

## PBO Trial FAQs – Feb 2023

### What is the Payment By Outcomes trial?

- This is the third Payment By Outcomes (PBO) trial under the Australian Government's Social Impact Investing Initiatives. However, it's the first of its kind looking at the effectiveness of jobs-focused social enterprise in delivering long-term employment outcomes for people living with a disability.
- White Box Enterprises is delivering the \$3.8M PBO trial in partnership with the Department of Social Services (DSS).
- 15 social enterprises are participating in the trial, which will see up to 170 award- wage jobs created for people living with a disability.

### Why is it important?

- This is the first time jobs-focused social enterprises are being recognised by the Australian Government for the role they play in creating meaningful employment for people who face barriers to work.
- It is the first time jobs-focused social enterprises are being paid directly by the Australian Government for verified job outcomes they create.

### How does it work?

- Up to 170 people living with a disability will be employed by one of 15 jobs-focused social enterprises selected to participate in the trial.
- The social enterprises will receive outcomes-based payments when participating employees maintain employment after 6, 12 and 18 months, with additional payments where a participant chooses to move on to work elsewhere.
- The payments cover the costs of the wraparound supports social enterprises provide their employees to create a safe and secure workplace that will see them thrive.

### What are wrap-around supports?

- Wrap-around supports are additional supports a social enterprise provides its employees to create a safe and secure environment that will help them thrive. These supports include additional training, workplace capacity building, flexible work environments, social support structures and career support.
- The trial recognises the importance of wrap-around supports in creating long-term employment outcomes for people facing barriers to mainstream employment.

### Why is White Box doing this?

- White Box is a lead advocate for jobs-focused social enterprise. These businesses have been creating meaningful employment for disadvantaged Australians for over 15 years without any form of formal Government support. This is the first time social enterprises are being recognised for our people-centred approach to delivering long-term employment outcomes.

### Who benefits from the trial?

- **People living with a disability** - initially 170 individuals will benefit directly from the trial. But if successful we hope to see increased support for jobs-focused social enterprises nationally, creating a significant increase in meaningful employment opportunities for people living with a disability.
- **Jobs-focused social enterprises**
  - This is the first time jobs-focused social enterprises are recognised for the unique role they play in supporting people facing barriers to mainstream employment – people

- living with a disability, refugees and migrants, youth at risk, people living with a mental illness and Indigenous Australians.
  - If successful, this trial will provide the first set of Commonwealth government data that demonstrates the effectiveness of jobs-focused social enterprises in delivering outcome-based employment services in Australia.
- **Government** – if successful and the trial expands, creating more meaningful employment opportunities for people living with a disability, this will reduce long-term income support dependency for jobseekers living with a disability who are long term unemployed.

**Which social enterprises are involved in the trial?**

There are 15 social enterprises involved in the trial at present.

<b>Organisation</b>	<b>City, State</b>
Australian Spatial Analytics	Brisbane, QLD Melbourne, VIC
Dismantle	Perth, WA
Green Collect	Melbourne, VIC
Jigsaw	National
Kalan Enterprises	Coen, QLD
YMCA Rebuild	Melbourne, VIC
STREAT	Melbourne, VIC
Cleanable	Melbourne, VIC
Your Town	Adelaide, SA Brisbane, QLD Sydney, NSW
Fruit2Work	Melbourne, VIC
Ability Works	Melbourne, VIC
Ability Enterprises	Toowoomba, QLD
Clean Force	Sydney, NSW Melbourne, VIC
Hotel Etico	Blue Mountains, NSW
SevGen	Sunshine Coast, QLD

**If it's a government-funded trial, why are impact investors involved?**

Macquarie Group Foundation, Tripple and Hand Heart Pocket Foundation have invested a combined total of \$750,000 to fund the upfront costs and provide working capital to get the trial underway. Investor repayments and returns are funded solely through outcomes achieved.

**Why is this significant?**

This is the first time private impact investors have been involved in a Commonwealth outcomes-based social impact trial. Their involvement serves a dual purpose - their funding helps cover the upfront costs of the trial incurred by White Box Enterprises. But more importantly their involvement broadens the reach of the trial, giving jobs-focused social enterprise the opportunity to demonstrate their effectiveness to the impact investment community.