© Alfred Deakin Research Institute, Deakin University

National Library of Australia
Cataloguing-in-Publication data:
Campbell, P., Kelly, P. & Harrison, L.
Transitional Labour Market Programs: Challenges and Opportunities.

Bibliography


I. Campbell, P.(Perri), Kelly, P.(Peter James) & Harrison, L. (Lyn M.)
II. Alfred Deakin Research Institute.
III. Title. (Series: Alfred Deakin Research Institute; Working Paper No. 24).

331.699915

Disclaimer

This article has been written as part of a series of publications issued from the Alfred Deakin Research Institute. The views contained in this article are representative of the author only. The publishing of this article does not constitute an endorsement of or any other expression of opinion by Deakin University. Deakin University does not accept any loss, damage or injury howsoever arising that may result from this article.
THE ALFRED DEAKIN RESEARCH INSTITUTE
WORKING PAPER SERIES

The Alfred Deakin Research Institute (ADRI) is a specialised research unit that was established at Deakin University in 2009 to generate research that informs public debate and enables government ministers, departments and policy-makers to take action based on evidence.

This series of working papers is designed to bring the research of the Institute to as wide an audience as possible and to promote discussion among researchers, academics and practitioners both nationally and internationally on issues of importance.

The working papers are selected with three criteria in mind: (1) to share knowledge, experience and preliminary findings from research projects; (2) to provide an outlet for policy focused research and discussion papers; and (3) to give ready access to previews of papers destined for publication in academic journals, edited collections, or research monographs.

Series Editor:
Peter Kelly

Series Editorial Team:
Sharon Crozier-De Rosa
Santosh Jatrana
Samuel Koehne
David Lowe
Mark McGillivray

No. 02 Murphy, K. and Cherney, A. Policing ethnic minority groups with procedural justice: An empirical study. April 2010.

No. 03 Ritchie, J. 'We need one district government to be set up to replace other district governments': The beginnings of provincial government in Papua New Guinea. April 2010.

No. 04 Murphy, B. and Murphy, K. 'The Australian Tax Survey of Tax Scheme Investors': Survey methodology and preliminary findings for the second stage follow-up survey. April 2010.


No. 06 Murphy, K. and Gaylor, A. Policing Youth: Can procedural justice nurture youth cooperation with police? July 2010.


No. 08 Moore, C. Decolonising the Solomon Islands: British Theory and Melanesian Practice. August 2010.


No. 10 Dickson-Waiko, A. Taking over, of what and from whom?: Women and Independence, the PNG experience. August 2010.

No. 11 Hancock, L. and O’Neil, M. Risky business: Why the Commonwealth needs to take over gambling regulation. August 2010.


No. 15 Murphy, K. and Cherney, A. Understanding minority group willingness to cooperate with police: Taking another look at legitimacy research. November 2010.

No. 16 Murphy, K., Murphy, B., and Mearns, M. ‘The 2007 public safety and security in Australia survey’: survey methodology and preliminary findings. November 2010.


No. 18 Kelly, P. ‘A Social Science of Risk: The Trap of Empiricism, the Problem of Ambivalence?’ September 2011.

No. 19 Campbell, P., Kelly, P. and Harrison, L. ‘Social Enterprise: Challenges and Opportunities’, September 2011.


Transitional Labour Market Programs: Challenges and Opportunities

Perri Campbell
ALFRED DEAKIN RESEARCH INSTITUTE, DEAKIN UNIVERSITY

Peter Kelly
ALFRED DEAKIN RESEARCH INSTITUTE, DEAKIN UNIVERSITY

Lyn Harrison
SCHOOL OF EDUCATION, DEAKIN UNIVERSITY

EXECUTIVE SUMMARY

This working paper emerges at the beginning of a three (3) year Australian Research Council Linkage Scheme project. The project is a partnership/collaboration between researchers at Deakin University and Mission Australia.

In July 2009 Mission Australia (MA), a national community service organisation, opened the high end restaurant Charcoal Lane in Gertrude St, Fitzroy (Melbourne), as a social enterprise based Transitional Labour Market Program (TLMP) for marginalised, unemployed Aboriginal and non-Aboriginal young people. This social enterprise, established in partnership with the Victorian Aboriginal Heath Service (VAHS), aims to celebrate Aboriginal food and culture, provide training for unemployed young people, and be sustained as a profitable social enterprise (see, http://www.charcoallane.com.au/)

The project has two distinct, but intimately related parts: (Part A) an action research project; and (Part B) a longitudinal, qualitative project. These two parts will explore the following key research questions/objectives:

Part A 1 What are the important organisational processes and practices in determining the possibilities for sustainable social enterprise based TLMPs?

2 What processes, relations and practices facilitate (or hinder) knowledge transfers about social enterprise and TLMPs within the organisation and between other policy, commercial, training and third sector organisations?
In this paper we identify and discuss some of the defining characteristics of transitional labour market programs and examine the various forms they take.

In the first section – *Working in Jamie’s Kitchen: Salvation, Passion and Young Workers* - we outline a number of key themes from earlier work conducted by Peter Kelly and Lyn Harrison which explored the Fifteen Foundation’s TLMP given wide publicity in the reality TV series *Jamie’s Kitchen* and *Jamie’s Kitchen Australia*.

In a section titled *Youth Labour Markets in Industrialised Economies* we discuss the implications and consequences for marginalised young people living and working in increasingly globalised and precarious labour markets.

We follow this – in a section called *Transitional Labour Market Programs: What are they?* – with a discussion of the characteristics of TLMPs and the research and evaluation undertaken on these programs.

The ways in which various levels of government and Third Sector Organisations (TSOs) have established complex relationships and partnerships in the design, delivery and regulation of TLMs is discussed in a section titled *Transitional Labour Market Programs: Productive Relationships Between the State and the Third Sector?*

We conclude the main part of this paper - *Transitional Labour Market Programs: Possibilities and Limitations* - with a discussion of the ways in which the research and evaluation of TLMPs has identified a number of limitations and possibilities in the scope, conduct and regulation of these programs.

In this conclusion we suggest that the activities of TSOs in the conduct of TLMPs appear to offer limited numbers of young people the chance to develop new forms of self understanding and knowledge as they seek to participate in globalised and precarious labour markets. The larger challenge, and not necessarily one that various TSOs should be judged on, is to move beyond, or imagine how we might move beyond, limited forms of self transformation for limited numbers of young people.

The paper contains two additional sections:

**Appendix A** provides a brief description of a number of TLMPs conducted by Australian TSOs.

**Appendix B** presents an account of a number of TLMPs in Ireland, France and the US.
Charcoal Lane: A Social Enterprise Transitional Labour Market Program

In July 2009 Mission Australia (MA), a national community service organisation, opened the high end restaurant Charcoal Lane in Gertrude St, Fitzroy (Melbourne), as a social enterprise based Transitional Labour Market Program (TLMP) for marginalised, unemployed Aboriginal and non-Aboriginal young people. This social enterprise, established in partnership with the Victorian Aboriginal Heath Service (VAHS), aims to celebrate Aboriginal food and culture, provide training for unemployed young people, and be sustained as a profitable social enterprise (see, http://www.charcoallane.com.au/)

Charcoal Lane has characteristics that set it apart as a social enterprise, including: its focus as a high-end restaurant with complex staffing dealing with the demands of the hospitality industry; its potential for full sustainability as a high-end restaurant; the tensions between the restaurant as a business enterprise, a community service organisation as owner and the Aboriginal community as partner.

This working paper emerges at the beginning of a three (3) year Australian Research Council Linkage Scheme project. The project is a partnership/collaboration between researchers at Deakin University and Mission Australia. The project has two distinct, but intimately related parts. (Part A) an action research project; and (Part B) a longitudinal, qualitative project. These two parts will explore the following key research questions/objectives:

**Part A**

1. What are the important organisational processes and practices in determining the possibilities for sustainable social enterprise based TLMPs?
2. What processes, relations and practices facilitate (or hinder) knowledge transfers about social enterprise and TLMPs within the organisation and between other policy, commercial, training and third sector organisations?

**Part B**

3. What factors influence marginalised young people's experiences and outcomes (successful or otherwise) in this social enterprise TLMP?
4. What effect does completion of the training demands of this TLMP have on the transitions of marginalised young people into full time employment?

In this paper we identify and discuss some of the defining characteristics of transitional labour market programs and examine the various forms they take. In the first instance we outline a number of key themes from earlier work conducted by Peter Kelly and Lyn Harrison which explored the Fifteen Foundation's TLMP given wide publicity in the reality TV series Jamie's Kitchen and Jamie's Kitchen Australia. Following that introduction we discuss the implications and consequences for marginalised young people living and working in increasingly globalised and precarious labour markets. We then explore the characteristics of TLMPs and the research and evaluation undertaken on these programs; the ways in which government policies seek to promote active labour market initiatives and the ways in which Third sector organisations (TSOs) increasingly provide these sorts of programs for governments. We conclude by identifying some of the limitations and possibilities of TLMPs – especially as these TLMPs are indicative of cultural, economic and policy processes that suggest that it is only in the world of paid work that we can find meaning and purpose in our lives.

Working in Jamie's Kitchen: Salvation, Passion and Young Workers

The original Jamie's Kitchen screened on the UK's Channel 4 in 2002 - it was broadcast a year later on free to air television (Channel 10) in Australia over five weeks. The series was enormously popular and attracted an average weekly audience of over five million in the UK alone (Smith, 2006). In the
series celebrity chef Jamie Oliver took fifteen unemployed young Londoners and tried to turn them into trainee chefs who had the capacity to work in his new London restaurant called, appropriately, Fifteen. The original series was followed by Jamie’s Kitchen Australia - a successful, high rating 13 part series that was screened on Channel 10 (Australia) during September – November 2006. This series tracked the opening of the Fifteen franchise in Melbourne, and followed a similar format to the original 2002 series.

The extract below comes from the first episode of the original series:

<table>
<thead>
<tr>
<th>Voice Over: To sort the wheat from the chaff Jamie’s devised a taste test. The wannabes will sample dishes that most of them have never eaten before let alone cooked.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jamie is seen walking around the test kitchen talking to his staff.</td>
</tr>
<tr>
<td>Voice Over: Without being told what they are eating candidates will be marked out of 10 on their opinion of the master chef’s butternut squash ravioli and deep fried tempura oyster.</td>
</tr>
<tr>
<td>The hopefuls are talking to the camera telling the audience what they don’t like – things like squid, mussels, oysters.</td>
</tr>
<tr>
<td>Jamie: None are formally trained as far as we know. They are all unemployed and not in education. So all we can look for really is a bit of passion with food.</td>
</tr>
<tr>
<td>The trainees file in one at a time for the taste test.</td>
</tr>
<tr>
<td>Jamie: What are you tasting? What do you like about it? What does it make you feel? They have trouble expressing themselves.</td>
</tr>
<tr>
<td>Jamie: Would you say you are not good at expressing yourself? (Pause)...with regard to flavours? (Young man agrees) If you want to be a chef it comes from the palate really, and from the heart. I think you’ve got it from the heart and don’t mind a bit of hard work but you haven’t got a clue what any of these tastes are. You can’t even say sweet or sour or hot or spicy or soft and crunchy. You’ve got to think about that seriously because you’ve obviously been putting stuff in your mouth without tasting it.</td>
</tr>
<tr>
<td>Michael Pizzey comes in. He can’t eat oysters and he puts the ravioli in his mouth and gags – has to spit it out.</td>
</tr>
<tr>
<td>Voice Over: Jamie soon sees that his biggest problem is not eliminating the 30 guys he doesn’t want but finding those he does want.</td>
</tr>
<tr>
<td>Jamie: I thought the people coming here were supposed to love food. They’re just going through the motions. I am not even sure why they’ve come. I’m offering to do them a favour. You know what I mean.</td>
</tr>
<tr>
<td>Jamie is back in the big room with all the candidates. He is greeted by shouts and applause.</td>
</tr>
<tr>
<td>Jamie: I don’t really like this kind of pop star getting rid of people thing. It’s quite tough and there are two more rounds. Remember you guys are down from a thousand. You’re from all over London and from different walks of life. I think that’s the beauty of it...We’re down to 30. From 30 we go to 15. Then we start. So from now start thinking food. Live it, breathe it, read it and in a year’s time you could have something to really shout about, you little buggers. Nice one (applause and shouting).</td>
</tr>
<tr>
<td>Jamie (as Voice Over. Footage of young hopefuls leaving, laughing, playing to camera): It now feels like the ball’s in motion. It now feels like this is real. But also, even though I wasn’t expecting loads, only inspiration, the guys were completely cold to cooking. These guys are probably less than your average TV foody. They’re wannabes. We’re really talking about basic knowledge. That kind of scares me a bit. But it’s self-inflicted so it’s my problem really.</td>
</tr>
</tbody>
</table>

(Episode One: Jamie’s Kitchen, Broadcast in Australia on Channel 10, 21/7/03)
This extract identifies a number of key themes for our discussion of the series that we developed in the book, and the more general limitations and possibilities seen in many TLMPs.

**First:** at this point in the drama of the first episode of *Jamie's Kitchen* we see and hear about an apparent lack of passion, of energy, of excitement, of entrepreneurial flair in the young people making the first steps in trying to become employed.

**Second:** the possibility of self transformation, of being somebody different, of doing something different within the space of a year is held out to these young people. And this possibility is something that can be realised if they embrace food in the ways that Jamie envisages it – if they live it, breathe it, read it.

**Third:** we see the emphasis on the individual as the figure who must recognise their deficits and lacks, who must develop themselves, know themselves, and understand themselves as being an agent who can transform their own life and circumstances through their own efforts.

Since the initial TV series was screened in 2002 there have been larger, yearly, cohorts of trainees, and in 2004 the Fifteen Foundation was established as a for-profit social enterprise to carry on the work of Cheeky Chops, the umbrella organisation for the initial training and restaurant venture. The Fifteen Foundation has since opened restaurants in Watergate Bay, Cornwall (UK), Amsterdam (Holland), and, in 2006, Melbourne (Australia). In these endeavours the Foundation claims to be ‘driving forward our dream of building Fifteen into a global social enterprise brand inspiring young people all over the world’. As a social enterprise the Foundation claims that it ‘exists to inspire disadvantaged young people to believe that they can create for themselves great careers in the restaurant industry...We want to provide skills and experience in food preparation and service at the same time as helping our people to believe in themselves, to know that they can achieve anything they want in their lives despite what setbacks they may already have experienced’ (Fifteen Foundation 2007).

In a document titled *What's Right With These Young People*, the Foundation aims to inform potential franchisees (and others interested in the training program) ‘about what goes on with our young people during their time with us’ (Fifteen Foundation 2005: 2). In this document it suggests that:

Fifteen exists to reach out to young people who are disregarded in society – the focus all too often is on what’s wrong with them. Fifteen focuses on what’s right with them, providing opportunities and support through which they can find and develop the best in themselves.

Fifteen Foundation (2005: 3)

Embedded in this discourse are references to social understandings of the type of young person that Fifteen targets – understandings that are often negative and which attach themselves to a variety of problem behaviours, attitudes, histories, contexts and relationships. The nature of these problems is made explicit in the following manner.

We work with young people who often come from troubled families, who have “failed” at school and who have experienced homelessness, drug and drink problems, have been ensnared in the criminal justice system, and consequently have low self esteem, self defeating patterns of behaviour, and social networks that serve to keep them locked in to poverty and underachievement.

Fifteen Foundation (2005: 3)
The narrative here indicates that the often negative understandings associated with these behaviours, contexts and relationships are influential in perpetuating the circumstances that these young people find themselves in. The widespread focus on what is wrong with young people in these circumstances – by schools, businesses and managers, state and non-government authorities and agencies – is something the Foundation is explicit about. Yet the Foundation is also keen to be seen as realistic about its potential for fixing the young people they target.

We are under no illusions that we can ‘fix’ them. We cannot sort out family problems, undo a criminal record or compel them to give up smoking weed. What we can do is provide them with more choices, open doors to new networks and opportunities and invite them to step through, helping them develop new skills to deal with their old problems.

Fifteen Foundation (2005: 3)

At this point the Foundation’s story about what they set out to achieve is more about changing the settings and circumstances in which young people live their lives – often in ways that further marginalise them from work, education and training or productive engagements with others, with businesses, with authorities and agencies – rather than with fixing individual lives. The logic suggests that new opportunities, new responsibilities, new settings and activities, new relationships will provide the possibility for young people to transform themselves. Again, the Foundation is explicit in communicating this logic and how they envisage this transformation occurring.

This involves a unique encounter with food and Jamie’s inspiring approach to cooking and service. But Fifteen is so much more than a chef training project. Food and cooking are the means to the end. The purpose is personal transformation for each young person.

Fifteen Foundation (2005: 3)

In this sense the Foundation positions certain understandings of food, of its production, preparation, presentation and consumption, as a technology of self transformation. The purpose is not so much to train chefs, but to utilise food, cooking and the work environment of a commercial kitchen that thinks about, prepares and presents food in particular ways, as a means to transform the opportunities, choices and self understandings of young people previously at risk of living and leading wasted lives.

As the Foundation indicates, with the type of young person that Fifteen deals with this is not necessarily an easy task. Indeed, processes that seek to enable these young people to transform themselves into passionate, creative, entrepreneurial workers in a commercial kitchen can be demanding on the young people involved, and on those that manage and train them, and attempt to support and facilitate these processes of self transformation.

Having to leave your past behind is a difficult task and not all the trainees make it. At least one in four of the London recruits do not get to graduation.

Fifteen Foundation (2005: 3)
This significant attrition rate is explained by the Foundation in the following manner.

Working long hours, early and late shifts, sometimes weekends, while your mates are out partying or worse, and turning up for college when you really don’t want to be there, is bloody hard to do. They might drop out because they commit another offence and go back to jail. They might discover they don’t like the hard work involved. They might turn out to have mental health issues which we simply cannot deal with. There are many reasons why.

Fifteen Foundation (2005: 4)

We will return to some brief comments about the challenges and opportunities that we see in TLMPs in the final parts of this paper. For now we move to a broader discussion of young people and contemporary labour markets.

Youth Labour Markets in Industrialised Economies

‘In modern time, the human life-course is increasingly becoming a “project” in which the beginning (birth) and end (death) are stage-managed as much as the periods of life in between. What used to be phases of development – small child, schoolchild, adolescent, adult – have turned into parts of the project which have an autonomous status and which, put together, do not necessarily result in a coherent course of life’ (Du Bois-Reymond, 1998: 63).

‘Young people’s transitions into work appear as particular problems for a variety of agencies, organisations and individuals. These processes of transition, the periods of education, training, care and development that precede, facilitate and/or hinder transition, can profoundly shape the course of young peoples’ future life choices and chances’ (Kelly and Harrison, 2009: 19).

Contemporary labour markets are characterised by diversification, decentralization and individualisation of working time, affecting unemployment rates and developments in formal and informal sectors of employment (Anxo and O'Reilly, 2002: 343). High unemployment rates have been met with concern, while flexible working time has been greeted with ambivalence. On one hand such flexibility represents a potential tool for ameliorating the problem of exclusion; on the other, it can increase labour market precariousness and segmentation (Cebrián et al, 2000: 1).

Barraket (2007: 1) argues that increasing flexibility within labour markets has led to the ‘individualisation of risk’ and ‘exclusionary transitions’. Exclusionary transitions occur between ‘peripheral labour market and non-work’, and involve patterns of temporary employment, unemployment, non-employment or under-employment (Barraket, 2007: 2):

‘Many people capable of working are withdrawing into what statisticians call “inactivity” but which in fact can denote very different realities: withdrawal into the informal or illegal “black economy”, withdrawal into psychosomatic illnesses, withdrawal into welfare dependency, possibly interrupted by periods of casual work, “withdrawal” to the status of single parent’ (Schmid and Schöman, 2003: 1).

1 This section draws on Kelly and Harrison (2009) pp 80-87 and pp 110-114
‘Even when there are large numbers of vacancies, many people are unemployed either because they do not find work sufficiently attractive, or because they are not offering employers what they want, or because the system of matching workers with jobs is inadequate’ (O’Loughlin, 2001: 1).

It is not just low skilled workers who populate this economy. The movement of women and high skilled workers into the informal economy is also on the rise. On one hand, labour markets are divided into the long-term employed, the multiply employed, ‘virtually irremovable full-time employees’, and ‘fully employed ‘insiders’ who can look forward to a life of continuous employment and careers offering promotion and rising incomes. On the other hand are the precariously or informally employed ‘outsiders’ (Schmid and Schöman, 2003: 2).

Youth employment patterns are not independent of broader labour markets and should be understood in relation to ‘national labour markets and to general labour market institutions’ (Detzel and Rubery, 2002: 118). For Detzel and Rubery (2002: 118) the amount of time young people spend in transition between school and work, or between jobs is lengthening alongside increasing socio-economic instability in Western societies. For many young people transitions from school to work are characterised by a number of challenges: ‘The world is facing a growing youth employment crisis. Both developing and developed economies are faced with the challenge of creating decent and sustainable jobs for a large cohort of young women and men entering the labour market every year’ (International Labour Office, 2006). In contemporary settings young people, in general, ‘can be considered to be in a state of transition between various labour market and domestic statuses’ (Detzel and Rubery, 2002: 118). Ziguras and Stricker (2004: 19) argue that in Australia: ‘Younger people are more likely to be involved in transitions around study, part-time work and unemployment. Those aged between 25 and 44 are more likely to be moving between full-time work, part-time work and caring roles’.

Young peoples’ transitions into labour markets are shaped by a variety of complex factors (Kelly and Harrison 2009: 97). Du Bois-Reymond (1998: 65) suggests that educational institutions and education levels also effect young people’s relationship with labour markets:

‘An unpredictable job market and university courses which ignore the requirements of the job market force many young people, often against their free will to remain in a post-adolescent stage and style of living. Long periods of training do not necessarily lead to a reliable, clearly outlined, well-paid job’.

Detzel and Rubery (2002: 127) also argue that in France and Germany education ‘plays a part in determining the probability of obtaining a job in the first place’. Paradoxically, ‘the deterioration of the labour market, together with the increased level of educational attainment among young people…has led to a decline in the value of educational qualifications and to increased unemployment rates among the highly educated’ (Detzel and Rubery, 2002: 127).

In today’s labour markets it is increasingly individuals who are expected to carry the burden of complying with changing labour market demands (Kelly and Harrison, 2009: 25). Many government initiatives with the aim of making young people more employable ‘operate within rationalities that place the burden of employability onto young people – citing a range of deficiencies in relation to young people’s education, knowledge of the job market and motivation’ (Kelly and Harrison 2009: 19). For instance, the Australian Federal Government’s ‘work for the dole’ programs imagine young people as lacking the necessary attitude and skills to gain work (Kelly and Harrison, 2009: 19).
Black et al (2011: 43) argue that participation of marginalised young people in TLMPs is seen as remedial and part of their necessary reintegration into mainstream society. However, these ‘warm’ debates about young people and their participation and citizenship have, a ‘cold’ dimension: debates about ‘feral yobs’ who require regulation and control. This is what Giroux (2009b, p.3) has called the “assault against youth”, which views young people in general, and marginalised young people in particular, as “troubling, reckless and dangerous persons” (Black et al, 2011: 43). Debates surrounding post-1970s generations of young people have involved terms such as: ‘post-adolescence’, over-aged young adults, ‘generation on hold’, ‘extended transitions’ and ‘parasitic youth’ (Wyn, 2004: 17).

There is increasing pressure on young people to ‘inform themselves, prepare themselves, position themselves so as to identify and manage the opportunities and risks that emerge from and shape these labour markets’ (Kelly and Harrison, 2009: 125). In the world of work young people are armed with a number of supports and skills, and faced with a variety of choices. The onus is on the individual to choose wisely:

“The risk here is that we can discount the ways in which age, social class, gender, ethnicity and geography continue to structure life courses, chances and choices – particularly for young people whose life world is determined by relationships of dependence” (Kelly and Harrison, 2009: 108).

Young peoples participation in training schemes may have beneficial outcomes other than employment, such as a feeling of agency and accomplishment for participants. As Rose (2000) argues: ‘…policy values of community participation and responsible citizenship’ supports choice, personal responsibility, control over one’s fate, self-promotion and self-governance. However, as Kelly and Harrison, (2009) and Black et al (2011: 44) warn, the opportunity to participate is not always available to all young people and as a result, young people can be left feeling further marginalised rather than empowered.

**Transitional Labour Market Programs: What are they?**

The concept of Transitional Labour Markets seeks to ‘address both theoretical and policy-related concerns about the reasons why some people are able to leave unemployment permanently while, for others, exits from employment are merely “revolving doors” that spin them back into a situation associated with social exclusion’ (Cebrián et al, 2000: 1).

The development of Transitional Labour Markets can be understood in relation to the unemployment problems of European countries (France in particular) during the 1980s, and the implementation of active labour market policies in the Nordic EU-countries (Reci and de Bruijn 2006: 1-3):

“The concept was based on the assumption that by the right support of the institutions, individuals should be facilitated to make smooth transitions from one life domain to the other. The smooth transitions between life domains would improve the functioning of the labour markets and would also offer individuals the possibility to find an optimal combination between their working careers, care duties, education and free time”.
In 1998, in response to the ‘socially undesirable’ alternatives that exist outside full employment, Günther Schmid (of the Labour Market Policy and Employment Research Unit at the Wissenschaftszentrum Berlin für Sozialforschung, in Berlin) proposed the concept of ‘transitional labour markets’ (Schmid and Schöman, 2003: 2; see also Schmid, 1998). Schmid developed transitional labour markets as a ‘labour market policy reform proposal to reintegrate excluded groups - such as women, unemployed, low-educated and minorities - into the labour market’ in Europe (Reci and de Bruijn 2006: 2). In this period of time work integration initiatives aimed to keep displaced individuals in some sort of employment setting. It was thought that this temporary measure would give people hope that they might one day return to work in a ‘normal’ capacity – that is with the official labour market.

By 1998 Schmid’s reform idea had taken the shape of a theory of ‘transitional labour markets’:

‘The theory argues that only by understanding the dynamics of modern labour markets and the causes of structural unemployment, new and effective institutional arrangements could be designed to protect individuals from the loss of incomes and social exclusion’ (Reci and de Bruijn 2006: 5).

There are differences in opinion as to whether the notion of transitional labour markets is a perspective, approach, paradigm or a theory (Reci and de Bruijn 2006: 7). Following Schmid and Cebrián we will differentiate between our use of TLMs as a concept, theory and finally, as a practice implemented through TLMPs.

Given that time allocation and working-time flexibility over the span of one’s life are variable factors in labour markets, Schmid suggests that a ‘new concept of full employment is required, one based not on the traditional model of continuous employment but rather on a flexible organisation of work averaging out at 30 hours a week over the life cycle’ (Anxo and O’Reilly, 2002: 339). When working time deviates from this 30 hour standard, individuals are considered to be in a phase of ‘transitional employment’. The institutional arrangements facilitating this type of intermediate employment are understood as ‘transitional labour markets’ (Anxo and O’Reilly, 2002: 339).

The TLM concept works on the basis that full-time work (in full-time dependent employment relationships, in one company) is increasingly less possible and less desirable. Schmid and Schöman (2003: 2) argue that this is increasingly the case as younger generations stay in the education system longer; and more women seek the same access to employment, adequate income, and personally fulfilling employment as men. The changing and dynamic nature of labour markets requires that relationships between the ‘labour market, education and training, private households and social security…be reconfigured’ (Schmid and Schöman, 2003: 2). They suggest transitions between the forms of productive activity over the life span must be ‘institutionally organised and protected in such a way that increasing labour market flexibility does not lead to the permanent exclusion of new social minorities’. TLMs explore the ways in which this organisation and protection can take place, so that the competing demands of employers and transitions in life courses can lead to employment outcomes (Cebrián et al, 2000: 2). Ziguras and Stricker (2004: 2) argue that TLMs should aim to:

- Combine employment and other useful activities not valued on the market:
- Provide a combination of wages, transfer payments and other income sources:
- Ensure an agreed entitlement:
- Finance employment and capacity building activities instead of unemployment.
The concept of transitional labour markets enables ‘employment bridges’ to be institutionalised in a variety of ways. Employment bridges work with the life-course of the individual to facilitate transitions between employment relationships – even though there are major obstacles to such transitions, such as labour market segmentation (Anxo and O’Reilly, 2002: 340). Schmid and Schöman (2003: 2) suggest that transitional labour markets can be understood as ‘risk management institutions’:

“They extend conventional social policy by encouraging people to risk transitions between different employment relationships (for instance between part-time and full-time work) or to combine such relationships (for instance dependent work and self-employment). Employment with several employers (multiple employment) or in temporary work agencies are other forms of such hybrid employment relationships.”

For Reci and de Bruijn (2006: 2) the concept of TLMs works alongside the concept of the ‘life-course’. This concept embraces the idea of transition:

(1) the transition from school to work, (2) the transitions from part time to full time work or vice versa, (3) the transition between family work and labour market work, (4) the transitions between employment and unemployment, (5) the transition to retirement. By looking at the critical transitions the theory makes it possible to organise and analyse the flows between life domains that occur in both directions and emphasis the dynamics of the labour market (Reci and de Bruijn 2006: 2, 8).

Cebrián, Lallement & O’Reilly (2000: 4) and Ziguras and Stricker (2004: 7) suggest three further types of transitions: integrative, maintenance and exclusionary.

‘Integrative transitions would allow people outside paid employment, such as the unemployed, students and carers, to move into full-time employment via part-time work. Maintenance transitions would allow people in employment to maintain ‘employment continuity by moving between different working time regimes’ (Cebrián, Lallement & O’Reilly, 2000, p.4). Finally, exclusionary transitions would be represented by periods of part-time or temporary work within a longer pattern of unemployment or non-employment. This would effectively mean transitions only between the peripheral labour market and non-work’ (Ziguras and Stricker, 2004: 7).

A particular feature of the TLM approach is that it not only observes state initiatives, labour market policies and socio-economic trends but can also be used to assess the quality of ‘policies that facilitate integration into paid employment’ (Cebrián et al, 2000: 1):

‘As an analytical concept, TLMs relate to the observation that the borderlines between gainful employment and other productive activities are becoming increasingly blurred…TLMs emphasise the dynamics of labour markets, which means focusing the analysis on flows rather than purely on stocks, and applying methodologies that find out and explain patterns in the many transitions during the life cycles of individuals or groups in different societies’ (Schmid, 2002: xiv).
Transitional Labour Market Programs or Active Labour Market Programs, work within the TLM framework to create pathways into employment for those facing temporary or lasting exclusion.

‘Schmid’s (2002) concept of transitional labour markets suggests the need for active labour market programs that support the dynamics of employment in the knowledge economy. The object of a transitional labour market is to generate flexibility in support of both individual and market needs for movement between different types and levels of employment and other important life activities’ (Barraket, 2007: 1).

This brief sketch of the concept of TLMs allows us to move to a discussion of the ways in which Government and Third Sector Organisations (TSOs) have developed complex relationships as a result of policy moves to develop and regulate diverse aspects of TLMs.

Transitional Labour Market Programs: Productive Relationships Between the State and the Third Sector?

Persistently high unemployment rates throughout advanced industrial countries have lead to shifts in labour market policies. In response to the OECD’s recommendations (passed in 1990) there has been a shift in policy direction from passive to active engagement in providing the necessary training to: ‘mobilize labour supply, improve the skills and competencies of the labour force and strengthen the search processes in the labour market’ (O’Connell and McGinnity, 2002: 101).

Ziguras and Stricker (2004: 2) argue that the ‘Australian labour market is a very dynamic one, with around twenty per cent of the adult population each year making a transition into, out of or within employment combined with other activities such as study or caring’. However, amongst workers transitioning between jobs, some groups are at much greater risk of exclusionary transitions:

‘There are clearly some groups at much greater risk of exclusion from employment. These include those who have been retrenched within the last decade, those with less than year 12 education, people with long term health problems, migrants with poor English, parents with children under five years of age (especially sole parents), women and Indigenous people’ (Ziguras and Stricker, 2004: 19).

Ziguras and Stricker (2004: 2) argue that the TLM framework is useful for ‘conceptualising new models to ensure that citizens are able to make positive and productive transitions into the Australian workforce’. The Australian and Victorian Governments support a number of Active Labour Market Programs. The Federal Department of Education, Employment and Workplace Relations (DEEWR) and the Victorian Department of Employment and Early Childhood Development (DEECD, 2011) have a number of employment initiatives (‘Social Inclusion’ and ‘Skills Australia’), and run programs that seek to support individuals whether they are transitioning from education to the workforce, or currently inactive in the workforce. These programs include the Youth Attainment and Transitions Program and Experience+.

Experience+ supports further training and support of Mature Age Workers with reimbursements offered to employees. These programs involve training participants in particular skills (for instance Certificate II and III Hospitality qualifications) necessary to lead to employment opportunities. The FFP (Flexible Funding Pool) Guidelines released during August 2011 state that $12 million dollars
have been made available to support training and employment projects. In this context skills development and training packages are offered to individuals seeking employment (DEEWR, 2011).

The DEECD has a number of labour market programs structured around the idea of youth transitions and pathways. The Youth Attainment and Transitions Program aims to increase participation of young people in education and training, increase attainment levels and improve successful transitions from school (DEECD, 2011). Programs for ‘Migrants and Humanitarian Entrants in Victoria’ under the initiative of Post-Compulsory Education, Work and Refugee Young People, focus on language skills, and many are in partnership with TAFE institutions. Throughout pathway courses young people have access to employment transition officers through Local Learning and Employment Networks (LLENs). Young people in Victoria who have not finished secondary school are encouraged to participate in the Youth Pathways Program (YPP) which ‘provides for early school leavers without a Year 12 or equivalent qualification. It offers up to 800 hours of learning and support…A specific managed individual pathway (MIP) is prepared for each student’ (DEECD, 2011).

Education and continuous learning play a significant role in the nature and direction of life-course and work transitions. However, Wyn (2006: 217) suggests that there has been little attention paid to the message of educational reforms, and how they would promote social cohesion or what attitudes and dispositions successful individuals would have in this new economy. Wyn (2006: 239) argues that policy documents need to place greater emphasis on young people’s identities – ‘learner identities’ – and the role education can play in supporting young people’s transitions into work. In terms of education to work transitions, Reci and de Bruijn (2006: 25) also argue that ‘better co-ordination between the educational system and the labour market, as proposed by the framework of the TLM, is important…and leads to better education and early career choices for young people’. In their attempts to facilitate education to work transitions, educational institutions struggle to provide the necessary link between education and occupation/vacation: ‘As the pace of social change makes the relationship between education and the economy much more diffuse, the industrial model of preparing young people for predictable jobs and occupations is increasingly outmoded’ (Wyn 2006: 238).

In the context of life transitions the concept and practice of ‘life long learning’ is seen as a vital aspect of TLMPs. Reci and de Bruijn (2006: 6) suggest that ‘strengthening the personal capacities of individuals through lifelong learning could be important to encourage optimism and confidence among individuals and can influence the quality of their working career in a positive way’. Being a ‘life long learner’ has become a practice that is essential to success in the developing world. UNESCO argues that ‘individuals who are not lifelong learners will suffer economic and social exclusion, as will nations that are not primarily learning societies’ (Wyn, 2006: 217).

O’Loughlin (2001: 6) argues that ‘if Australia is to maximise its economic potential, policies to further promote lifelong learning must be a key part of the future’. The ‘lifelong learning for all’ framework has been articulated within Australian education policy (Wyn, 2006: 217): ‘The policy rationale for lifelong learning links the growth of knowledge-based industries with an increased requirement for educated workers who can engage in re-skilling throughout their working lives’ (OECD, 1996). Wyn (2006: 217) suggests that lifelong learning is perceived as a necessary measure to promote:

‘social cohesion in a society that will continue to experience rapid social and economic change…It is now recognized that focusing narrowly on preparation for specific jobs does fit well with the requirement for flexible, multiskilled workers who can negotiate their way through new economies’.
The term ‘third sector’ is most often used to refer to various kinds of organizations such as charities, nongovernmental organisations (NGOs), self-help groups, social enterprises, networks, and clubs, to name a few that do not fall into the state or market categories’ (Cory, 2010: 11, see also Lyons, 2001: 8).

‘Those organisations (third sector organisations [TSOs], nonprofit organisations [NPOs], nongovernmental organisations [NGOs], or civil society organisations [CSOs]) populating the third sector are thoroughly interrelated with the other sectors. They are embedded (Granovetter 1985) between market, state, and family and, as such, cooperate simultaneously with these very different economic, political, and social environments. As a result, TSOs are significantly interpenetrated by the logics of the state, the market, and the family, which turns the third sector into a fuzzy set of organisations that are open for numerous modes of cooperation’ (Zimmer, 2010: 201).

Cory (2010: 16-17) argues that despite its voluntarism and humanitarian focus, the third sector should not be viewed as a ‘power-free zone of non-coerced realization of shared values where authentic human communication can take place, nor as a zone of contestation’. Increasingly government departments and agencies use TSOs to translate their policies and state aims; these might regard environmental politics or population control. In this sense, the third sector is not ‘something timeless or generically known by a distant logic...since social forms and logics of behaviour are beasts of changing dominant discourse of society’ (Cory, 2010: 17):

‘Discourses and institutions of civil society such as partnerships, private associations or guilds form part of the power technologies through which a certain type of governance is achieved. Usually the third sector is seen as part of – or even a tool for – the dominant liberal order in Western countries and the global Western conglomerate of international organizations and global civil society’ (Cory, 2010: 16).

Relationships between government and the third sector are shaped by the development of common interests, policy initiatives and funding needs. In Australia ‘Government subsidies or contributions have from the very beginning supported the establishment, growth and roles assumed by religious and other nonprofit organisations’ (Hudson, 2009: 3). Government funding continues to be a primary source of funding to the third sector (Hudson, 2009: 9). During the 1980s Australia’s third sector participated in a period of service purchasing and competitive tendering by governments. This trend continues today, whereby government-run services are contracted out through a competitive process. In other areas governments brought under their control some large nonprofit organisations such as the Home Care Service of NSW’ (Hudson, 2009: 5).

Rix (2006: 2) argues that government use of third sector organisations as ‘service delivery vehicles’ has been a significant and far reaching outcome of the ‘New Public Management (NPM) public sector reform movement’1. For instance:

---

1 "NPM has been described as a “global reform movement” that has been gathering momentum and influence for the past twenty years or more. It is underpinned by “economic theories and normative values” that promote the enhanced efficiency of the public sector above almost all other objectives and outcomes (Christensen & Lægreid 2002: 1). The key characteristics of NPM reforms are “marketization, corporate management, regulation, political control, decentralization and privatisation” (Langford and Edwards 2002: 17) (Rix, 2006: 2).
‘The purchaser/provider funding and regulatory model has been widely adopted by government to manage the relationship between it and the organisations funded under contract to provide services on its behalf. Performance contracts, or so-called “service agreements”, are integral to the purchaser/provider model often laying down strict service standards and performance indicators on the contracted organisations determining their ability to attract ongoing or additional government funding’ (Rix, 2006: 3).

Under this model there is a risk that in attempting to meet the performance, governance and accountability criteria stipulated in contracts, the ability of third sector organisations to meet the needs of the communities they serve is seriously inhibited (Rix 2006: 1; see also Conradson, 2006: 128):

‘The purchaser/provider model, which emphasises efficiency, cost-effectiveness, measurable outcomes and outputs, and the use of market mimicking mechanisms in service delivery, privileges managerial accountability over political accountability or so-called “democratic regulation”’ (Wilson 2002: 12; see also Mulgan 2001)’ (Rix 2006: 4).

For example, the purchaser-provider model shapes the landscape of Job Network services in Australia:

‘The distinctive feature of Job Network 2002 is the elaborate market that has been created for the delivery of active labour market services through purchaser-provider contracts. The purchaser — the organisation that ultimately pays for the services (in this case DEWR) — contracts with one or more others — the Job Network providers — to produce labour market services. These contracts are supported by other institutional arrangements: a profiling instrument administered by Centrelink under contract to DEWR helps to determine which job seekers are eligible for which services; a referral process to maintain caseloads for Job Network providers; and a ‘star rating’ model that measures the performance of providers. This artificial market has been referred to as a ‘Lego’ market because its structure, incentives and dynamics are largely determined by rules set down by DEWR’ (Productivity Commission 2002: 1.3)

In recent years, many TSOs have attempted to generate revenue to help cover mission-related costs and activities. As such hard and fast distinctions between non-profit and private sectors have become less clear (Lyons, 2001: 8). Revenue generating or ‘earned-income’ strategies are partly driven by the financial challenges TSOs face: ‘growing competition for government and philanthropic money and declining charitable donations’ (Altstadt, 2007: 51).

Ziguras and Stricker (2004: 20) argue that many of these partnership based TLMPs have had some success in reintegrating participants ‘at greatest risk’, using approaches similar to those proposed for a ‘Neighbourhood Renewal’ program in the UK. However, they suggest that other approaches will also be needed, especially attention to retraining retrenched workers (where there is a very large policy gap) whereby many older workers end up on disability pensions and early involuntary retirement.’
Transitional Labour Market Programs: Possibilities and Limitations

‘The evidence is clear: education and training policies that seek to remedy deficits incurred in early years are much more costly than early investments wisely made, and furthermore are relatively ineffective at restoring lost capacities even when large costs are incurred. Labour market programs are carrying too much burden’ (O’Loughlin, 2001: 4).

‘Governments in Australia need a strong third sector to achieve their goals’ (Hudson, 2009: 9).

During the last three decades the third sector has become a major provider of training and labour market programs. TLMPs function in highly complex socio-economic realities. In addition, the impact of TLMPs differs from country to country. Despite these differences Betcherman et al (2004: 54) argue that ‘the ingredients for successful interventions probably do not differ. Comprehensive packages of services, programs that are oriented to labor demand and linked to real workplaces, and careful targeting are good examples’.

This discussion suggests that TLMPs have the potential to effect change in the skills, employment opportunities and lives of the long term unemployed (O’Loughlin, 2001: 1). For example, in 1994 the Australian Bureau of Statistics (ABS) conducted a Survey of Employment and Unemployment Patterns (SEUP) over the course of three years. Four types of labour market programs were studied: ‘training programs’; ‘wage subsidy programs’; ‘brokered employment programs’; ‘job search assistance’. The study showed that participation in a LMP showed a strong correlation with shorter periods of job searching, as people moved into the workforce…Conversely, a longer job search period leads to a shorter subsequent working duration’ (O’Loughlin, 2001: 3). Investigating the effects of TLMPs in Norway Røed and Raauum (2006: 541) also found:

‘programme participation, once completed, improves employment prospects, but that there is often an opportunity cost in the form of a lock-in effect during participation…For participants with poor employment prospects, the favourable post-programme effects outweigh the negative lock-in effects’.

In increasingly globalised and precarious labour markets TLMPs have a particular role to play. As Krueger and Mueller (2011: 30) argue:

‘Interventions that keep the long-term unemployed engaged in job search despite the high psychological cost may be particularly valuable in the current environment, with the average duration of unemployment at a record high level’.

TLMPs implemented through social enterprises offer participants a number of benefits. First, is the opportunity participants or ‘clients’ are given to ‘transform’ how they see themselves:
‘Employment can reinforce their capabilities and strengths, rather than their needs and personal problems. Being identified as an employee rather than a client increases access to mainstream opportunities and reduces marginalization in society’ (Altstadt, 2007: 54).

Being a participant in a social enterprise approach requires individuals to take an active role in improving their lives:

‘As a result, clients do not feel like objects of charity because they are working for wages in a real, albeit more supportive, business environment. Ironically, by working, clients may feel more comfortable seeking assistance’ (Altstadt, 2007: 54).

Second, social enterprises offer a testing ground for the methods used to train and support participants:

‘By running commercial ventures, nonprofit groups learn firsthand whether their training and supportive services are effective at helping clients overcome personal problems…By providing on-the-job training, social enterprises can track a client’s progress and make necessary adjustments to services as needed (Dees and Anderson 2003)’ (Altstadt, 2007: 55).

Given these possibilities we can also suggest that TLMPs face a number of challenges at the level of design, policy support, implementation and practice. Barraket (2007: 1) argues that while social enterprises offer individuals opportunities for economic and social participation, there are limits to the impacts of these programs. In particular, he (2007: 6) argues for more inclusive policies to support social enterprises negotiating realistic program costing and outcomes with government bodies:

‘Challenges in negotiating with governments illuminate the tensions of employment models that embrace active labour market approaches, while operating in a policy environment that limits adaptability and responsiveness to the training and education needs of particular social groups. In such an environment, it is unlikely that social enterprise and other active labour market models can achieve the kinds of scale needed to transform labour market segmentation. Developing inclusive labour market programs requires a policy environment that recognises the value of transitional labour markets for both individuals and the economy, and enables real opportunities to redress the broader social constructs that perpetuate economic, social and civic exclusion’ (Barraket, 2007: 6).

The ways in which TLMPs and their outcomes are understood is also limited by a lack of evaluation of both TLMPs and the TLMP literature. O’Loughlin (2001: 2) argues that most evaluations of labour market programs only run for a few months. In addition:

- There are limited rigorous evaluations of programs as they change constantly, often for political reasons. Most evaluations simply monitor labour market status and/or earnings of participants for a few months afterwards. There is little evidence of long run effects.
• It is difficult to account for selection bias, that is, that more motivated, better skilled unemployed people are more likely to undertake the programs.

• Their effectiveness depends on the stage of the economic cycle – going into, in the middle of, or coming out of a downturn – but this is rarely taken into account.

• Outcomes are expressed in terms of individual gains of earnings and/or employment. There is little or no evidence of broader individual benefits, such as confidence and social skills, or of broader social benefits, such as better health, less crime etc.

• The research is better at understanding what works but is still not good at explaining why it works or why it does not.

• Evaluations are often undertaken by public sector agencies that also run the programs, so there is a question of conflict of interest.

With these challenges and opportunities in mind we want close, at this time, with some observations we made at the end of Working in Jamie's Kitchen:

‘For any distance that we can see into the future vocation will continue to offer many of us the best bet at finding meaning and purpose in our lives. In many of the stories we witness in Jamie’s Kitchen this appears as something that has myriad individual and social benefits. At the same time this meaning and purpose remains precarious and tenuous in the competitive, rationalised, globalised labour markets of flexible capitalism – where for far too few vocation is a privilege, and for far too many work is toil, drudgery and dangerous. In these labour markets we, as individuals, as discrete, often isolated, often unsupported, often over-worked, often stressed units of production are, increasingly, positioned as the site/space in which the paradoxes of flexible, rationalised capitalism are to be more or less successfully managed. Processes of individualisation compel us to be free, to make choices. But we must carry the burdens as well as reap the rewards of these practices of the self that are located in, and shaped by, limited fields of possibility.

In these environments the Fifteen Foundation is a social enterprise that has as its core business the production and regulation of fields of possibility in which marginalised, unemployed young people might find some form of temporary salvation; some meaning and purpose in the passionate preparation and presentation of food. Like all human endeavours this is a flawed enterprise: for some it may do too little to change the processes that produce human waste on an increasingly global scale. In this book we have suggested that the activities of this social enterprise do offer small numbers of young people the chance to develop new forms of self understanding and knowledge. These self transformations hold out the possibility of an always precarious form of salvation. The larger challenge, and not necessarily one that the Fifteen Foundation should be judged on, is to move beyond, or imagine how we might move beyond, limited forms of self transformation for limited numbers of young people’ (Kelly & Harrison 2009: 259).
APPENDIX A:

Australian Third Sector Organisations and Their Transitional Labour Market Programs

Hudson (2009: 3) argues that Australia’s third sector has consistently contributed to the delivery of public services. The oldest TSO in Australia is the Benevolent Society which was established in 1813. There are as many as 700,000 nonprofit organisations in Australia, the majority of which are unfunded and rely on the contributions of members and volunteers (Hudson, 2009: 6).

TLMPs are offered through a number of TSOs in Australia, for instance: the Brotherhood of St Lawrence, The Salvation Army and Mission Australia. TSOs offering Transitional Jobs ‘benefit by attaining much needed workers who they would not otherwise be able to afford. In exchange, the organizations agree to provide participants with on-the-job training and supervision’ (Altstadt, 2007: 31).

The Brotherhood of St Laurence (BSL), a TSO located in Melbourne, provides various employment services for marginalised and unemployed people. Ziguras and Stricker (2004: 20) argue that ‘it acts as a policy testing ground by developing new programs which may be able to be replicated more widely in national policy’. The BSL’s Social Enterprise division offers Transitional Labour Market Programs: Community Cleaning Enterprise; Community Contact Service and Phoenix Fridges. Each enterprise has different goals and partnerships, for instance, the Community Cleaning Enterprise is ‘a joint venture with the Adult Multicultural Education Services (AMES), conducting a commercial cleaning service operating at industry rates. The enterprise currently cleans seven sites across inner Melbourne, including the Brotherhood’s Fitzroy offices’. Ziguras and Stricker (2004: 20) argue that these programs provide ‘intensive support and case management, have a strong vocational training component, and take a “human capital” rather than a “work-first” approach, combined with significant degree of personal support to overcome barriers such as health problems’ (see also, Mission Australia 2008: 12).

The BSL is a Registered Training Organisation (RTO) and currently offers a number of certificate training and short courses for paying customers, these include: Certificate III in Children’s Services; Certificate III in Aged Care; Certificate III in Asset Maintenance (Cleaning Operations); Certificate III in Business Administration. Australian Apprenticeships and Traineeships are offered through the Group Training Company (GTC). The GTC:

‘uses the Australian Apprenticeships scheme to provide intensive personal and vocational support to help trainees find and keep a mainstream job… the GTC directly employs trainees and apprentices and places them with ‘host employers’, including the Brotherhood, across a range of industries. As the legal employer, the GTC looks after superannuation, payroll, WorkCover, training and any other administration associated with the employment contract’ (The Brotherhood of St Lawrence, 2011).

The Salvation Army has offices around Australia and in the UK and Ireland and offers marginalised and displaced young people work and training through TLMPs. The Salvation Army’s website states that it operates 440 social service programmes and assists 1.2 million people each year (Salvation Army, 2011). One of these programs is Employment Plus (TSAEP). TSAEP proposes that:
‘identified subgroups including prisoners, targeted people with a disability, recently separated parents, the homeless, humanitarian refugees, and youth with low education levels be engaged by the "One stop shop model" through funded transition and immediate “Highly Disadvantaged” (HD) eligibility upon completion or exit of their respective programs: i.e. people about to be released from prison, persons with significant disability or impairment rating, recently separated parents experiencing crisis, individuals in a range of temporary or crisis accommodation, new arrival refugees completing their Language, literacy and Numeracy (LLN) hours and youth who are likely to leave at completion of Year 10 or less’ (Simmonds, 2008: 4).

Simmonds (2008: 3) argues that the possibilities of the program are significant given that ‘the current service suite of Job Search Support (JSS) and Job Search Support only (JSSO) is fundamentally inadequate for anyone but the most employable of jobseekers’.

Mission Australia’s website states that it provides over 550 services throughout Australia in a number of areas, including early learning service provision and involvement in GoodStart Childcare Ltd (a joint venture with The Benevolent Society, Social Ventures Australia and the Brotherhood of St Laurence) (Mission Australia, 2011). Mission Australia is a National or ‘Federated Structure’: “Federated” organisations are ‘circular’ in nature, because the member organisations both deliver services and campaigns and have a degree of control over the central organisation’ (Hudson, 2009: 33). Hudson (2009: 33) argues that there is a trend towards nationalising networks of service delivery in the federated structure ‘as local or regionally-based service delivery organisations have grown, spread their reach beyond state boundaries and sought to have a competitive advantage over other providers’. A key characteristic of these structures is the balance of power between the ‘centre’ and the ‘field’:

‘At one end of the spectrum the field elects or appoints the board from amongst their members and controls everything the centre does. The centre and the field organisations share the same name and there will be agreements over use of the name, standards of work and policy positions. At the other end of the spectrum, a looser federation comes together to coordinate strategy but members exert little further control over one another. They are in effect an “umbrella” body’ (Hudson, 2009: 34).

Particular challenges and benefits arise from federated structures. While they allow branches of the organisation to operate with some degree of autonomy, major changes must be approved by a majority of members which potentially inhibits quick and timely responses. ‘The centre has to devote significant resources to consulting and gaining a consensus on major issues’ (Hudson, 2009: 34).

Mission Australia runs three transitional labour market programs: Big Heart, Charcoal Lane and Urban Renewal. The Big Heart enterprise runs ‘op-shops’ to ‘help raise funds for a local Mission Australia Youth Accommodation service’. Charcoal Lane provides Aboriginal and disadvantaged young people with training and temporary work in the hospitality industry, ‘as part of an integrated program which includes personal skills development and accredited education in hospitality’. The Urban Renewal Program (UREEP) ‘is a commercially viable social enterprise providing landscape gardening, building and construction services at market competitive rates…it provides fixed-term transitional employment for disadvantaged individuals’ (Mission Australia, 2011).
APPENDIX B:

Transitional Labour Market Programs in Ireland, France and the US

TLM theory is understood differently in different countries, depending on the conditions of the labour market in question:

‘This diversity is a product not only (or even mainly) of the overall level of labour demand but rather of the institutional arrangements or societal systems that create different paths or transitions’ (Detzel and Rubery, 2002: 106).

In particular, TLMPs have been shaped by the development of government welfare and employment initiatives. For instance, in America welfare reforms under the Clinton Administration affected the development of ‘Transitional Jobs’ (TJ) aimed at increasing employment opportunities for jobless workers (Altstadt, 2007: 14). As such, TLMPs can take many different forms, operate within various state initiatives and are often part of a broader pathways and training model. There are a number of approaches which draw upon TLMs, these include: Active Labour Market Programs (ALMPs), Work Integration Social Enterprises (WISEs), and Transitional Jobs, for instance as part of the Public Service Employment Initiatives (PSEs) in the US.

ALMPs can be understood as ‘a subset of labour market and employment policies addressed primarily to individuals with the goal of either preventing unemployment, promoting their reintegration in the labour market, or career advancement’ (Schmidt and Schöman, 2003: 7). ALMPs engage in modes of support for unemployed workers, such as training and temporary employment subsidies. They can also be understood as: ‘policy instruments by which states seek to assist individual transitions into the labour market’ (O’Connell and McGinnity, 2002: 100). O’Loughlin (2001: 1) argues that the purpose of ALMPs is to transition unemployed and marginalised workers into the workforce by either supporting their job search efforts, ‘improving their work habits, or increasing their work-related skills, motivation and confidence’. ALMPs promote employment rather than just providing income support (O’Loughlin, 2001: 1).

While OECD countries have extensive experience with ALMPs ‘these programs are becoming more relevant in developing and transition countries, too, as many governments grapple with growing unemployment and underemployment problems’ (Betcherman et al, 2004: 1). ALMPs include: ‘Wage employment subsidies’ which are seen to have less of an impact with substantial substitution costs attached; ‘Public works’ which are only effective in the short term; and ‘Micro-enterprise development/self-employment assistance’ (Betcherman et al, 2004: ii). Martin and Grubb (2001: 4-5) argue that there are five main categories of ALMPs:

• Public employment services and administration: job placement, counselling and vocational guidance.
• Labour market training: vocational and remedial training for employed and unemployed adults.
• Youth measures: ‘programmes for youth in transition from school to work’ and apprenticeship training.
• Subsidised employment: ‘targeted measures to provide employment for the unemployed and other priority groups’.
• Measures for the disabled: special programs such as ‘vocational rehabilitation training’ and ‘sheltered work programs which directly employ disabled people’.

The outcomes of these programs differ across national borders, especially in the case of industrialised and developing countries. For instance, in developing countries ‘much larger informal labor markets and weaker capacity to implement programs may limit what some programs can achieve in terms of creating formal employment or increasing wages’ (Betcherman, 2004: ii). On one hand, ‘retraining for workers in mass layoffs’ and ‘training for youth’ often have limited positive impacts in industrialised countries, while ‘some youth training programs in developing countries have much more positive impacts than are seen in industrialized countries’ (Betcherman, 2004: ii). Martin and Grubb (2001: 19) argue that the outcomes of programs are also affected by the participants involved: ‘many European programs typically deal with a much less disadvantaged group of youths than many of the U.S. programs’.

General training in ALMPs can include a basic or foundation-level training in general skills. Many programs in this category have been designed for those with ‘poor educational qualifications experiencing difficulty in the labour market’. Programs include: ‘second chance education programmes, training courses designed for women seeking to return to the labour market, and community training programmes, intended to develop community resources and responses to unemployment’ (O’Connell and McGinnity, 2002: 102). In this sense, Schömann and O’Connell (2002: 356) argue that ‘training-related transitions’ have direct links to previous experiences in the education system and treat the ‘two spheres of initial learning and work-related continuing training as one market for qualifications’ and part of a ‘transitional labour market of learning and working’ (Schömann and O’Connell, 2002: 356).

Nearly a decade ago O’Connell and McGinnity (2002: 101) examined the impact of various ALMPs on men and women’s transitions from unemployment to employment in Ireland. ‘Ireland is one of the leading countries in the proportion of national income spent of active [labour market] measures’. Cebrián et al (2000: 205-206) argued that at that time Ireland differed from other European countries in three important respects: Ireland experienced delayed industrialisation and should be considered part of the economic periphery of Europe; ‘the expansion of women’s part-time working has coincided with relatively rapid increases in women’s labour force participation rates’; and ‘Ireland has suffered mass unemployment for most of the past decade’.

O’Connell and McGinnity (2002: 102) identify four types of ALMPs based on the distinction between ‘(1) supply versus demand (temporary employment) measures; and (2) between programmes characterised by strong versus weak linkages to the open labour market’. Based on these differences the ALMP would provide, in the first case: ‘general training’ or ‘specific skills training’, and in the second case: ‘direct employment schemes’, or ‘employment subsidies’ (O’Connell and McGinnity, 2002: 103). The above types of training involve a variety of activities, levels of training and education programmes. For instance, specific skills training often involve training at a higher level (but can cover a range of skill levels). Specific skills training courses are designed to meet ‘specific skill needs in particular occupations and industries’ (O’Connell and McGinnity, 2002: 103). In Ireland this category includes courses in retail sales as well as advanced courses in computer-aided engineering (O’Connell and McGinnity, 2002: 103). Direct employment schemes provide ‘subsidised temporary employment in the public or voluntary sectors…Most work in this type of program is of a nature which would not be commercially viable’ (O’Connell and McGinnity, 2002: 103).

In discussing the impacts of different types of ALMPs O’Connell and McGinnity (2002: 116) argue that training programs have different results for men and women. In particular, ‘women tend to benefit more than men from participation in both specific skills training and direct employment schemes’. However, ‘training programs characterised by strong labour market linkages are more
likely to enhance the subsequent employment prospects of both women and men’ (Schömann and O’Connell, 2002: 359). O’Connell and McGinney (2002: 101) argue that their case study provides strong support for the importance of ‘market-orientation’. Market-orientation denotes programs that have strong links to labour markets: skills meet identified needs of employers and employment subsidies place employees in real jobs in the marketplace.

In France, solidarity based programs aimed at assisting groups of unemployed have taken a number of forms, such as: direct assistance, mutual aid and grassroots action (Bucolo, 2006: 59). For instance, Work Integration Social Enterprises (WISEs) were successful in providing many individuals with labour market re-entry training. Social enterprises ‘support training and employment pathways for migrants and refugees facing multiple forms of exclusion’ (Barraket, 2007: 1). ‘WISEs main purpose is to allow individuals excluded from labour markets and from society at large to find a new role through an economic activity and personalised social coaching’ (Bucolo, 2006: 60). WISEs can entail social coaching, housing, legal support and health services and fall under the category of ‘temporary work integration enterprise’ (ETTIs) (Bucolo, 2006: 62). Many WISEs offer transitional support, training and social re-adaptation, which enables individuals to gradually move from unemployment to work in labour markets:

‘WISE activities take place in a framework based on a management style that is flexible enough to adapt to this specific population. This flexibility helps the workers find their bearings again, not only in terms of economic activity but also as regards their social integration problems’ (Bucolo, 2006: 62).

WISEs offer participants the opportunity to reassess their lives by ‘supporting them while they gain control over their own personal project’. Bucolo (2006: 59) argues that ‘individuals develop an awareness of their previous inactive status, to which they do not want to return’. This reflexive process is key in the developmental changes necessary to reintegrate individuals into labour markets. Individuals facing exclusion and homelessness found ‘in the enterprise a place where they could regain a grasp on their life as a member of society’. In the case of ‘integration enterprises’ (EI is the French Acronym), integration is less about movement into mainstream labour markets and more about access and knowledge of one’s civic rights.

Altstadt (2007) examines the use of TLMPs in the context of welfare-to-work type programs in the United States (using Schmid’s identifiers this is a transition between non-employment and work). The focus is on ‘Transitional Jobs’ (TJs) in the setting of Social Enterprises. A transitional job is:

‘a short-term, wage-paying employment opportunity for a range of unemployed persons in rural and urban areas, usually welfare recipients who have been unable to find work in the regular labor market… In contrast to work experience programs (workfare), transitional jobs actually replace a welfare check with a paycheck, making workers eligible for federal, state, and local earned income tax credits. Transitional workers gain experience and references that are important to employers’ (Waller, 2002: 3).

Altstadt (2007: 14) argues that the Transitional Jobs (TJ) model developed from a long lineage of public service employment (PSE) initiatives that aimed to create work opportunities for ‘unemployed individuals when private-market employment was unavailable or unattainable’. Transitional jobs offer training and are said to provide ‘jobs rather than charity’ (Altstadt, 2007: 91).
Job assignments are temporary and most participants are placed in TSOs (Altstadt, 2007: 90). Some programs offer ‘job retention services, which might include supportive services, job coaching, and incentive payments. Follow-up typically lasts a minimum of 90 days but might go on for as long as two years’ (Altstadt, 2007: 34). TJs last from a few weeks to 9 and 12 months in which time participants are given the opportunity to develop marketable skills and work experience.

Altstadt (2007: 72) argues that by combining ‘paid work experience, on-the-job training, job search assistance, and supportive services,’ TJ models have the capacity to engage welfare recipients with the ‘severest barriers to employment’ in a way that increases their likelihood of becoming self-sufficient and ‘helps their home states meet tougher work participation targets set by the federal government’.

Altstadt (2007: 15) presents a number of case studies of TJ programs in the US. The case of San Francisco-based ‘Juma Ventures’ demonstrates how supportive services can be offered to disadvantaged young people through social enterprises:

‘Over the course of one or two years, youth participants work with Juma’s staff to reach their goals for a higher education, career, financial literacy and savings, and personal health and wellness. As a way to fund the services and to provide paid work experience for youth, Juma has operated several social enterprises over the years. In 1994, Juma opened a Ben & Jerry’s ice cream shop in San Francisco. More recently, Juma participants have operated ice cream and coffee concessions at the city’s sports venues. Each year, about 100 youth work as ice cream vendors. Juma was a spinoff of Larkin Street Youth Center (LSYC), which provides outreach, a drop-in center, counselling, medical care, education, and housing to more than 1,000 at-risk youth in San Francisco…LSYC launched Juma after staff determined that youth were not overcoming their problems through the traditional form of social work…Juma was formed as a separate legal entity to maintain organizational focus within LSYC, protect its tax-exempt status, and lower its liabilities’.

In this instance wages for the workers varied from $4.50 p/hr to as much as $22 per hour. Juma provided other benefits including: ‘paid vacation, sick time, and holidays to all employees, and health benefits to all full-time employees’ (Altstadt, 2007: 60-61). The outcomes for the participants involved were generally positive. The Juma participants were able to increase their hourly wages over time due to increases in higher hourly wages – monthly income increasing by an average of $200 p/month. It was also found that some participant’s incomes had reached $891 around the 17-28 month mark and after leaving Juma participants tended to earn even higher wages (Altstadt, 2007: 70):

‘Beyond employment outcomes, Juma also has tracked the number of youth who have gone on to college and how much money they have saved from their paychecks to cover tuition. One of Juma’s goals is to prepare youth for higher education. To date, 540 youth participants have opened individual development accounts, saving more than a combined total of $425,000 of their earnings and accessing more than $580,000 in matching funds toward asset purchases. Seventy percent of these savings and matching funds have been used for post-secondary education, 25 percent for micro-enterprise expenses, and 5 percent for home purchases (Juma n.d.).’ (Altstadt, 2007: 71).


Rix, M (2006) 'Performance Contracts, Corporate Governance and the Third Sector: The Case of the NSW Community Legal Sector,' European Group of Public Administration Annual Conference, Bocconi University, Milan, Italy, 6-9 September, 2006.


