



Global Sisters Pty Ltd ABN 36 162 363 180

Friday 28 September, 2018

Committee Secretary
Senate Education and Employment Committees
PO Box 6100
Parliament House
Canberra ACT 2600

Dear Sir/ Madam,

Thank you for the opportunity to be part of the consultation on the appropriateness and effectiveness of the objectives, design, implementation and evaluation of jobactive.

Attached is the submission from Global Sisters.

Global Sisters is a not-for-profit focused on supporting disadvantaged women to create jobs and become self-employed through entrepreneurship. We work collaboratively with corporates (Citi, AMP and Myer), Government (Department of Social Services), philanthropic foundations and community partners (including councils and local NGOs) to create jobs through business, transforming both the life of the business woman and her family and community. We operate in five locations around Australia (Sydney, Melbourne, Canberra, Brisbane and regional Victoria).

Our key message is that entrepreneurship and job creation services should be invested in by Government as a genuine alternative to job placement services for disadvantaged unemployed women.

In the last three years Global Sisters has worked with hundreds of women across Australia and supported over 150 women to create businesses and income for themselves, overcoming their exclusion from mainstream jobs.

Global Sisters would appreciate the opportunity to come and talk to you further and introducing you to some of the women that we support. Alternatively, we would welcome you to come and visit our programs in person in any of the locations that we operate.

If you require any further information please do not hesitate to get in touch.

Yours Sincerely,

Mandy Richards

CEO/ Founder | Global Sisters

Global Sisters' Submission to the Senate Standing Committee on Education and Employment regarding the appropriateness and effectiveness of the objectives, design, implementation and evaluation of jobactive.

Overview

Global Sisters is pleased to be able to contribute to the Senate Inquiry regarding jobactive. As a social enterprise dedicated to assisting disadvantaged women to create their own jobs through the establishment of sustainable businesses, Global Sisters wishes to bring to the Committee's attention the need to make self-employment and entrepreneurship a more accessible alternative to job placement for women unable to obtain mainstream employment due to their circumstances.

All human beings are born entrepreneurs. Some get a chance to unleash that capacity. Some never got the chance... Professor Muhammad Yunus, Nobel Peace Prize Winner

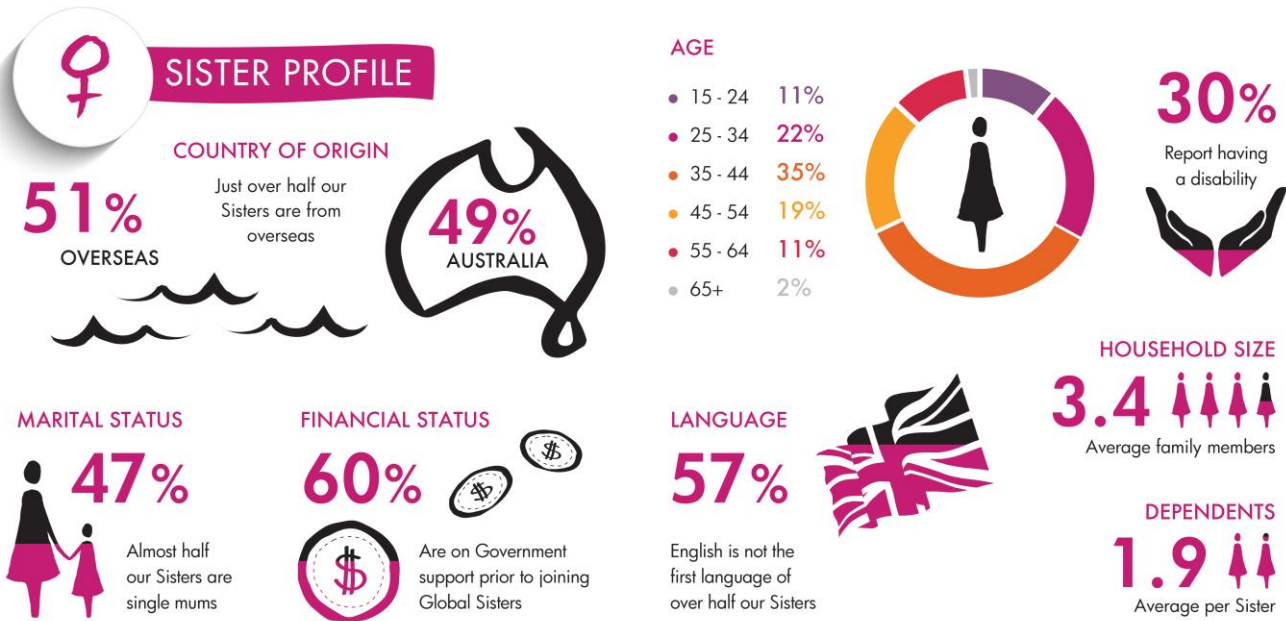
About Global Sisters

Since 2015, Global Sisters has offered disadvantaged women in Australia a better alternative to welfare and precarious employment in pre-existing jobs by providing them with the tools, networks and resources they need to harness their potential as business owners. Among the women with whom Global Sisters most often works are at-risk women under 25, women over 50, single mums, women escaping domestic violence, Aboriginal and Torres Strait Islander women and women from culturally and linguistically diverse backgrounds.

Resilience is a major trait of successful entrepreneurs, and Forbes magazine recently noted how adversity breeds the type of resilience and traits that make great entrepreneurs.¹ We have seen this in practice in our work.

Over the past two and a half years, over 500 women have participated in one or more of Global Sisters' business education activities and programs. Currently, Global Sisters is working with over 300 women and over 150 active businesses, the majority of which were established with Global Sisters' support. The businesses are operating online and in Brisbane, Sydney, Canberra, the Hume region of Victoria and Melbourne.

¹ <https://www.forbes.com/sites/melodywilding/2016/09/19/why-dysfunctional-families-create-great-entrepreneurs/#6996005651df>



We are drawing on the experiences and feedback of these women for this submission. The businesses Global Sisters' clients are establishing are diverse and in step with changes in the Australian business landscape. Some examples include:

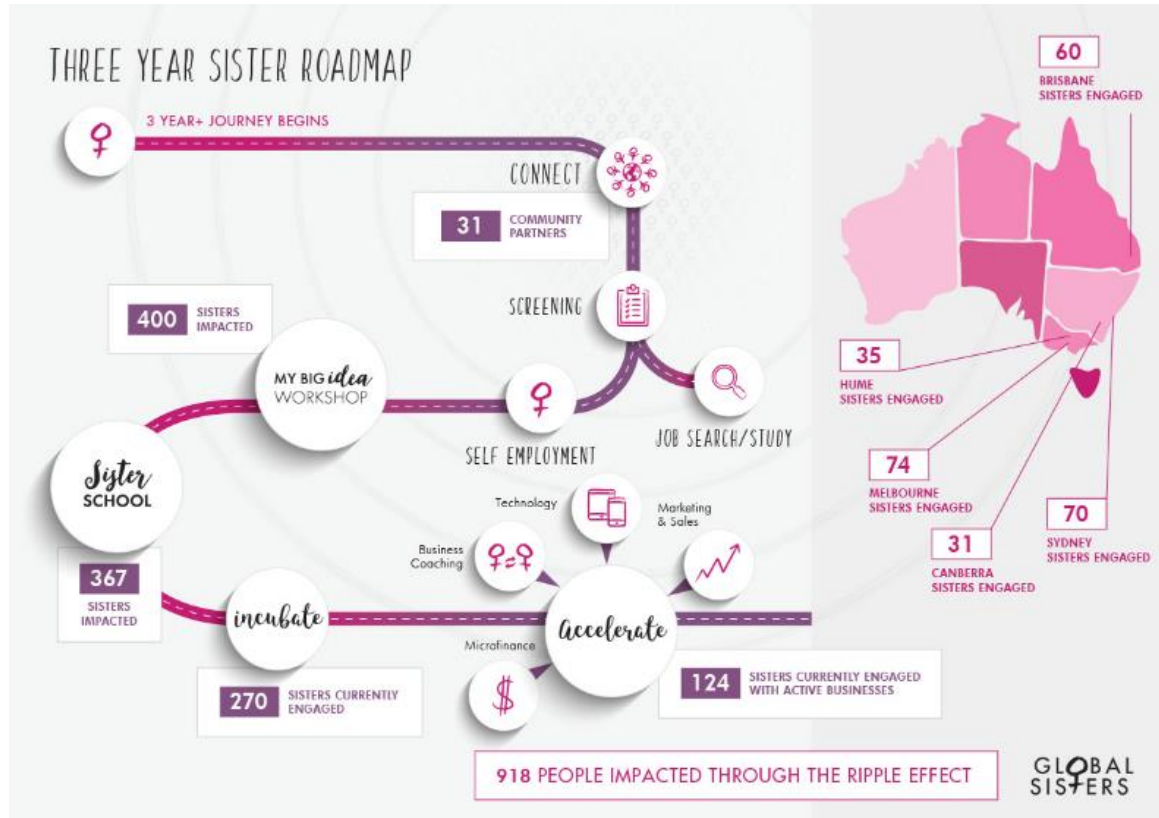
- product businesses selling healthy trail mixes, organic miso, cinnamon buns and jewellery
- service businesses selling robotics classes for children, web design classes, a reading recovery program for 8-12 year olds, trauma therapy yoga and catering
- product and service businesses providing art and craft classes, fabric dying classes, and food products and workshops
- agricultural businesses supplying heritage eggs and black garlic
- social enterprises, including a bohemian-style rug and homewares business that provides employment for disadvantaged women, a food delivery service for vulnerable communities and a lawn mowing business that provides employment for men after incarceration.

Global Sisters is focussed on UN Sustainable Development Goals 1, 4, 5 and 8.



For more information on the programs that Global Sisters offers please see <https://globalsisters.org/AnnualReport/2018edition/>

An overview of our 3 year program to empower women to become entrepreneurs is below.
2017-2018 Snapshot



Addressing the Terms of Reference

We will address the following terms of reference:

- a. the nature and underlying causes of joblessness in Australia;
- b. the methods by which Australians gain employment and their relative effectiveness;
- d. the ability of jobactive to provide long-term solutions to joblessness, and to achieve social, economic and cultural outcomes that meet the needs and aspirations of unemployed workers;
- f. the adequacy and appropriateness of activities undertaken within the Annual Activity Requirement phase, including Work for the Dole, training, studying and volunteering programs and their effect on employment outcomes;
- j. alternative approaches to addressing joblessness; and

a. the nature and underlying causes of joblessness in Australia

***Recommendation:** Invest in the development of local entrepreneurship eco-systems for those who cannot access mainstream employment due to barriers. This initially requires investment in a central organisation who will facilitate the creation of the eco-system, until the eco-system is self-sustaining.*

The women that Global Sisters work in Australia with are unemployed, underemployed or in precarious employment. Many would fall into the category of discouraged job seekers. In September 2013 there were 55,000 women who were discouraged job seekers (ABS, 2013). Discouraged job seekers are those people who wanted to work and were available to start work within the next four weeks but whose main reason for not actively looking for work was that they believed they would not find a job for any of the following reasons:

- considered to be too young or too old by employers;
- believes ill health or disability discourages employers;
- lacked necessary schooling, training, skills or experience;
- difficulties because of language or ethnic background;
- no jobs in their locality or line of work;
- no jobs with suitable hours; or
- no jobs at all.

Additional barriers faced by disadvantaged women to employment and self-employment

Over the past three years, 70 per cent of Global Sisters' clients were receiving income support payments when they came into contact with Global Sisters. We have identified many causes of joblessness, most commonly, domestic violence, low levels of English proficiency, social isolation, mental health problems, chronic illness or disability, carer responsibilities, old age and location.

In addition, today's labour market is characterised by rapidly changing technology, jobs and industries in which people must repeatedly obtain new skills to stay employable. Those who do not have the resources required to succeed in this environment become increasingly vulnerable as they compete for low-paid jobs with little security. Moreover, in many areas of Australia, there are simply not enough jobs available.

The experiences of Global Sisters' clients and the economic conditions leading to joblessness suggest that the barriers disadvantaged unemployed women face with respect to obtaining secure mainstream employment will not be satisfactorily resolved by relying on job placement strategies alone. Job creation strategies are needed to fill this gap. Job creation requires cross-sector involvement.

Overcoming barriers to self-employment

Overcoming these barriers requires a cross sector approach to the solution.

Global Sisters' partnerships with the government and private and community sector organisations that operate in a given location are vital to its ability to help its clients build sustainable businesses. By placing the needs of disadvantaged women at the centre of its service delivery model, Global Sisters has been able to create eco-systems of support for women as they develop their businesses.

Specifically, the benefits Global Sisters' clients receive as a result of these locally-embedded cross-sector partnerships include promotion within the local community, opportunities for collaboration, one-on-one expert coaching, pro-bono business services, and support with health, housing and other life needs.

For a case study of how this has worked in practice in Beenleigh, Queensland please see:

<https://globalsisters.org/global-sisters-and-collective-impact-in-beenleigh/>

Case Study: Making it possible for all types of disadvantaged unemployed women to establish a business

When “G”, a 64 year-old woman from Brisbane, first came into contact with Global Sisters, she was being supported at a long term public housing provider. After leaving her abusive husband, she initially found casual work, but lost her job and became homeless after her son committed suicide. Upon completing all elements of Global Sisters' education program, she was assigned two coaches. Armed with her new-found-skills and a commitment to addressing mental health problems among men, “G” established a business running yoga classes and retreats, with corporate packages that focus on men's mental health and wellbeing. She also sells complementary products.

Governments already invest in the creation of entrepreneurship eco-systems for those who are already in the start-up world e.g. through LaunchVic and Advance Queensland. However, entrepreneurship should not be the domain of the well-networked and well-educated elite. There is a gap in the development of eco-systems for those without existing networks and financial resources. Investment in organisations who can facilitate these eco-systems would be beneficial for women and the government.

b. the methods by which Australians gain employment and their relative effectiveness

Recommendation: Direct those who are not suitable for employment, nor mainstream NEIS, into channels that can support flexible self-employment that fits around their barriers to mainstream employment.

In practice this could mean for example, in relation to the New Enterprise Incentive Scheme (NEIS), the Government could:

a) permanently establish a disadvantaged stream b) substantially increase the number of places available each year, including by increasing the number of places set aside for disadvantaged participants c) change the way it assesses disadvantage for the purpose of inclusion in the disadvantaged stream so that all sufficiently stable disadvantaged unemployed women are eligible to take part d) actively recruit disadvantaged participants e) increase the length of time for which disadvantaged participants take part in the scheme, and receive income support and other payments, to three years f) make comprehensive wrap-around services available to all disadvantaged participants.

The Commonwealth Scientific and Industrial Research Organisation (CSIRO) has 'identified the "era of the entrepreneur" as one of six megatrends that are likely to impact on the future of work'. While we do need to avoid "untargeted applications and oversubscription" in NEIS,² the 8600 places currently available each year represent *just one per cent of the total number of unemployed Australians* on income support payments.³

The recent trial of NEIS for disadvantaged participants included unemployed people who are under 25, Indigenous, ex-offenders, refugees, from a culturally and linguistically diverse background or ex-service personnel, or who have a disability or particular language needs. Though the people who fall into these categories would undoubtedly benefit from the Government's assistance to find secure employment through the creation of their own business, a large number of disadvantaged people who would also greatly benefit from NEIS are excluded.

With a view to helping as many disadvantaged women as possible, Global Sisters has deliberately kept the criteria for access to its programs broad. Any woman who is unable to find stable employment in a pre-existing job due to their circumstances is welcome to participate in Global Sisters' programs, provided their lives are sufficiently stable to enable them to work towards the establishment of a business. Accordingly, single mothers on Newstart Allowance make up a significant proportion of Global Sisters' client base. The impact of their obtaining financial security is compounded by the fact that their wellbeing is inherently tied to the wellbeing of their children.

We would highly recommend including single parents in any further NEIS trials as a starting point. We are already working with ParentsNext Accoras in Logan, Queensland who have seen the benefits for a cohort of single mothers who have started their journey towards financial independence with Global Sisters.

Global Sisters believes the Government should greatly expand the number of places available and *actively recruit* disadvantaged applicants who may generally lack the confidence to seek out a place in such a scheme. This requires additional investment for disadvantaged applicants to

- 1) promote and recruit
- 2) provide additional mentoring or coaching support
- 3) ensure complementary services are being provided e.g English literacy and numeracy support
- 4) provide income support payments for a longer duration to reflect a longer lead time for the development of a business.

In relation to the level of support needed, both the duration of support and the type of support ought to be enhanced to meet the needs of disadvantaged unemployed women. Although this would mean that a high level of resources were invested up front in the Scheme's disadvantaged participants, if the Scheme proved to be more effective in facilitating their financial security than churning them in and out of insecure pre-existing jobs, then it would pay for itself in the long-term.

Fifty-two weeks of business and financial support is not enough time for disadvantaged unemployed women to build a successful business. For clients who start at the beginning of Global Sisters' business

² Department of Jobs and Small Business, Australian Government, The Next Generation of Employment Services

³ Department of Jobs and Small Business (Australian Government), Self-employment—New Enterprise Incentive Scheme (6 July 2018) <<https://www.jobs.gov.au/self-employment-new-enterprise-incentive-scheme- neis>>; Newstart Allowance and Youth Allowance (other) recipients in March 2018 data from Australian Government, DSS Payment Demographic Data (25 June 2018) <<https://search.data.gov.au/dataset/ds-dga- cff2ae8a-55e4-47db-a66d-e177fe0ac6a0/details?q=Newstart>>.

development roadmap, the first year is taken up with the My Big Idea workshop and the Sister School business education and incubation program. By the end of the first year, clients may have made some initial sales. It is not until the second and third years of their journey—after they have accessed ongoing business education; coaching, marketing and sales support; and a strong support network—that clients trade regularly and grow their businesses. The comprehensive wrap-around services provided by Global Sisters in the second and third years increases the likelihood that its clients will be able to sustain their businesses over the long-term.⁴ Clients' business and personal progress is tracked during this time via an online impact framework that gives key indicators and outcomes data.

Case Study: Overcoming cross-cutting barriers through the provision of comprehensive wrap-around services

Cindy, a Cambodian refugee who now lives in Sydney, is a single-mother of three children. She is also the co-founder of AMOK, a catering business that supports the social and economic inclusion of Cambodian migrants and refugees. Among AMOK's programs is a training incubator that provides a safe space for its participants to share their cooking skills and learn about small business management, a catering business, and an employment networking service.

Over the past three years, Global Sisters has provided Cindy with extensive support on her entrepreneurship journey. Cindy took part in Global Sisters' My Big Idea workshop and its Sister School. She was then connected with a number of different business coaches who helped turn her business dream into a reality. Global Sisters helped Cindy to secure a scholarship for further skills development, and supported her to win an AMP Tomorrow Maker grant, which funded her commercial kitchen. Global Sisters has also assisted Cindy with numerous corporate sales opportunities, the latest being with a large marketing communications company.

d. the ability of jobactive to provide long-term solutions to joblessness, and to achieve social, economic and cultural outcomes that meet the needs and aspirations of unemployed workers

Recommendation: Many unemployed workers aspire to developing an income stream that has flexibility to adapt to their many vulnerabilities. Make self-employment avenues more accessible for those who cannot access mainstream employment due to vulnerabilities.

In addition to contributing to GDP and productivity in Australia, a job serves other purposes. These include social integration, better mental health outcomes and better physical health outcomes.

Our experience and research from organisations such as ACOSS and the Victorian Government suggest that there are benefits in providing gender specific, tailored support to make, not just jobs but *business* possible for all women.

- Unemployed women with additional income sources can escape poverty (ACOSS, 2016)
- This leads to better health and mental outcomes for them and their children
- Builds confidence and job skills, resulting in employment
- Enhanced self-worth and ability to role-model for others
- Increased financial inclusion and economic participation
- Increased ability to leave domestic violence situations

⁴ According to the [U.S. Bureau of Labor](#), 75% of new businesses survive the first year, 69% survive the first two years, and 50% make it to five years.

- Integration of recent migrants through economic participation
- Enhances gender equality, for those who need it most
- Builds eco-systems of entrepreneurship, women supporting women, creating a ripple effect
- Engages corporate, government, community and local business in the solution.

Why a gender focus? When women and girls over 16 earn income, they reinvest 90% of it in their families, compared to men who reinvest only 30% to 40%.⁵

f. the adequacy and appropriateness of activities undertaken within the Annual Activity Requirement phase, including Work for the Dole, training, studying and volunteering programs and their effect on employment outcomes;

Recommendation: Make a clear avenue for non-government organisations who can develop self-employment outcomes over a longer term to be recognised as activities that meet Annual Activity Requirements. Allow innovative programs to operate in this space.

Despite Global Sisters' success in supporting disadvantaged unemployed women to establish businesses through its innovative service provision model, the capacity of its clients to make the most of the support provided is frequently compromised by the competing demands placed on them as a result of their participation in jobactive.

Feedback from the women we support suggests that mutual obligation requirements are very high and restricts them from driving forward a business that could help them to develop a flexible and sustainable income stream. Many of Global Sisters' clients have described 'going through the motions' of applying for jobs they know they will not get or will not be able to accept due to their circumstances.

Case Study: Self-employment when mainstream employment is difficult

“H” is in her 60s and is living in a low socio-economic area with few employment opportunities. She has mental health challenges and cares for her adult child who has a disability. Although she has searched for work for over a year, she remains unemployed and on income support. Global Sisters is currently helping her to set up an eco-friendly packaging business she can run from home.

Jobactive mutual obligations should be more explicitly extended to include entrepreneurship activities including development of entrepreneurship skills. This could be as simple as adapting the criteria for non-government annual activity approvals and making it clearer to jobactive providers that business creation and entrepreneurial skills are an option to promote for jobactive participants.

j. Alternative approaches to addressing joblessness

Recommendation: Investing in the development of local eco-systems of entrepreneurship including connections with local, state and federal government, corporate and community partners.

In 2014 Australia committed itself to reducing the labour force participation gap between men and women by 25 per cent by 2025. In “Towards 2025”, the document that details how the Government intends to meet this goal, the Government identified six particularly disadvantaged groups of women, namely, Aboriginal and Torres Strait Islander women, culturally and linguistically diverse women, rural

⁵ [UNFPA & UNICEF, Co-Chairs of the United Nations Adolescent Girls Task Force, 2011, <http://bit.ly/R7ATei>

and regional women, woman with a disability, young women and mature age women. Central to the Government's strategy is 'supporting more women into the jobs of the future', an important component of which is 'encourag[ing] more women to own and run their own business'.

Job placement initiatives for people in receipt of income support will always have a significant role to play in helping people find work and have no doubt assisted many disadvantaged unemployed women to obtain secure jobs they would otherwise have struggled to obtain. However, Global Sisters is concerned that job placement services too often fail to take into consideration the many barriers to employment disadvantaged women face and, consequently, that a large number of these women fail to find employment at all or are forced to take jobs that are unsustainable given their circumstances.

Case study: Unsustainable employment

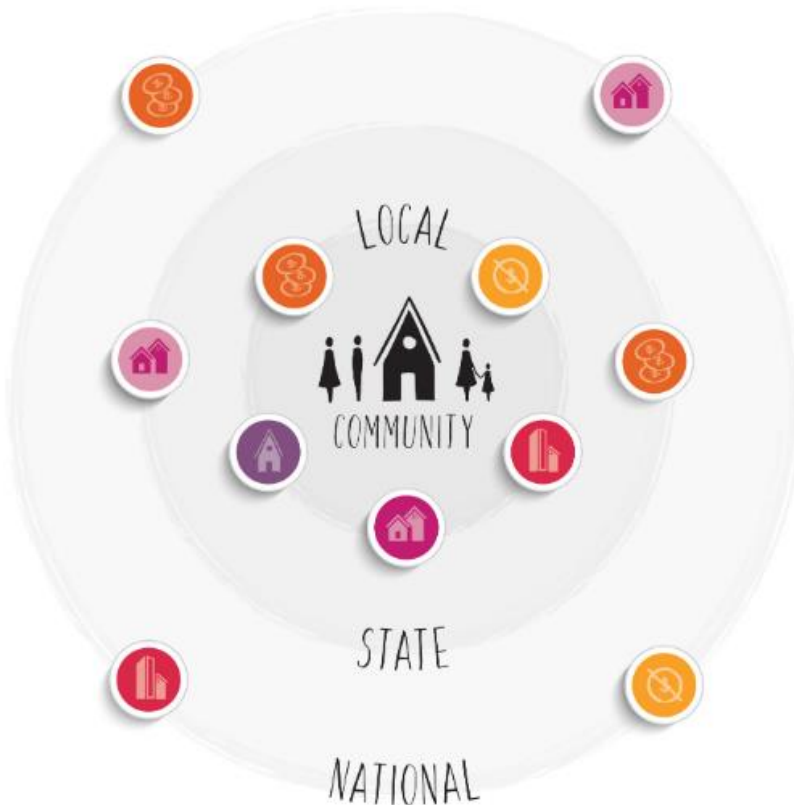
“T” came to Australia as a refugee 15 years ago and is aged 55+. She has a number of health problems. Though she obtained a cleaning job, she most often works at night and her job is physically demanding, which has caused her health to deteriorate further. “T” does not know how much longer she can keep up with the demands of her low-paid job, and has approached Global Sisters for help developing a textile business capitalising on her unique artisanal skills she can run from home.

Additional commitments to disadvantaged unemployed people also appear in policy documents relating to particular disadvantaged groups. For example, the National Indigenous Reform Agreement aimed to halve the gap in employment outcomes between Indigenous and non-Indigenous Australians between 2008 and 2018.⁶ It is clear, then, that the Government is committed to creating an efficient, effective and fair employment services network that helps disadvantaged unemployed women to address the barriers they face with respect to obtaining secure employment. It is also clear that the Government is committed to responding to the challenges posed by Australia's increasingly globalised, digitised and technology-driven labour market, including by promoting entrepreneurship. However, aside from two small - though significant - exceptions, entrepreneurship is not promoted as a strategy for assisting disadvantaged unemployed women to lower their reliance on income support.

Having supported over 500 women to ideate, launch or grow their own business in a few short years, Global Sisters is of the view that developing local eco-systems of entrepreneurship is the key. The eco-system should provide business education, coaching/mentoring, access to technology, access to finance, access to networks and access to peer support.

⁶ Australian Institute of Health and Welfare, Australian Government, National Indigenous Reform Agreement (2017) <<http://meteor.aihw.gov.au/content/index.phtml/itemId/645344>>.

PLACE BASED ECOSYSTEM



GLOBAL SISTERS

VALUE ADDED

- LOCAL BUSINESS COMMUNITY**
 - Networks
 - Market Access Opportunities
 - Coaches
 - Pro bono business services
- GOVERNMENT (LOCAL)**
 - Referrals to Sisters
 - Space, childcare and language translation
 - Connection to the local business ecosystem for business networks, education and market access opportunities and coaches.
 - Access to technology
- GOVERNMENT (STATE, NATIONAL)**
 - Policy context for employment seekers and those on Government assistance
 - Funding
- CORPORATES (LOCAL, NATIONAL)**
 - Funding
 - Business Coaches
 - Pro bono business services
 - Space and hosting events
- PHILANTHROPY (LOCAL, STATE, NATIONAL)**
 - Funding
 - Networks
- NOT-FOR PROFITS (LOCAL, NATIONAL)**
 - Connection to the community
 - Referrals of women in the Global Sisters cohort
 - Wrap around, holistic life support to Sisters
 - Space, translation and childcare

It is important to emphasise that current technology trends (particularly e-commerce and sharing economy platforms) are a great enabler of entrepreneurship for those with limited resources. This makes entrepreneurship more accessible than it has ever been before in history.

Case Study: Technology as an enabler for entrepreneurship

'I needed to get a job to supplement my income as I grow my business. But I just kept getting roadblocks along the way. I became despondent. I felt like I was a person with skills who was invisible because I have had to work from home all my life and now I have a painful neck injury.

Last week, I couldn't pay my office rent. An ad on Airtasker appeared for someone to help a businessman create an email campaign. Unusually, the ad had been up for 2 days with no applicants. I responded and he gave me the job. It was for \$80—the cost of my office rent. I drove out to his house Wednesday night. [The businessman] opened the door and a new business relationship began! I worked 2.5 hours for him that night and another 27.15 hrs from last Thursday to Monday doing his social media management and email campaign. I set my fee at \$30 per hour as that is the going rate. He recommended me to his friend who's a finance broker. We had a meeting today and he's taking me on too! Now I have ongoing work with [them], and they are keen to recommend me to other small business friends.

So my second business has begun as a Social Media Manager. I'm doing this one as a sole trader. Best thing is: I can work from home remotely, with my whiplashed neck supported by the heat pack in my recliner, while my kids play at my feet.'

A Global Sister in Brisbane