Fig 5 The bikeworks store in London's Bethnal Green

6. KNOWLEDGE TRANSFER: APPLYING THE OUTCOMES

This section outlines how collaboration between social enterprises and VET colleges can proceed. It has the potential to outline a set of principles for use by VET colleges when establishing relationships with social enterprises. The principles have been formulated using information obtained during this Fellowship, the research literature and knowledge of the Australian education and employment funding systems.

Principle 1: Any social enterprise must run according to business principles and operate in a competitive market

A feature of all successful social enterprises, engaged with as part of this Fellowship, were that they operated in the same manner as a for-profit business. They are run by professionals and compete against other companies for business. As such, they need to run as efficiently as possible.

Any social enterprise that is created to work with a VET college needs a business plan and governance structure. It needs a communication plan, branding, website and point of sale equipment. It needs a sound management structure and access to resources.

The type of programs that have proven to be effective in assisting unemployed people are those that are as close to a 'work-like' situation as possible. This is another reason why any social enterprise must operate in the same manner as an efficient business.

Principle 2: The quality of the product must be paramount and charged at competitive market rates.

All successful social enterprises produce a product that is of the same quality as the for profit sector.

There may be some limitations in the ability of a social enterprise to operate a full service compared to commercial competitors. For instance, in running a catering company using discarded food, there may be some compromise in the choice of menu selection. This is because the food stock is received daily, and the type of food received is never certain, and thus a different menu is created every day. However, the quality of the food provided to customers is not compromised.

Any reduction in price reflects the limits of the social enterprise, when compared to the for-profit sector, such as reduced choice or extended delivery time.

Principle 3: The relationship between the VET college and the social enterprise must be transparent, professional and mutually beneficial.

A key finding of this report is that social enterprises and VET colleges can work together to provide mutually beneficial outcomes to the unemployed. VET colleges and social enterprises can leverage off the benefits inherent in each organisation.

Some of the benefits of social enterprises are that they are small and locally based and usually have lower set up costs. Because of the nature of their business, social enterprises can access a customer base that is eager to use their services. Social enterprises can attract young entrepreneurs who are willing to work to establish a boutique business.

VET colleges have the advantage of being large organisations that have excellent resources and equipment. They have access to learning materials and staff with a broad range of industry specific knowledge.

In creating a relationship between a social enterprise and a VET college, the terms of the arrangement must be clear. The delineation of duties, responsibilities and reporting arrangements should be made to minimise risk and maximise the effectiveness of the businesses.

Principle 4: Enterprises should be favoured that involve the training of a high number of participants and in qualifications that receive relatively high funding.

The primary purpose, and core business, of VET colleges is to provide vocational education and training. The type of training that is most profitable to VET colleges are those that involve larger number of students, with high student contact hours (SCH) in qualifications that receive a high funding weighting. This would mean groups of between 10 to 15 participants who are eligible to receive government funding in qualifications associated with traditional trades.

For a social enterprise to be attractive to a partnership with a VET college it must be one that provides a large number of participants for enrolment at the VET college. This means that favoured businesses should be ones that have a high number of staff in industry areas that are aligned to traditional trades such as hospitality, automotive, construction, and metals and engineering.

Dissemination

Dissemination refers to the spreading, circulation, or promotion of information. In this context, the information refers to the findings and recommendations of the report.

In disseminating the report is helpful to divide groups into relevant audiences, or stakeholders. Some of the main stakeholders for this report are government departments, education institutions such as TAFE Colleges, professional associations, and employment service providers.

There are a number of different reasons to disseminate findings. Dissemination can increase general awareness of an issue or area. Dissemination can also be more targeted to increase understanding with stakeholders that directly benefit from the research. Finally, dissemination can be for the purpose of effecting action or change from the adoption of findings.

The Fellow proposes to approach the dissemination of findings through three methods; engaging with stakeholders, exploring possibilities, and creating opportunities for action.

Engaging with stakeholders: The Fellow will seek to meet with a representative from each of the different stakeholders relevant to the report. In particular, General Managers and CEOs of TAFEs will be targeted in order to generate interest in partnership models between social enterprises and TAFE Colleges.

Exploring Possibilities: As part of the dissemination, the Fellow will seek to understand the strength and weaknesses of each institute and areas of possible focus. These could be in industry areas such as automotive or building and construction. It could also be location based. Following meetings with TAFE leaders, the Fellow will seek to meet with different employment service providers to understand what models may work for them and to explore possible levels of collaboration.

Creating opportunities: One of the main findings of this report is that there are numerous models for partnership and collaboration. The overseas experience has demonstrated this. Following meetings with TAFE leaders, and employment service providers, the Fellow will seek to create opportunities for partnerships to be created. This will be completed through presentations, workshops and joint meetings.

7. RECOMMENDATIONS

This section outlines a number of recommendations arising out of the Fellowship study.

Partnerships

Essentially the findings of this report suggest formal linkages between the employment, education and NFP sectors. Partnerships are very important to achieve this aim and there are numerous players within each sector. For instance, there are over 10 TAFEs in Victoria and there are a number of employment service providers such as Matchworks and the Brotherhood of St Laurence. In order to establish a successful social enterprise that leverages off the benefits of each sector, partnership arrangements must be investigated and agreed upon.

It is recommended that partnership arrangements are investigated between individual VET colleges and local employment services providers. Any partnership model and formal agreement regarding a social enterprise, such as a contract or Memorandum of Understanding, can be used by other TAFEs and employment service providers.

Auspicings

Within the VET sector, auspicings refers to a Registered Training Organisation (RTO) entering into an agreement with a third party to deliver some aspect of the formal training and assessment. Auspicings is useful in this context because:

- A social enterprise provides the workplace learning and skills that can be aligned to formal training packages
- TAFEs can provide formal certification of achievement and align training to industry needs
- An extra source of revenue can be gained for social enterprises by accessing training funding.

Auspicings can be considered a high risk activity because of the potential for abuse. Within Victoria, all auspicings arrangements must be approved by the Higher Education and Skills Group.¹ There is a case for auspicings arrangements between TAFEs and social enterprises to be classified as lower risk and therefore encouraged. It is recommended that the Victorian government investigate ways to remove barriers to auspicings between TAFEs and social enterprises.

Encouraging enterprise

This report argues for the use of social enterprises as a vehicle for creating work-like experiences for unemployed people. Partnerships between existing organisations, such as TAFEs and employment service providers, are one important aspect. However, separate social enterprise entities need to be established in order to create the businesses required to drive the revenue generation and training positions.

As such, it is important that social enterprises are encouraged. This can be done through linking with existing organisations such as Social Traders as well as linking to social entrepreneurs.

It is recommended that the best methods to encourage social enterprises linking with TAFEs is explored and then promoted.

¹ See <http://www.education.vic.gov.au/training/providers/rto/Pages/serviceagree.aspx> for more information.

7. RECOMMENDATIONS

Funding and Resourcing

All businesses require some form of investment in order to establish themselves. By using pre-existing resources, such as equipment and facilities within a TAFE, the amount of capital required for establishment is reduced. Social enterprises, on the whole, may not require as much investment to start up as other businesses.

Nevertheless, some funding is required. There must be incentives and funding available for these entities to establish themselves.

It is recommended that the state government provide small incentives for the establishment of social enterprises that work with VET colleges and employment services providers. Where funding is already available, information regarding the funding scheme and its criteria must be made available to potential social enterprises.

Business Plan

It has been stated that for a social enterprise to work, it must be structured according to market principles as it will need to compete with other organisations in the market. In order to do this appropriate planning is required.

A business plan that outlines all aspects of the business, the market, the enterprise's goals and the finances is required. There are already a number of programs that provide business start-up support, such as the New Enterprise Incentive Scheme (NEIS).

It is recommended that each new social enterprise creates a detailed business plan and, where needed, assistance is provided in order to create the business plan.

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International Specialised Skills Institute (ISS Institute) – The Awarding body

The ISS Institute exists to foster an aspirational, skilled and smart Australia by cultivating the mastery and knowledge of talented Australians through international research Fellowships.

The International Specialised Skills Institute (ISS Institute) is proud of its heritage. The organisation was founded over 25 years ago by Sir James Gobbo AC CVO QC, former Governor of Victoria, to encourage investment in the development of Australia's specialised skills. Its international Fellowship program supports a large number of Australians and international leaders across a broad cross-section of industries to undertake applied research that will benefit economic development through vocational training, industry innovation and advancement. To date, over 350 Australian and international Fellows have undertaken Fellowships facilitated through ISS Institute. The program encourages mutual and shared learning, leadership and communities of practice.

At the heart of the ISS Institute are our individual Fellows. Under the International Applied Research Fellowship Program the Fellows travel overseas and upon their return, they are required to pass on what they have learnt by:

- Preparing a detailed report for distribution to government departments, industry and educational institutions
- Recommending improvements to accredited educational courses
- Delivering training activities including workshops, conferences and forums.

The organisation plays a pivotal role in creating value and opportunity, encouraging new thinking and early adoption of ideas and practice. By working with others, ISS Institute invests in individuals who wish to create an aspirational, skilled and smart Australia through innovation, mastery and knowledge cultivation.

For further information on ISS Institute Fellows, refer to www.issinstitute.org.au

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9. ACKNOWLEDGEMENTS

Fellowship Sponsor

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Bendigo Kangan Institute

The Fellow would like to thank Bendigo Kangan Institute (BKI) and particularly Nola Grant, Manager Employment Services. BKI is an organisation dedicated to training some of the most marginalised people in society. It is based in the north-west of Melbourne, which contains pockets of entrenched disadvantage. The Fellow has worked closely with a number of people to provide meaningful and effective services to the community that BKI serves. In particular, Nola Grant has been an amazing support, and provided a model for all that is good in public vocational education. The Fellow is indebted to the opportunities Nola and BKI have provided.

Jobs Australia

Jobs Australia is the peak national body representing not-for-profits that work in assisting unemployed people. The work Jobs Australia undertakes is invaluable and their mission to help achieve a fair and equitable Australia is admirable. Jobs Australia have assisted in providing important support, direction and advice to the Fellow.

