

## **RESEARCH REPORT**

### **August 2013**

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# **Job retention and advancement of disadvantaged jobseekers: a synthesis of findings**

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By Abraham Chigavazira, Dina Bowman and Rosanna Scutella

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### **About the authors**

Abraham Chigavazira is Research Support Officer at the Labour Economics and Social Policy research program at the Melbourne Institute.

Dina Bowman is a Senior Manager in the Research and Policy Centre, Brotherhood of St Laurence, and an Honorary Fellow in the School of Social and Political Sciences at the University of Melbourne.

Rosanna Scutella is Senior Research Fellow at the Melbourne Institute.

# Job retention and advancement of disadvantaged jobseekers

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## Introduction

This report summarises key findings of the Job Retention and Advancement of Disadvantaged Jobseekers study, an ARC Linkage funded study with the Brotherhood of St Laurence that examined the long-term employment outcomes of particular groups of disadvantaged jobseekers in Australia. The central aim of the study was to identify the factors that assist with job retention and advancement of the unemployed and of other jobless groups that have experienced long spells out of the workforce, such as sole parents and people with long-term health conditions or disabilities.

Both quantitative and qualitative analyses were undertaken to address the aims of the study. Firstly the direct experiences of a select group of disadvantaged jobseekers were examined in a longitudinal survey designed specifically for this study: the Job Pathways Survey. As a complement to the survey 57 semi-structured, face-to-face or telephone interviews were conducted with 30 people over the course of the study. Secondly we examined earnings mobility in Australia using a nationally representative dataset. The third area of inquiry related to policy options to improve the outcomes of disadvantaged jobseekers once they have re-entered the labour market. Findings for each of these parts of the study are summarised below, beginning with the findings of the Job Pathways Survey.

## The Job Pathways Survey

The Job Pathways Survey tracked the employment experiences of people who had moved off benefits into work after participating in a Department of Employment and Workplace Relations<sup>1</sup> funded employment assistance program. Participants were recruited among people who had been clients of three organisations—Mission Australia, Job Futures and CRS Australia. The Job Pathways survey began in the second half of 2008, with yearly follow-ups until 2011. Survey outcomes are summarised in the following.

The survey questionnaire each year covered topics including the health of participants; their education; parents' work history; attitudes to work and advancement; information on their current job; their satisfaction with their employment assistance case manager; their work history; income; and personal details.

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<sup>1</sup> The department has since been restructured to become the Department of Education, Employment and Workplace Relations.

## **Response rates and sample characteristics**

Questionnaires were developed and mailed out to 8302 clients of Mission Australia, Job Futures and CRS Australia over the period June–November 2008. Clients who had moved off benefits and into work in the three months prior to selection were sent questionnaires, with 1266 agreeing to participate in the survey and returning a completed questionnaire (a response rate of 15 per cent). Unfortunately data is not available for all those initially selected into the sample to assess the representativeness of the responding sample.

Follow-up questionnaires were then sent to all initial respondents at yearly intervals in 2009, 2010 and 2011. The retention rate was quite low in Wave 2, with only about 55 per cent (700 out of 1266) of Wave 1 respondents returning their questionnaires. In Waves 3 and 4 retention rates were 47 per cent (597 persons) and 42 per cent (533 persons) respectively. Only 423 (33.4%) sample members responded in all four waves.

The low retention rates in Waves 2, 3 and 4 pose the question whether non-response was random. As might be expected, it was not random. Table A1 in the Appendix presents the full results of a logistic regression that models the likelihood of being a non-respondent in Wave 2, 3 and 4 respectively, based on respondent characteristics in Wave 1. The results of the models show non-respondents were more likely to be male, aged 15 to 24 years, renting privately, from a non-English speaking background and clients of Job Futures. The respondents across the four years of the study were more likely to be female, mature age, homeowners, and have experienced disability or ill health. It is clear from these results the sample is not representative of either the general population or the initial Wave 1 sample; therefore care needs to be taken in interpreting the outcomes of the survey.

## **Employment rates and arrangements, and earnings trends**

Table 1 presents employment rates of the responding sample across the four waves. As noted earlier, initial sample selection was restricted to persons who had moved off benefits and into work at some stage in the three months prior to selection. Interestingly, however, 27.7 per cent of respondents reported to have already lost their jobs. By the second wave the employment rate dropped by a further 6 percentage points to 66.3 per cent. We find the fall in the employment rate was driven mostly by those employed part-time losing their jobs (4 percentage points decline). In Wave 3 we see a sharp jump in the number of people employed full-time (from 23.6% to 28.6%). This seems to coincide with respondents moving out of part-time employment. In Wave 4 we find the proportion in full-time employment decreased, while the proportion in part-time employment increased.

**Table 1: Employment status by wave**

<b>Employment status</b>	<b>Wave 1</b>	<b>Wave 2</b>	<b>Wave 3</b>	<b>Wave 4</b>	<b>Pooled average over 4 years</b>
Employed total (%)	72.3	66.3	67.8	68.3	69.4
Employed full-time (%)	25.9	23.6	28.6	25.3	25.8
Employed part-time (%)	46.4	42.7	39.2	43.0	43.6
Not employed (%)	27.7	33.7	32.2	31.7	30.6
Total (%)	100.0	100.0	100.0	100.0	100.0
Total (n)	1,266	700	597	533	3,096 (N)

At first glance, the results in Table 2 seem to suggest that employment arrangements improved for survey respondents over the survey period. In addition to the slight increase in the employment rate of respondents across waves, permanent employment rates seem to be higher in later waves and casual employment rates lower. However, as discussed earlier attrition was far from random and in Table A1 it is clear that those initially unemployed and initially in casual work were less likely to remain in the survey in later waves. We return to this issue later.

**Table 2: Employment arrangement by wave**

<b>Employment arrangement</b>	<b>Wave 1</b>	<b>Wave 2</b>	<b>Wave 3</b>	<b>Wave 4</b>	<b>Pooled average over 4 years</b>
Permanent <sup>1</sup> (%)	32.5	36.6	34.5	37.0	34.6
Casual (%)	35.0	27.3	25.0	26.8	29.9
Other <sup>2</sup> (%)	2.1	1.7	2.7	1.9	2.1
Not employed (%)	27.7	33.7	32.2	31.7	30.6
Total (%)	100.0	100.0	100.0	100.0	100.0
Total (n)	1,266	700	597	533	3,096 (N)

1. Includes permanent and fixed term contract employees.

2. Includes the self-employed, seasonal workers and contractors.

In Table 3 we present the cross-sectional earnings trends of respondents across the four waves, where persons earning less than 1.2 times the minimum hourly wage are considered to be in a low-paid job and those earning equal to or above that threshold are considered to be 'higher-paid'. We find that the proportion of respondents in higher-paid jobs remained stable across the first three waves, and then increased significantly in Wave 4. In contrast, the proportion of respondents in low-paid jobs steadily declined across the four waves. By Wave 3 the proportion of persons in low-paid jobs was significantly less than in Wave 1. Again, obviously attrition is a factor at play here.

**Table 3: Earnings level by wave**

<b>Earnings level</b>	<b>Wave 1</b>	<b>Wave 2</b>	<b>Wave 3</b>	<b>Wave 4</b>	<b>Pooled average over 4 years</b>
Higher pay (%)	39.7	39.6	40.9	45.6	40.9
Low pay (%)	28.2	23.4	18.1	17.1	23.3
Not employed (%)	27.7	33.7	32.2	31.7	30.6
Missing information (%)	4.3	3.3	8.9	5.6	5.2
Total (%)	100.0	100.0	100.0	100.0	100.0
Total (n)	1,266	700	597	533	3,096 (N)

### Employment retention

The cross-sectional trends observed seem to indicate a trend towards stable employment and a declining proportion of people in low-paid work. However this ignores the effect of non-response on the employment and earnings trends. Moreover cross-sectional estimates do not tell us if many individuals move in and out of employment, which would indicate if respondents retain employment in the long term or experience career progression. To investigate employment retention and career progression one needs to exploit the longitudinal nature of the data.

To explore whether respondents were able to retain employment in the long term we examine employment transitions between Waves 1 and 4 for persons responding in both waves. In Table 4 we can see that 73.8 per cent of those employed in Wave 1 were also employed in Wave 4. Also almost half of those not employed in Wave 1 were employed by Wave 4.

**Table 4: Employment transitions between Wave 1 and Wave 4**

<b>Employment status (Wave 1)</b>	<b>Employment status (Wave 4)</b>		<b>Total (%)</b>	<b>Total (n)</b>
	<b>Employed (%)</b>	<b>Not employed (%)</b>		
Employed	73.8	26.2	100.0	412
Not employed	48.3	51.7	100.0	118
Total	68.1	31.9	100.0	530 (N)

If we examine employment status of respondents in Wave 4 by their earnings level at Wave 1, as shown in Table 5, we get some interesting results. The likelihood of retaining employment is not much higher for those that were in higher-paid jobs relative to those in lower-paid jobs: three-quarters of those that were in higher-paid jobs were employed in Wave 4, whereas 71.8 per cent of those in low-paid jobs were employed in Wave 4. In contrast, of those who were not employed in Wave 1 only 48.3 per cent were employed in Wave 4. This suggests that in the long term those in low-paid employment fared better than those who were not employed. These results do therefore imply that being in some work, even low-paid work, does improve disadvantaged jobseekers' likelihood of retaining employment.

**Table 5: Employment status in Wave 4 by initial earnings level**

<b>Earnings in Wave 1</b>	<b>Employment status (Wave 4)</b>		<b>Total (%)</b>	<b>Total (n)</b>
	<b>Employed (%)</b>	<b>Not employed (%)</b>		
Higher pay	75.3	24.7	100.0	247
Low pay	71.8	28.2	100.0	142
Not employed	48.3	51.7	100.0	118
Missing pay	69.6	30.4	100.0	23
<b>Total</b>	<b>68.1</b>	<b>31.9</b>	<b>100.0</b>	<b>530 (N)</b>

These simple cross-tabulations seem to suggest disadvantaged jobseekers in low-paid jobs are able to retain employment. However the cross-tabulations do not control for characteristics that may influence a respondent's employment patterns. Table A2 in the Appendix displays the results of logistic regression where we model the probability of being employed in Wave 4. Even after controlling for characteristics that can influence a respondent's likelihood of being employed, we find a person's earnings level in Wave 1 does not influence their likelihood of being employed in Wave 4.

### **Career advancement**

Career advancement can mean different things to different people. Career advancement is normally associated with increasing responsibility, autonomy and consequent rises in earnings; however, for some, it can simply refer to increased job satisfaction, a sense of self-worth and contribution to the organisation. In this project we are more concerned about the former aspects of career advancement as these can be more objectively measured. In particular, we examine two indicators of career advancement, earnings and changes in employment arrangements, especially moving from casual jobs (poor quality jobs) to permanent jobs (good quality jobs).

In Table 6 we investigate if respondents were likely to experience upward mobility from casual employment into permanent jobs. Over half (55.8%) of those in permanent employment in Wave 1 were in permanent employment in Wave 4. In contrast only 22.6 per cent of those in casual employment were in permanent employment in Wave 4. Interestingly, those who were not employed in Wave 1 were just as likely to be in permanent employment as those initially in casual employment. Therefore respondents in permanent jobs were able to retain good jobs (assuming permanent jobs are good jobs), but those in casual employment tended to stay in casual jobs rather than transitioning into permanent jobs. Also, those in casual jobs, although slightly more likely to be not employed in Wave 4 than those in permanent jobs (29.2% not employed in Wave 4 compared to 22.2% respectively), were much less likely to be not employed than those initially not employed, with 51.7% of the latter not employed in Wave 4.

**Table 6: Employment arrangement transitions between Wave 1 and Wave 4**

<b>Employment arrangements (Wave 1)</b>	<b>Employment arrangements (Wave 4)</b>					<b>Total (%)</b>	<b>Total (n)</b>
	<b>Permanent (%)</b>	<b>Casual (%)</b>	<b>Other (%)</b>	<b>Missing (%)</b>	<b>Not employed (%)</b>		
Permanent	58.8	16.5	1.6	1.0	22.2	100.0	194
Casual	22.6	43.6	2.1	2.6	29.2	100.0	195
Not employed	24.6	16.1	1.7	5.9	51.7	100.0	118
Total	36.8	26.8	0.8	2.6	31.9	100.0	530 (N)

Although there appears to be a lack of progression from casual employment into permanent employment, respondents might still have experienced progression in terms of improving wages. And there is evidence of some wage progression. Almost 40 per cent of those in low-paid jobs in Wave 1 were in higher-paid jobs in Wave 4. However, the majority either remained in low-paid jobs (27.5%) or were not employed (28.2%). For the most part, then, the picture for the low-paid employees in the study seems to be one of either remaining low-paid or churning between low-paid employment and non-employment. Labour market outcomes for respondents initially in low-paid jobs, however, are better than those who were initially not employed. In contrast, those who were in higher-paid jobs in Wave 1 were significantly more likely to be in higher-paid jobs in Wave 4 (56.3%) than the low-paid (39.4) or those initially not employed (31.4%).

**Table 7: Earnings transitions between Wave 1 and Wave 4**

<b>Earnings (Wave 1)</b>	<b>Earnings (Wave 4)</b>				<b>Total (%)</b>	<b>Total (n)</b>
	<b>Higher pay (%)</b>	<b>Low pay (%)</b>	<b>Not Employed (%)</b>	<b>Missing pay (%)</b>		
Higher pay	56.3	14.2	24.7	4.9	100.0	247
Low pay	39.4	27.5	28.2	4.9	100.0	142
Not employed	31.4	9.3	51.7	7.6	100.0	118
Missing pay	43.5	17.4	30.4	8.7	100.0	23
Total	45.7	16.8	31.9	5.6	100.0	530 (N)

Although there is evidence of career progression for a subset of survey respondents, this is not the case for the majority of respondents who either stay in casual or low-paid jobs or struggle to retain employment. This may imply the jobs respondents work in do not allow for progression in their employment or that at the individual level, respondents are not interested in advancement. As part of this project, using these data, Perkins, Tyrell and Scutella (2009) explored whether the job type or individual preferences impinged on career advancement. They found that overwhelmingly respondents did place importance on career advancement, particularly lone parents, singles, couples with kids, those in manual employment and



respondents in older age cohorts (but pre-retirement age). This was in stark contrast to evidence from the United Kingdom that lone parents, manual workers and those close to retirement age were less likely to want to advance in their career (Hoggart et al. 2006). Therefore it does not appear that respondent preferences are driving the results found above (although it is possible that their preferences may have changed over the years).

## **National analysis of earnings mobility and its effect on inequality**

A weakness of the previous analysis of the Job Pathways Survey is that the selected sample of jobseekers is not necessarily representative of all jobseekers in Australia. Any observations made for this group cannot therefore be generalised to all jobseekers. To gain a broader understanding of earnings dynamics across the Australian population Gregg, Scutella and Vittori (2012) undertook an analysis of the HILDA survey data, examining how progressive earnings growth was in Australia over the period 2001–02 to 2008–09. They found that earnings growth was indeed strongly progressive—that is, annual earnings growth was faster among the lower-paid and slower among initial high earners—and led to a substantial decline in earnings inequality compared to where people started, although measurement error considerably exaggerates the extent of progressivity. Yet, even after taking measurement error into account, progressive earnings growth reduced the degree of original inequality by a third over seven years.

Examining mobility across the earnings distribution, the study found evidence of relatively large upwards earnings mobility in the bottom 40 per cent of the distribution, little movement in the mid to upper section of the distribution, and a modest downwards earnings mobility in the very top of the distribution (the top 10 per cent) after measurement error was considered.

When assessing the drivers of earnings growth, the study found that about one-third of all progressive earnings mobility could be attributed to life-cycle factors. High earnings growth among young males and young females was typically very progressive. Continued rapid earnings growth among prime-age men, especially the well-educated, was however regressive: that is, prime-age, well-educated men who were already high earners in the base period saw rapid earnings growth. Other life event changes such as having a baby for women, gaining an educational qualification, suffering an illness or going to prison, had a powerful effect on earnings but only explained a modest amount of observed progressive mobility. This is because either they occurred over the full distribution or are rare events. The exception is gaining higher educational qualifications, which was progressive.

A large part of progressive earnings mobility, and indeed the progressive elements of the life cycle, are related to job change factors such as promotion, changing jobs (without experiencing unemployment), increased occupational status and greater responsibility. However, while job characteristics associated with job promotion are all significantly associated with earnings growth over this period, they are not always associated with progressive earnings growth. For instance, earnings growth associated with self-reports of job promotion and job-related training was regressive, as the principal beneficiaries were generally already well-paid. Importantly, we also find that the earnings penalties associated

with job displacement or job demotion were mainly regressive, as those losing work were more often drawn from the lower-paid. This is the first time that the relationship between the widely noted cost of job loss and overall earnings mobility has been shown, linking distributional mobility and directional mobility. Finally, changes in working time arrangements over the period examined were generally progressive, with those initially working less—and therefore earning less—more likely to experience earnings growth than those initially working full-time. Hence the rather smooth observed age-earnings profiles, with steadily rising wages when people are in their 20s and 30s followed by a period of slowing growth and then a plateau, is actually made up of a series of events such as promotions, redundancies and moves between full and part-time work, which are irregular, discrete and not always in the same direction.

## Qualitative insights

Qualitative interviews can provide rich insights into the experience and understandings of jobseeking. For this reason, in addition to the Job Pathway survey, 57 semi-structured, face-to-face or telephone interviews were conducted with 30 people (16 women and 14 men) over the course of the study. The interviewees were recruited from the survey respondents on the basis of residential location, gender and age. Most were interviewed twice. In the first wave, 30 interviews were conducted; in the second wave, 24 interviews were conducted; and in the last two waves, just three interviews were conducted. Younger people and those who were more disadvantaged and more mobile were the least likely to continue participating in the interviews across the four waves.

Of the sixteen women who were initially interviewed, thirteen were aged over 40, and three were in their 20s. In the first wave interviews, most of the older female women were single parents or had been carers. Two women were married with children; both had been injured at work and had long periods out of the work force. Almost all the older women worked on a contract or casual basis in the retail, hospitality, administration or education sectors. One woman had a full-time permanent job, having returned to employment after many years spent caring for her children, and one was unemployed. Of the three younger women, two worked on a part-time casual basis, one while studying and the other after graduating while seeking employment in her chosen field. The third young woman had a full-time permanent job, after being unemployed on moving from the country to the city.

Of the fourteen men who were initially interviewed, five men were mature age, aged from 48 to 65 years. Three of the older men lived with partners, two were single (one had recently separated from his partner; the other was happily single having overcome drug and alcohol addiction and come out as a 'proud gay man'). Of the five, two were working full-time, one was 'between jobs', one was self-employed, and one was unemployed.

Five men were aged in their 30s. These men tended to live alone, and had experienced major upheavals in their lives. Two were ex-carers, one was overcoming drug and alcohol addiction, one had been in an 'institution', and one was estranged from his family, 'suffered

from epilepsy' and experienced anxiety and depression. At the first interviews, three of these men were working on a casual part-time basis, and two were unemployed.

Four men were in their 20s at the time of the first interview. Two had completed school; two had left apprenticeships before completion because of poor working conditions, and one had been unemployed due to a serious illness but had now returned to study and casual work. One man in his late 20s had married and had children, but was now divorced and living in a bed and breakfast. The other young men lived with their parents or in shared accommodation. At the first interview three were unemployed, and one was studying and working on a part-time casual basis.

## Factors that shape job pathways

### Work and family

The qualitative research identified three key interrelated factors that shape employment pathways: work and family; disability or ill health; and the nature of available jobs. In this study, the women were less likely to be partnered than the men and more likely to have children—and a greater number of children. However, women also had a higher employment rate than men and were more likely than men to have part-time jobs—especially if they had children.

The interviews highlight the difficulties that women faced in obtaining secure flexible jobs that enabled them to support their families and meet their caring responsibilities. Like most employed mothers of young children in Australia, most were employed part-time. Without the support of a partner the mismatch between work and family needs was difficult to manage. For example, Patricia<sup>2</sup>, a 37-year-old mother of two, who had returned to employment after 13 years out of the workforce, worked part-time but had an inflexible start time. She explained:

I've got to go to work before the girls go to school, and at the moment I've got a bit of a problem with one of my daughters going to school: she's not going and I've got to go to work.

Lack of flexibility about starting times exposed this woman and her daughter to risks associated with truancy.

On the other hand, too much employer-centred flexibility and unpredictability increased pressures on individuals and families. For example, Maree, a divorced mother of two older teenage girls, worked several part-time casual jobs. Her shifts varied from three to five hours—as she put it 'all up and down all over the place'. Furthermore, not only was her working time unpredictable, but the boundaries were blurred. With split shifts, work invaded family and personal time and created anxiety and stress:

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<sup>2</sup> All names used are pseudonyms.

You fall asleep on the couch thinking ‘Oh is it time to go yet?’ ... You just want to go to bed and then you’ve got to go. So it’s difficult in that regard but what can you do? You’ve got to do something.

Marlene, a woman in her 50s, expressed regret at the long hours she spent away from her children in an attempt to make ends meet and provide housing security. At the time of the first interview, she had three jobs, one permanent part-time and two casual. She observed that the employment services agency had encouraged her to seek work in the care sector, where she had previously been employed, rather than to seek work that better matched her aspirations. This had the effect of locking her into low-paid work with little opportunities for advancement. She said: ‘I haven’t advanced in fifteen years. I’m still where I was and the wages are less’. Since she was the provider for her family—her husband was in prison—work colonised her life; and as a result, family relationships were fraught:

Of course there’s lots of problems because I’m never here; or they’re here and I just don’t have the time. I’m tired, I get moody but I have to do the nightshifts because that’s the only way I can get a bit extra.

In contrast, Melanie, a 45-year-old mother of two, had worked full-time as a law clerk for 17 years. When she divorced she found it too hard to combine work with rearing her sons so she ceased employment because ‘It really wasn’t financially viable with them in care, and I wasn’t really giving them the attention that they deserved’. For her, returning to employment after 10 years was a ‘positive experience’ because ‘the kids were old enough’, her job was local, permanent full-time but flexible; and as she put it her workplace was ‘incredibly supportive of families’.

Many of the women had been out of paid employment for long periods due to caring responsibilities. For example, Sandra had given up a career to care for her mother. She observed that ‘Caring for my mum really had a detrimental effect for me career-wise, financially, emotionally, physically, spiritually’. The transition after caring was made difficult for some women because it was accompanied by a change in income support. For example, Meg explained how she had been caring for her mother for the ‘good part of five years’ and received Carer Payment while also doing some casual work as a security guard. When her mother entered residential aged care, Meg was moved to Newstart—with a significant drop in income. Meg’s life had been characterised by care: as a widow she had reared her children, then she cared for her mother, and at the time of the last interview her brother was about to be released from gaol.

I’ve been helping my brother because he can’t read or write and then when he gets out of gaol next Tuesday I’m like his next of kin now ... Sometimes I feel like crying ... I don’t know which way to turn myself ... My brother’s sixty-five. I should not have to be worried about him or care for him ... [but] I gave my solemn word to my mum and my dad I would look out for him and that’s what I’m doing.

With few alternatives for support, she was locked into caring, which shaped her opportunities for employment.

While women's caring roles were important, it was also striking that a number of men had caring responsibilities that had interrupted their transitions to stable employment. For example, Gordon was a young man in his early 30s who had only ever worked on a casual basis. He had cared for his mother who had a degenerative disease and had received Carer Payment until she went into residential care, then Newstart Allowance. When first interviewed he was caring for his dad 'who had fallen and fractured his hip' and he was still doing that the following year. He explained:

Well because at the time, there was no-one really to care for them. My other brothers and sisters, they've got their own families to look after and they all basically work full-time.

His lack of steady employment made him the most likely candidate to take on family caring, which had the effect of locking him out of employment.

Many of the men interviewed highlighted the importance of family relationships, especially with their children. Yet our analysis of the survey data suggests that for men, unlike women, whether or not they had children had no association with being in part-time work. The male interviewees generally understood their role as provider—'making sure they've got what they need, basically'. While having a job was important, having a career was not. As one man said: 'Work is purely a source of income ... a means to the end, is what it is'. Furthermore, several men talked about 'taking things as they come'. As Kevin explained: 'I just sort of take what's available and what we can get at the moment. So no, I'm not really a career person'.

The older men seemed caught in the shift of community expectations in relation to formal qualifications and employment. As working-class young men who left school at 'Leaving' or 'Intermediate Certificate level,' their ability to work had been enough. For example, Glenn was 48 when first interviewed, 'married for 23 years or something' with two teenage children. Like many of his peers he had left school at Year 10:

I've had lots of different jobs over the years. I've not ever gone into [a] trade or anything, I've just flown by the seat of my pants most of the time, over the last 30-odd years.

He and his wife had successfully supported their family until as a self-employed handyman he had suffered a workplace injury and been unable to work. After 18 months out of work, eventually his strong social networks combined with a financial incentive to the employer helped him to find a job. Thankfully, having a responsive employer who considered the needs of his family meant that he could support his wife who had cancer. He explained:

When she's needed to be run over for scans or whatever, it's an hour to the nearest facility that does CT scans or that. They're quite happy for me to just whizz out for a couple of hours and take my wife out to the hospital ... They believe that's more important than the job, your family comes first and then the job works around it. Yes, pretty good that way.

Employer flexibility and support enabled him to work while meeting his wife's care needs and fostered loyalty and commitment to his employer.

In contrast, many interviewees talked about 'choosing' casual work as a means of managing the tensions between employment and other responsibilities, despite the associated risks. This choice, made in the absence of available permanent flexible work, was risky—in several ways. For example, Sharon had combined caring for her children with support for her husband's work as a self-employed painter. This support was unpaid and so she was unable to demonstrate recent any work experience, which made it hard for her to get a job. Nevertheless, after some time she got a casual job with a large supermarket. She explained:

That was really good for the first eight weeks then it just died down to four hours a week ... All of a sudden the hours just sort of dwindled to nothing, I didn't resign or anything I just stopped getting hours.

The unreliable income further entrenched her dependence on her husband who, she said, was ambivalent about her employment and consequent reduced ability to support his business.

Agnes, a sole mother of two, was employed on a short-term contract during school terms. While she was partnered this arrangement worked well as it allowed her to care for her children in the school holidays, but when she became a sole parent she relied on income support when work was not available. She explained: 'The last two weeks I haven't had any income ... without Centrelink we'd be dead'.

### **Disability and ill health**

Increasingly, workforce participation is seen as a path towards wellbeing and social inclusion and 'financial security' (ABS 2012, p. 7). There is an 'intimate relationship between disability and poverty' (Joly & Venturiello 2012, p. 1; see also Yen et al. 2011; Azpitarte 2012). The high cost of medication, inadequate or inaccessible transport, lack of access to timely medical or other health services, along with the high costs of housing, energy and other basic resources all limit people's ability to 'self manage' their illness or condition (Yen et al. 2011). This in turn affects their ability to undertake paid work. Examining disability and ill health reveals the interconnected webs of insecurity, or the 'links between structural conditions and people's lived experience of the process of disablement' (Barnes, Mercer & Shakespeare 1999, p. 211).

Respondents in this study included people with mental health issues; physical injuries as a result of car or workplace accidents; and illnesses such as cancer and multiple sclerosis. Across the four years those with disabilities had a lower employment rate than those without disabilities, regardless of gender. Those aged over 35 with disabilities or illness were less likely to be employed in permanent jobs than those not disabled in their age group. And overall, people with disabilities were less likely to retain permanent employment between waves. The qualitative analysis identified three different but interrelated risks and responsibilities:

- risks associated decisions about employment given existing illness and disability, and the responsibility for disclosure or non-disclosure
- risks at work (such as those associated with occupational health and safety and casual work) and the responsibilities for managing oneself at work
- risks and responsibilities associated with bridging income security systems, paid work, self-care and care for others.

The first set of risks and responsibilities are related to decisions about taking up employment. Many of the interviewees saw paid employment as important for their wellbeing and sense of identity. Their comments about ‘being useful’ and ‘contributing’ reflect the dominant ideas about the importance of paid employment. For example, a young man observed that work ‘helps me to get out there and feel like I’m a useful member of society, rather than sitting at home’. Yet, for many respondents, full-time work was not possible. A common strategy was to seek casual work so as to be able to actively manage their conditions or disabilities. In a similar way to interviewees who referred to choosing part-time or casual work to manage work and family responsibilities, interviewees with disability or ill health referred to ‘choosing’ casual jobs despite the absence of alternatives such as permanent flexible work. For example, for Eve, a middle-aged sole mother with mental and other chronic health issues, casual work meant she could mentally ‘dissociate from’ from work. She explained:

I can walk away when I feel like it, if I need to ... I don’t know, maybe I’d consider permanent part-time, it really depends on what they’re offering me. Anything except full-time permanent because that is, I feel, just too much pressure for me’.

She talked about her decision to work on a casual basis even though she acknowledged there was not much choice. This ‘choice’ worked for Eve because she owned her home and received a Disability Support Pension; but for others, unpredictable work schedules, fluctuating incomes and the insecurities of renting privately made the choice more risky. Sharlene, another woman in her 50s, had a number of chronic health conditions and had returned to employment after seven years caring for her mother with dementia. She ‘chose’ to work on a casual basis for the higher take-home pay. Without paid leave entitlements and with a fluctuating income she needed to manage her health and associated expenses carefully:

I had an operation and I had to be off for two weeks but fortunately it was over two different fortnights so I still had money at the end of each pay week ... I had about a week’s wages so I was able to pay my rent and had a little bit left over for food.

The second kind of risks and responsibilities associated with disability or ill health are those experienced at work. In this study, there was a high rate of personal injury experienced by respondents across the four years. Those who had suffered personal injury were more likely to be in casual work and were more likely not to maintain permanent employment between the waves of the study. For example, Karen, a single woman in her 40s who worked as a casual bar attendant in a regional town, was a victim of an armed robbery at work and suffered post-traumatic stress disorder. As a casual she received workers’ compensation of just \$309 per week based on an estimate of her hours even though she had been working

double that at the time of the assault. She explained: 'They made it as an average over the year and that is what they came up with'. As a single woman who had experienced poverty and disadvantage throughout her life, she had few resources to mitigate her exposure to the risks associated casual bar work in a gaming venue. With few options she felt she had to take responsibility for herself. After a year off work, she had little choice but to return to casual work at the place where she had been assaulted.

Interviewees also referred to managing disclosure of health conditions, even if non-disclosure exposed them to more risk. For example, Rosa, a woman in her 40s, chose not to disclose her disability to their employers because

they do discriminate, I don't care what people say, once they know you've got an injury ... they don't want to know [you]. And as keen as one can be they won't want to take the risk.

As a young woman she had suffered a workplace injury with lasting consequences. She had been in and out of work since and had decided to take responsibility for her condition and the associated risks. She explained: 'I manage myself now ... I know the trigger signs and ... I think oh okay, then I start my treatments and fix myself up'. Because she did not disclose her condition, workplace adaptations could not be made; and in the event of further injury the employer could escape liability.

The third kind of risk is associated with navigating between paid employment and the income support system. Managing fluctuating levels of income and Centrelink compliance requirements can be difficult, as Melanie, a single mother on Disability Support Pension who worked on a part-time casual basis explained:

I wasn't aware of the 30-hour restriction and I did 31 hours. They cut me off ... Yeah, without notice or anything. I have to report every fortnight and let them know exactly what I've earned and exactly how many hours I've done, and all the rest of it ...

Respondents also spoke of the effect of dealing with Centrelink staff who appeared not to accept individuals' assessments of their own ability as legitimate. For example, Gary, a man in his 50s, lived in a regional city. He had had his own business, which as he explained had never done well, and they had only 'kept their heads above water'. He was in receipt of Newstart, but said he wasn't looking for work as he felt it would risk his health. He had been referred to a neurologist and was on an 18-month waiting list. Without the diagnosis his eligibility for the Disability Support Pension could not be assessed. He talked about the shame he felt when he went to the Centrelink office: 'They look at me as if I am an old man trying to get out of work'. He added 'Sometimes I wish I was in a wheelchair, because at least that's obvious'.

The effects of intersecting and overlapping forms of disadvantage are uneven, and may be compounded through the unintended consequences of contradictory policies. Gender-neutral terms such as 'sole parent' and 'carer' obscure the gendered nature of care and thus reinscribe inequality (Maker & Bowman 2012). An analysis that attends to the intersections of gender, age, (dis)ability and class enables consideration of the unequal distribution of the 'benefits



and burdens' of paid work and unpaid care (Lynch, Baker & Lyons 2009). In the absence of decent work and adequate support services, women and men 'bump along the runway' unable to take off—and this has long-term, widespread consequences, not only for them and their families but more broadly.

### **Decent jobs, social infrastructure and enabling conditions**

Survey respondents were asked 'what would help' them get and keep a job, and advance in their chosen occupations. In Wave 1, 37% of respondents (473) provided comment; in Wave 2, 26% of respondents (185); in Wave 3, 23% of respondents (138); and in Wave 4 22% of respondents (116).

Overwhelmingly, respondents identified permanent, secure jobs with predictable, regular hours as important. For example, in 2008, a 58-year-old woman wrote:

I require permanent, full-time work ... The types of jobs I was offered were either temporary or casual. I have been offered and have accepted full-time temporary work with Centrelink for three months, therefore I need to resign from my two casual positions—one of which I have been with for 15 months. If I don't receive a permanent position at Centrelink, I believe I will be back where I started. It is quite concerning!

The following year she wrote:

Government departments such as Centrelink should cease using the non-ongoing contract process. Both state and federal [governments] should lead by example. It has been very soul-destroying to be in a position for 12 months and then to be told at 4 pm that you do not have a job.

Employment may be precarious because it is casual, because it is contract-based and reliant on government funding, or because the hours are uncertain or irregular. Pocock, Skinner and Ichii (2009) distinguish between *employee-centred flexibility* and *employer-centred flexibility*. Our respondents highlighted the need for more employee-centred flexibility, support and understanding for employees, better equipment and safe working conditions. Respondents were often locked into low-paid, insecure work and unable to do the training they wanted, as one woman explained:

I would like to undertake further study to gain employment elsewhere but cannot afford it, so I feel I am stuck in a job that is not challenging enough and pays a pittance.

Skills recognition and flexible funding for training to gain new, relevant skills were also seen as important. Respondents wanted access to on-the-job training and funding so they could undertake short courses and acquire 'tickets' and certification such as forklift driving licences.

Some respondents praised their employment services case managers, often by name; others called for additional ongoing support. Respondents wanted more detailed assessment of skills, experience and aspirations to enable better job matching. As a 28-year-old man put it:

Get case managers to find real jobs for people and stop training them for jobs that are not there or [not] suited for individuals.

Respondents attributed the lack of support to inadequately trained staff, lack of resources, high staff turnover, poor equipment, time-limited support and insufficient funding for specific training.

Many respondents noted that they had taken an unsuitable job because they were desperate or felt compelled to do so. Compliance—that is, having to meet the requirements of the employment services system—was often mentioned by respondents. Their comments suggest that employment service providers were driven by motives other than the best interests of the clients. For example, a young man wrote:

I feel strongly that all they care about is putting in claims—or rather, billing the government for job placement fees or government grants. My personal view ... is that they don't help or assist as they claim, but rather force.

Others highlighted the direct and indirect costs associated with returning to work, such as transport, clothes and equipment, and the costs of losing concessions or benefits, which were particularly important if they had an ongoing medical condition or disability.

Respondents highlighted discrimination as a key impediment to getting, keeping and advancing in decent work. Most frequently identified was age discrimination. A 63-year-old man explained:

At my age the only jobs, despite [my] being well experienced, etc., are the temporary roles. No-one seems to want to employ full-time on permanent basis someone my age.

Other respondents referred to discrimination on the basis of parenting status, disability or gender. Several mentioned discrimination as a client of employment services or because of where they lived.

Rethinking job design to better match skills and abilities with jobs is an important element in meeting the needs of older workers and workers with disabilities. More broadly, employers need assistance to develop safer, more accepting workplaces.

Respondents also referred to the need for the social infrastructure to enable them to get, keep and advance in their jobs, such as affordable, reliable transport; affordable health care including aids such as prescription glasses; affordable, accessible, quality child care; and decent, stable housing close to work.

Vosko, MacDonald and Campbell (2009, p.19) suggest that to fully understand the consequences of insecure or precarious work we need to 'go beyond the job'. Jobs are shaped by interrelated economic and social policies and practices that affect workers differently depending on their circumstances. Nevertheless, decent, sustainable work remains key to encouraging and maintaining workforce participation.

## **Policies to promote employment retention and career advancement for those experiencing disadvantage in the labour market**

The results of this project show that, relative to unemployment, low-paid employment, on average, provides disadvantaged jobseekers with a way of improving their future labour market outcomes. However, many of those entering low-paid employment do still struggle to retain employment over the longer term. Also, in many cases low-paid employment of itself is not sufficient to get people to progress up the earnings scale.

The qualitative research identified three key interrelated factors that shape employment pathways: work and family; disability or ill health; and the nature of available jobs. These broader factors need to be considered when developing responses to disadvantage in the labour market.

Prior to the Global Financial Crisis, employment retention and advancement (ERA) programs had been implemented in the United States, the United Kingdom and to a smaller extent Canada and the rest of Europe to improve employment retention and advancement of disadvantaged jobseekers, with varying levels of success. The first programs began in the United States in the mid 1990s; and until the early 2000s most of the estimated 170 post-employment support programs in operation were in that country. The OECD now recognises the need for ‘welfare in work’ policies to assist the low-paid by making work pay, increasing retention and improving career prospects (OECD 2005).

ERA programs typically include financial incentives, training, in-work support and emergency financial assistance. Perkins and Scutella (2008) investigated the effectiveness of these programs and found that the most effective ERA programs use a case management model that provides pre and post-employment support, has low case loads, is targeted to the needs of particular groups, provides services outside office hours, focuses on initial placements in good jobs, and has strong links with employers and other support services. Training should provide a wide range of options from on-the-job to accredited training and be closely linked with the needs of employers and the local labour market. These interventions can be complemented with financial incentives in the form of retention bonuses, training incentives and emergency financial assistance.

Weaknesses in the current Australian employment assistance system point to a need to embrace the findings of US and UK ERA policy trials in designing a more effective system that focuses on employment retention and advancement rather than simply job entry. This type of approach has the potential to improve labour market prospects and reduce the risk of poverty and exclusion among low-skilled and disadvantaged workers, as well as supporting workforce participation, skill development and productivity objectives.

## Appendix

**Table A1: Model of non-response conditioned on Wave 1 characteristics**

Variable	Wave 2	Wave 3	Wave 4
Female	-0.282*** [0.083]	-0.281*** [0.083]	-0.387*** [0.085]
Married/De facto	-0.145 [0.091]	-0.070 [0.092]	-0.071 [0.093]
<i>Age category (15–24 years)</i>			
25–34 years	-0.196 [0.142]	-0.290* [0.148]	-0.215 [0.152]
35–44 years	-0.573*** [0.140]	-0.690*** [0.145]	-0.664*** [0.147]
45–54 years	-0.724*** [0.140]	-0.843*** [0.144]	-0.774*** [0.146]
55+ years	-0.941*** [0.164]	-0.810*** [0.164]	-0.845*** [0.166]
Live outside metropolitan area	0.130 [0.086]	0.210** [0.086]	0.154* [0.087]
Indigenous origin	0.235 [0.175]	0.112 [0.181]	0.278 [0.187]
English not the main language spoken at home	0.364** [0.146]	0.398*** [0.147]	0.430*** [0.151]
Born overseas	0.013 [0.110]	-0.054 [0.107]	-0.162 [0.108]
Have no children	-0.285*** [0.090]	-0.233*** [0.090]	-0.308*** [0.091]
<i>Schooling (Less than year 10)</i>			
Year 10 or 11	-0.276*** [0.107]	-0.260** [0.108]	-0.338*** [0.112]
Year 12	-0.400*** [0.124]	-0.304** [0.124]	-0.486*** [0.128]
Missing schooling	0.257 [0.336]	-0.014 [0.336]	-0.158 [0.352]
<i>Qualifications (None)</i>			
TAFE/Vocational/Other	-0.149* [0.085]	-0.103 [0.086]	-0.127 [0.087]
University degree/diploma	-0.513*** [0.157]	-0.130 [0.150]	-0.147 [0.152]
Missing education	0.006 [0.285]	0.399 [0.315]	0.423 [0.336]
<i>Housing (Own place)</i>			
Rent privately	0.244** [0.103]	0.454*** [0.102]	0.476*** [0.103]
Rent public	-0.003 [0.134]	-0.038 [0.132]	0.121 [0.133]
Boarding house or caravan	0.219 [0.180]	0.239 [0.180]	0.472** [0.185]
Family/temporary	-0.007 [0.175]	0.254 [0.173]	0.202 [0.175]
Other housing	0.322 [0.327]	0.362 [0.320]	0.453 [0.328]

Variable	Wave 2	Wave 3	Wave 4
Mental health Index	-0.009 [0.011]	0.003 [0.011]	-0.007 [0.011]
General health	0.013 [0.044]	0.040 [0.045]	0.038 [0.046]
<i>Assistance provider (Job Futures)</i>			
Mission Australia	-0.058 [0.118]	-0.024 [0.119]	-0.034 [0.122]
Commonwealth Rehabilitation Service	-0.206* [0.119]	-0.248** [0.119]	-0.271** [0.121]
Not employed	-0.057 [0.090]	0.067 [0.090]	0.076 [0.092]
Constant	1.222*** [0.366]	0.945** [0.367]	1.499*** [0.376]
Observations	1,180	1,180	1,180
Pseudo R squared	0.0935	0.0963	0.115
Log-likelihood	-734.7	-737.4	-710.9

Standard errors in brackets

\*\*\* p<0.01, \*\* p<0.05, \* p<0.1

**Table A2: Model of probability of employment in Wave 4**

Variable	Coefficients [Standard errors]
Male in higher-paid job	-0.015 [0.303]
Male in low-paid job	-0.001 [0.325]
Male not employed	-0.632** [0.307]
Male employed, missing pay	0.662 [0.636]
Female in higher-paid job	0.196 [0.231]
Female not employed	-0.188 [0.268]
Female employed, missing pay	-0.111 [0.584]
Indigenous origin	-0.316 [0.429]
Born overseas	-0.230 [0.167]
<i>Age group (45–54 years)</i>	
15–24 years	0.043 [0.395]
25–34 years	0.575** [0.290]
35–44 years	0.031 [0.226]
55 years +	-0.050 [0.217]
Married	-0.153 [0.184]
Have children	0.313 [0.195]
<i>Qualifications (None)</i>	
TAFE/ Vocational/Other	-0.040 [0.199]
University	-0.220 [0.286]
<i>Housing tenure (Rent privately)</i>	
Own home	0.038 [0.209]
Public housing	-0.279 [0.238]
Boarding house or caravan	-0.230 [0.480]
Other housing	-0.366 [0.261]
Live in metropolitan area	-0.276* [0.167]

Variable	Coefficients [Standard errors]
<i>Income support type (Newstart Allowance)</i>	
Not on income support	1.428*** [0.277]
Youth Allowance	0.194 [0.503]
Parenting Payment	0.146 [0.304]
Disability Support Pension	-0.238 [0.274]
Other income support payment	0.160 [0.329]
<i>Employment services agency (None)</i>	
Job Services Australia	-0.219 [0.235]
Commonwealth Rehabilitation Service	-0.423 [0.347]
Disability Employment Network	-0.129 [0.262]
Poor health	0.406 [0.315]
Has mental health problems	-0.310* [0.174]
Not work-ready	-1.121*** [0.224]
Has drivers licence	0.424* [0.233]
Constant	0.474 [0.407]
Observations	461
Pseudo R squared	0.363
Log-likelihood	-180.8

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