

A photograph of two men in a warehouse setting. The man in the foreground is wearing a bright pink high-visibility vest over a yellow shirt and is operating a black pallet jack. The man in the background is wearing an orange and navy blue high-visibility vest. Both vests have the 'BRUNSWICK INDUSTRIES' logo. The background shows industrial equipment and a high ceiling with lights.

Social

Traders

Feedback on Shaping the Future of Employment Services Discussion Paper

July 2026

Introduction

This response to the discussion paper, *Shaping the Future of Employment Services*, focuses on the contribution that Work Integrated Social Enterprises (WISEs) can make to the employment system.

This submission responds to the following questions in the discussion paper:

- Q10 How can employment services best support small to medium enterprises?
- Q12 What supports do employers need to recruit and retain people?
- Q14 How could the future service accommodate the needs of diverse cohorts, including better linkages to other services?
- Q15 How can a nationally consistent service respond to local circumstances?
- Q16 How should providers be incentivised to support participants into suitable, sustainable jobs, not just any job across both provider-led service streams?
- Q17 How should employment outcomes and progress towards employment be measured? How should this differ between targeted provider services and intensive services?
- Q18 What commissioning approaches will best support increased provider diversity?
- Q19 How can employment services foster continuous improvement? For example, what strategies would improve the sharing of best practice?

It addresses these questions through five topics:

1. What's the definition of a WISE and how can they be identified?
2. Where should WISEs sit in the system and how should payments be structured?
3. What's the right payment amount for a WISE in the employment system?
4. What's the appropriate caseload for transitional WISEs?
5. How can WISE outcomes be captured and tracked?

This submission draws on our expertise as Australia's social enterprise certifier and social enterprise industry body for the past 18 years. We hold the largest independently validated dataset of social enterprises and WISEs in Australia. Over the last nine years we've certified over 1,100 social enterprises (543 WISEs) and processed over 2,800 certifications (over 1,400 WISEs).

Through this submission we provide a range of datapoints on WISE costs, caseloads and outcomes. The data included is not exhaustive. We invite the Department to consider how this evidence can be used to inform and design policy options, test approaches, track outcomes and enable continuous iteration and improvement as the system matures.

WISEs work. They should be utilised by government and paid for the outcomes they create. WISEs deliberately support those the mainstream system struggles to serve – people with disability, refugees and new migrants, and the long-term unemployed (40% of employees on average¹). WISEs achieve transition rates of 39%² (on par with the broader long-term unemployed population despite often working with more challenging cohorts). They often deliver highly tailored and customised supports. And they generate their own trade revenue that offsets 70% of their costs³, meaning government funding is highly leveraged.

¹ *Program delivery costs in employment-focused social enterprises* (2026) Deloitte Access Economics and Social Traders. Available at: https://www.socialtraders.com.au/downloads/DAE_ST_Costs-in-Employment-Focused-Social-Enterprises_June2026.pdf

² *Understanding outcomes in employment-focused social enterprises* (2026) Deloitte Access Economics and Social Traders. Available at: https://www.socialtraders.com.au/downloads/DAE_ST_Outcomes-in-Employment-Focused-Social-Enterprises_June2026.pdf

³ *Program delivery costs in employment-focused social enterprises* (2026) Deloitte Access Economics and Social Traders. Available at: https://www.socialtraders.com.au/downloads/DAE_ST_Costs-in-Employment-Focused-Social-Enterprises_June2026.pdf

There is no one-size-fits-all WISE. They play different roles in the employment system (provider, employer, or both). The costs of delivering outcomes are varied (depending on their location or the complexity of the cohort they support). The outcomes they deliver are broad (training or job placement, as well as broader impacts such as improved self-esteem and social skills).

Social Traders certification is a well-established tool that provides an evidence-base for identifying and understanding WISE costs and caseloads, measuring outcomes and tailoring the system over time. The best next step for government is to use the existing sector infrastructure and data available through certification to introduce WISEs into the employment system in phases, allowing for calibration over time.

Headline recommendations

- **Use the established Social Traders certification system for a data-led approach** to identifying WISEs, setting payment structures, determining appropriate payment amounts and understanding caseloads. Use the ongoing data capture through certification to calibrate funding and improve outcomes over time. Work with Social Traders to grow the number of certified WISEs to increase the caseload they can accommodate, through mechanisms such as embedding certification into the performance monitoring model.
 - See recommendation 1, 2, 5, 8, 9, 10
- **Recognise the variability in caseloads, costs and cost-drivers incurred by WISEs** by using mechanisms such as loadings or a rate card approach to vary payment amounts. This will account for differences in costs by location, cohort, or type of outcome. Structure payments to cover both upfront and milestone delivery costs, as well as outcomes achieved. Use different payment mechanisms to reflect the different roles WISEs play as providers, employers or both. Payments could be determined using a cost per hour approach, or a cost per participant per year.
 - See recommendation 3, 4, 9, 11
- **Use the policy mechanism of social procurement targets** to generate additional trade revenue for WISEs that will increase their impact, growth and sustainability.
 - See recommendation 7
- **Embed WISEs into the employment system in phases allowing for testing and continuous improvement.** Consider different payment mechanisms, appropriate caseloads, and ongoing analysis of the data and evidence.
 - See recommendation 6

The evidence base for our recommendations: Australia's social enterprise certification system and Australia's largest validated social enterprise dataset

Social Traders certification and dataset

Social Traders has been Australia's certifier of social enterprises for nine years. Every certification includes a check of over 200 datapoints, and an interview with the social enterprise to understand their model and validate their data.

Social Traders has an established and experienced certification team, and certification is governed by an independent Advisory Group. Social Traders also has an in-house data analysis team that translates the certification data into insights.

Over the last nine years we've certified over 1,100 social enterprises (543 WISEs) and processed over 2,800 certifications (over 1,400 WISEs). This data provides the largest and deepest validated social enterprise dataset in the country. Rather than relying on small research samples, the certification dataset is broad and representative, and deepens every week as we certify and recertify social enterprises.

This submission draws on a range of reports on the Social Traders dataset.

Understanding the composition of the social enterprise sector

Since 2022 Social Traders has produced an annual report on the composition of the social enterprise sector. This report includes a wider dataset of 6,400 identified social enterprises, and the deep certification dataset.

The *2025 Report on Identified Social Enterprises* includes a breakdown of the social enterprise sector by size, location, industry, beneficiary cohorts, legal structure, impact model, impact costs, outcomes, trading revenue and profitability. The live dataset is available on the Social Enterprise Identifier platform.

The *2025 Report on Identified Social Enterprises* is available at:

https://assets.socialtraders.com.au/downloads/RISE25_data_pack_October2025.pdf

The *Social Enterprise Identifier* platform can be accessed at:

<https://www.socialtraders.com.au/social-enterprise-insights-dashboard>

Analysis of WISE costs and outcomes

In 2026 we released two new reports with Deloitte Access Economics, in partnership with Paul Ramsay Foundation and Minderoo Foundation. The reports analyse the data on 300+ WISEs and collect new data from 100 of those organisations. The reports build on previous work from Paul Ramsay Foundation and Deloitte Access Economics to develop a rigorous method for costing tailored employment support which included 10 social enterprises.

The evidence provides new detail on the types of employment support which can be provided through social enterprises, the cost to deliver outcomes, and the outcomes created benchmarked against the national HILDA survey:

- *Program delivery costs in employment-focused social enterprises* - Prepared by Deloitte Access Economics and Social Traders, with support from the Paul Ramsay Foundation

- *Understanding outcomes in employment-focused social enterprises* - Prepared by Deloitte Access Economics and Social Traders, with support from the Minderoo Foundation

The reports use a total costs methodology, rather than an impact costs methodology (specific to social enterprises), to identify the minimum viable additional funding needed to offset costs of delivery, and as a basis for external comparison to non-WISEs.

The reports are available at:

www.socialtraders.com.au/costs-and-outcomes-of-employment-through-social-enterprise

Analysis of social enterprise success factors

In 2025 Social Traders produced a report exploring what makes a resilient social enterprise, and the link between trade revenue and impact: *Powered by Trade, Driven by Purpose*.

Powered by Trade, Driven by Purpose is available at:

www.socialtraders.com.au/downloads/Social-Traders-Sector-Report-2025.pdf

In 2026 Social Traders partnered with RMIT to conduct a global systematic review of 137 peer-reviewed studies addressing the key question: what enables social enterprises to be resilient, sustain impact and scale.

What works: The global evidence on social enterprise success factors is available at:

<https://www.socialtraders.com.au/downloads/RMIT-SocialTraders-What-Works-Full-Report.pdf>

1. What's the definition of a WISE and how can they be identified?

Clearly defining and identifying WISEs is a crucial first step in building them into the employment system. Social Traders certification is a ready-made system that can independently and credibly identify social enterprises, WISEs, and/or WISE sub-types.

Social Traders certification has been Australia's safeguard against social washing for nine years. We decline 12% of the applications we process because they do not meet the social enterprise criteria, protecting the sector and ensuring those who rely on certification can trust it. The certification system is already in use in Federal Government programs such as Economic Pathways to Refugee Integration (EPRI). It's been used by four state governments and over 300 of Australia's largest corporates. It evolves through a continuous improvement process and is governed by an independent advisory group.

Social enterprise definition

Social enterprises are businesses that exist to create public or community benefit. Unlike traditional businesses, primarily driven by profit, social enterprises embed purpose into everything they do. Social Traders assesses against the five criteria in the international definition of social enterprise:

- **Purpose:** reason for being is to solve a social or environmental problem.
- **Operations:** prioritise purpose, people and planet over profit in day-to-day decisions.
- **Revenue:** operate with a self-sustaining revenue model.
- **Use of surplus:** majority of any surplus is reinvested towards their mission.
- **Structure:** legal and financial structures protect and lock in purpose for the long term.

WISE definition

WISEs are a subset of social enterprises - 45% of certified social enterprises are WISEs⁴.

A WISE is a mission-driven business that trades to create employment, training, and pathways into the workforce for people experiencing systemic disadvantage and barriers to work. This definition is consistent with established Australian and international literature on WISEs⁵.

WISEs are identified through the certification process using checks such as:

- The purpose of the social enterprise is to create jobs, training or pathways to employment, targeting a specific cohort of supported employees.
- The social enterprise provides dedicated wrap around supports, often highly tailored to a specific cohort, delivered by dedicated staff (either job oversight or embedded wellbeing programs). Certification assessors verify this by checking for identifiable support staff costs in the P&L (case managers, job coaches, wellbeing practitioners), benchmarked against a typical ratio of one support staff member per 5–10 beneficiary employees. Refer Appendix One for a definition and breakdown of impact costs.

It's essential for government to work with *genuine* WISEs as opposed to those who may opportunistically choose to call themselves a WISE (in a similar way that traditional businesses attempted to be recognised as social enterprises in Victoria in order to benefit from social procurement policy).

Types of WISEs

There are multiple types of WISEs. Our research provides a practical, data-backed classification.

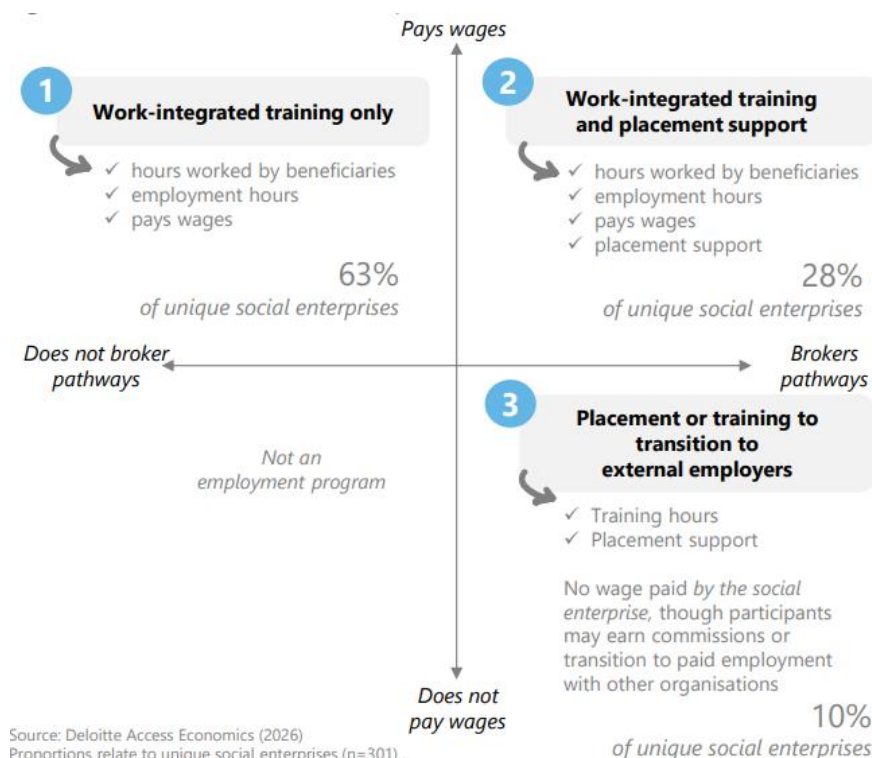
The framework classifies employment-focussed social enterprises by the activities they provide, based on two dimensions: whether they pay wages to beneficiaries and whether they broker pathways to external employers.

This produces three categories, as outlined in the figure below⁶.

⁴ Wolff, J. (2025). Report on Identified Social Enterprises: 2025 Data Pack. Social Traders. Available at: https://assets.socialtraders.com.au/downloads/RISE25_data_pack_October2025.pdf

⁵ Barraket, J., Douglas, H., Eversole, R., Mason, C., McNeill, J. and Morgan, B., 2017. Classifying social enterprise models in Australia. *Social Enterprise Journal*, 13(4), pp.345-361; Davister, C., Defourny, J. and Gregoire, O., 2004. Work integration social enterprises in the European Union: an overview of existing models. *Revue Internationale de l'Économie Sociale: Recma*, 293; White Box Enterprises, jobs-focused social enterprise definitions (whiteboxenterprises.com.au).

⁶ *Program delivery costs in employment-focused social enterprises* (2026) Deloitte Access Economics and Social Traders. Available at: https://www.socialtraders.com.au/downloads/DAE_ST_Costs-in-Employment-Focused-Social-Enterprises_June2026.pdf



Nine in ten employment-focused social enterprises are ‘work-integrated’, offering paid work experience⁷.

Recommendations:

1. Use Australia’s established certification system to identify genuine social enterprises and WISEs for inclusion in the employment system. This could include as a navigational tool for referral and/or building the Employment Goal Plans, using the rich data on the characteristics of social enterprises and the cohorts they serve.
2. Work with Social Traders to grow the number of certified WISEs, through mechanisms such as embedding certification into the performance monitoring model.

2. What role should WISEs play in the system and how should payments be structured?

The Federal Government is already working with WISEs through programs such as WorkFoundations (DEWR), Economic Pathways to Refugee Integration (Home Affairs), and Payment By Outcomes (DSS). But they are not fully integrated into the employment system in a way that enables a sustainable ongoing contribution.

There is not a one-size-fits-all WISE model – their support models (scope, duration, type of work) are often tailored to individuals and cohorts, based on an understanding of what the individual needs to succeed at work. WISEs play multiple roles in the system. They are both providers and employers, and some are both. They can operate within stream two and stream three depending on the cohort they support. This means they can play different roles in the employment system, and payment mechanisms should reflect their different contributions and associated costs.

⁷ Program delivery costs in employment-focused social enterprises (2026) Deloitte Access Economics and Social Traders. Available at: https://www.socialtraders.com.au/downloads/DAE_ST_Costs-in-Employment-Focused-Social-Enterprises_June2026.pdf

WISEs are not currently being sufficiently paid for the roles they are already playing in the system. Costs per participant per year in the Deloitte report well exceed rates in programs like the DSS PBO trial. WISEs should be paid for the multiple types of outcomes they create, as both employers and providers:

- For transition WISEs that broker pathways, the core outcome is transition to external employment.
- For work integration only WISEs, the core outcome is skills development and progression within ongoing employment.
- WISEs also create a range of other outcomes on the way to a job. The top three goals of surveyed WISEs are improving participants' self-esteem, social skills and job-readiness⁸. These are essential to ensure that participants transition to work lasts, and that they are better prepared to navigate further change in the nature of their work.

Recommendations:

3. Adjust payments for the variable nature of WISE programs and participant needs, accounting for different types of WISEs, different types of outcomes, duration of programs, and participant complexity. This may include:
 - Different payment mechanisms for WISEs that are employers and WISEs that are providers.
 - As the system matures, a rate card approach or loading to allow for the differences in delivery costs associated with more complex needs or regional locations.
4. Structure payments to cover both upfront and milestone delivery costs (matching timing of revenue received to timing of costs incurred), as well as outcomes achieved. This may include:
 - An upfront/base payment per participant to help cover fixed setup and early support costs.
 - Milestone or ongoing support payments during the support period (e.g., tied to engagement hours or training delivered each quarter).
 - An outcome-linked payment on achievement of a WISE type-specific outcome (external transition or sustained retention, as well as wider outcomes such as improved self-esteem and confidence).

3. What's the right payment amount for a WISE in the employment system?

The Social Traders dataset of over 300 WISEs provides the foundation government needs to design funding models that are evidence-based rather than guesswork.

There are a range of cost drivers in WISEs (see Appendix One for the types of impact costs incurred). Costs are varied by factors such as type of WISE, location, complexity of target cohort and duration of programs.

There are several ways to express the cost of a WISE supporting a participant, including cost per participant per year and cost per hour of employment/support.

⁸ *Understanding outcomes in employment-focused social enterprises* (2026) Deloitte Access Economics and Social Traders. Available at: https://www.socialtraders.com.au/downloads/DAE_ST_Outcomes-in-Employment-Focused-Social-Enterprises_June2026.pdf

Costing approach one: total cost per participant per year

Our report with Deloitte Access Economics *Program delivery costs in employment-focused social enterprises* show the breakdown of total costs per participant per year. Findings include:

- The median cost per participant per year for a work integrated training only WISE is \$45,000. The median cost per participant per year for a work integrated training WISE with placement support is \$51,400.
- There is significant cost variability depending on the type of WISE (employment and training only, or including placement support) as well as by locations and cohorts.

Variation in costs depending on cohort, location and type of WISE⁹



Note that the median cost per outcome (the annual investment required to support transitions to external employment) is approximately 1.5 times larger than the cost per participant (after trading revenue), reflecting attrition rates and varying program durations (within a year).

Accounting for trade revenue

One of the benefits of WISEs is that they generate their own trade revenue, meaning government payments to WISEs are highly leveraged.

Our report with Deloitte Access Economics shows that:

- While 16% of WISEs can fully cover their costs with their trading revenue in a given year, the median enterprise has a 30% gap in delivery costs. WISEs that fully offset costs are typically more mature (operating for longer, at scale), with easier operating conditions such as based in major cities and supporting people with higher levels of job-readiness¹⁰.
- After trade revenue, the median cost per participant per year for a work integrated training only WISE reduces from \$45,000 to \$12,300. After trade revenue, the median cost per participant per year for a work integrated training WISE with placement support reduces from \$51,400 to \$14,200.

⁹ *Program delivery costs in employment-focused social enterprises* (2026) Deloitte Access Economics and Social Traders. Available at: https://www.socialtraders.com.au/downloads/DAE_ST_Costs-in-Employment-Focused-Social-Enterprises_June2026.pdf

¹⁰ *Program delivery costs in employment-focused social enterprises* (2026) Deloitte Access Economics and Social Traders. Available at: https://www.socialtraders.com.au/downloads/DAE_ST_Costs-in-Employment-Focused-Social-Enterprises_June2026.pdf

- Cost per outcome (a transition into study or open employment) after trading revenue is \$17,000 for work-integrated training only WISEs and \$22,000 for a work-integrated training and placement WISE.

While most WISEs can cover a material share of their costs in a given year through trade revenue, they still tend to operate at some shortfall. Very few in the dataset can *consistently* offset costs or generate a surplus with trade revenue alone. This reflects the challenges of scale, and the natural high staff turnover that occurs in an enterprise where the goal is for people to move on to other work. Hence it's important to allow margin on top of the cost of delivery after trade revenue. This allows WISEs to sustainably grow and scale their business, invest in pilots and trials, and tailor supports to a greater extent where needed.

Costing approach two: impact costs per hour of employment

The findings from our reports with Deloitte Access Economics highlight the variability in WISE models and therefore variability in their costs. The main variations in costs are due to the length of time a participant receives support (eg three months or 12 months), their level of engagement (eg full time or part time), and their level of complexity. A cost per hour model accounts for variability in duration, engagement and intensity of support.

Social Traders WISE dataset allows for analysis of costs from a different perspective: the impact costs¹¹ incurred by WISEs, per participant per hour, accounting for variables such as different locations and cohorts.

The Social Traders data shows the median impact cost across all WISEs is \$16.18 per hour of supported employment or training. Similarly to the cost per beneficiary per year, there is significant variability by WISE type, cohort and location. See Appendix Two for a sample of the data available, including:

- By cohort: median impact cost ranges from \$11.77/hr for WISEs with long term unemployed people as their primary beneficiary to \$23.35/hr for marginalised youth.
- By location: metropolitan WISEs have a median impact cost of \$18.66, 38% higher than regional WISEs at \$13.54.
- Indication of variability: across all WISEs, the middle 50% have an impact cost between \$8.06 and \$35.19 per hour.

Social procurement as a policy lever to grow WISE trade revenue

Social procurement is a proven mechanism for generating new trade revenue for social enterprises. A stronger trading base allows WISEs to grow their impact. When a WISE increases its trade revenue, it has more flexibility to invest in greater impact.

The importance of trade revenue in the WISE model

Analysis of the Social Traders dataset shows 71% of social enterprises that increase their trade revenue also increase their spending on impact¹². The analysis also shows that for every 1%

¹¹ Impact costs are the costs a social enterprise incurs to deliver its social purpose alongside its commercial activity. In the case of WISEs, impact costs are the additional costs that arise because they employ, train, and facilitate transitional pathways for people facing complex barriers to work. For WISEs, the largest impact cost is generally direct support staff wages for the staff employed to support beneficiary employees or participants in the workplace or training program. Refer to Appendix 1 for a breakdown of the types of impact costs for WISEs.

¹² Earles, A. and Wolff, J. (2025). Social enterprises: Powered by trade and driven by purpose. Social Traders. Available at: <https://www.socialtraders.com.au/downloads/Social-Traders-Sector-Report-2025.pdf>

increase in trade revenue, impact costs increase by 0.2%¹³. For WISEs these impact costs include beneficiary employee headcount, beneficiary employee work hours and training hours, and beneficiary pathway employment outcomes.

Our research also shows that there's no one success factor in social enterprise resilience. We compared resilient social enterprises¹⁴ to those which were not, and found there was no correlation between resilience and variables including beneficiary cohort, location, industry, legal structure, age of organisation. Other than one: size. Resilient social enterprises typically generate more revenue than others in the sector (\$2.7m – more than double the comparison group) and they typically employ more people (28 compared to 15 in the comparison group).

The role of social procurement policy

Social procurement delivers twice for the same dollar – providing quality goods and service while also delivering policy objectives. It takes the business-as-usual practice of procurement and doubles its impact.

Social procurement policy that includes explicit targets for certified social enterprises is a cost-neutral lever to build WISE resilience and increase WISE impact. Harnessing money that's already being spent and redirecting it to WISEs has a cascading effect - increasing the impact WISEs deliver while reducing funds required in other parts of the system.

Recommendations:

5. Use the Social Traders certified dataset to determine appropriate payment amounts. This could be per participant per year, or an hourly cost to account for variability in program duration and participant engagement.
6. Build WISEs into the employment system in phases that allows for continuous improvement, including testing different payment mechanisms against outcomes and costs of delivery.
7. Alongside employment reform, simultaneously activate the policy mechanism of social enterprise procurement targets. This will generate additional trade revenue for WISEs that will help grow their impact, strengthen their sustainability and increase the caseload they can support.

4. What's an appropriate caseload for transitional WISEs?

One of the types of outcomes WISEs enable is transitions into open employment.

A March 2026 survey of 119 certified WISEs found that 85% support pathways into external employment for beneficiaries, confirming that this is a mainstream function across the sector.

Social Traders has tracked pathway outcomes across certified WISEs for the past two years, giving an early evidence base on transition volume. 101 currently certified WISEs have recorded pathway outcome data with Social Traders, collectively delivering 4,834 job pathway outcomes annually - a mean of 48 per transition WISE. That average masks a wide spread in delivery models and enterprise size: WISEs supporting beneficiaries with more intensive needs tend to

¹³ Earles, A. and Wolff, J. (2025). Social enterprises: Powered by trade and driven by purpose. Social Traders. Available at: <https://www.socialtraders.com.au/downloads/Social-Traders-Sector-Report-2025.pdf>

¹⁴ For the purposes of this analysis we defined "resilience" as a social enterprise that is simultaneously growing its trade revenue, growing its impact, and is profitable - over multiple certification periods.

broker fewer, high-touch transitions, while lighter touch WISEs move a larger number of beneficiaries through. The median WISE recorded 11 pathway outcomes a year.

We suggest WISEs should be built into the system in phases, to test assumptions and determine appropriate caseloads, as well as understanding how the sector composition changes over time (eg more transitional WISEs enter the sector).

Recommendations:

8. Use the Social Traders ongoing data collection through certification to determine appropriate caseloads for WISEs that can be built into the system in phases.
9. Work with Social Traders and others to grow the number of certified social enterprises to increase the caseload of employment transitions that WISEs can accommodate.

5. How can WISE outcomes be captured and tracked?

If outcome payments are used, then outcomes must be defined and tracked.

Our report with Deloitte Access Economics *Understanding outcomes in employment-focused social enterprises* finds that¹⁵:

- While enterprises define ‘success’ differently and offer varied support, they share the goal to create pathways to work for those furthest from the labour market.
- Some social enterprises target specific cohorts, often picking up people experiencing intersecting barriers to participation.
- Social enterprises are committed to measuring impact, but face challenges in resourcing and efficiently delivering systematic data collection.
- Organisations that do measure outcomes demonstrate promising results.

The report shows that outcomes can be measured consistently across the sector:

- Two in three enterprises are already systematically measuring transitions to external employment and sustained employment after program exit.
- Transition WISEs report 39% of participants moving into external employment after 12 months of participating in a social enterprise employment program. As a comparison, HILDA data shows that among a group of people who are long-term unemployed or marginally attached, 24% to 43% transitioned to work within 12 months.

WISEs also support many different outcomes which might appear in Employment Goal Plans. WISEs already track these outcomes. The top three goals of surveyed WISEs are improving participants’ self-esteem, social skills and job-readiness¹⁶.

¹⁵ *Understanding outcomes in employment-focused social enterprises* (2026) Deloitte Access Economics and Social Traders. Available at: https://www.socialtraders.com.au/downloads/DAE_ST_Outcomes-in-Employment-Focused-Social-Enterprises_June2026.pdf

¹⁶ *Understanding outcomes in employment-focused social enterprises* (2026) Deloitte Access Economics and Social Traders. Available at: https://www.socialtraders.com.au/downloads/DAE_ST_Outcomes-in-Employment-Focused-Social-Enterprises_June2026.pdf

Measuring outcomes and improving WISEs ability to track and compare outcomes is important. Embedding outcome measures in certification offers government a ready-made reporting mechanism, including an opportunity to link measures of 'job readiness' to future 'job outcomes' for individuals over time.

Recommendations:

10. Use certification to track and validate outcomes delivered to better correlate outcomes with costs.
11. Track and reward outcomes beyond employment that may appear in Employment Goals Plans, such as improved social skills and self-esteem.

Conclusion

Employment services reform should recognise the unique role that WISEs can play in the system. They work with some of the most challenging cohorts, they tailor their supports, and they offset their costs with trade revenue.

There's no one-size-fits-all WISE, which means there's no one-size-fits-all approach for building WISEs into the employment system. Payment structures should reflect the diversity of WISE models and costs, and their roles and both employers and providers. WISEs should be phased in over time, allowing for monitoring and ongoing calibration of the system.

Deep longitudinal data on the costs, caseloads and outcomes of WISEs is readily available through the established Social Traders certification dataset, so WISEs can be built into the system without guesswork.

The data on costs, caseloads and outcomes provided in this submission is indicative of the type of data that Social Traders holds for the sector. We welcome the opportunity to work with the Department to provide additional information, different cuts of the data, or use the data to answer particular questions. Using the existing certification infrastructure, the Department can design evidence-based mechanisms to unlock the significant benefits that WISEs can offer in the employment system.



Appendix 1 – wrap around support costs ('impact costs')

Impact costs are the costs that a WISE incurs because they employ, train, and/or facilitate transitional pathways for people facing complex barriers to work. For WISEs, the largest impact cost is generally wages for direct support staff to support participants in the workplace or training program.

A breakdown of the types of costs counted as impact costs in certification assessments is below.

Impact costs applying to all social enterprise types		
Impact Measurement & Reporting	Staff time on impact measurement, reporting and framework development	Staff time on designing and maintaining an impact framework or theory of change
		Staff time collecting and managing impact data
		Staff time analysing outcomes and preparing impact reporting
	External impact evaluation and assurance	Fees paid to external evaluators, researchers or consultants related to impact measurement and assurance
Other Impact-Enabling Costs	Staff time on impact-enabling activities	Staff time on sector engagement and collective impact
		Staff time on impact-related grants
		Staff time on mission partnerships and stakeholder relationships
		Staff time on co-design and lived-experience engagement
WISE specific impact costs		
Employee Costs	Direct support staff wages	Employment support staff wages
		Wellbeing, counselling and psychosocial support staff wages
		Vocational training and skills development staff wages
		Other direct beneficiary support staff wages
	Transitional employment delivery	Recruitment and onboarding costs for transitional employment roles
		Training and induction costs driven by transitional employment turnover
	Indirect support & coordination	Additional supervision, mentoring & development time (non-support staff)
		Coordination with external services & support systems

		Job redesign, accommodations & workforce planning time
		Compliance, documentation & reporting effort driven by support needs
External Training Costs	<i>External training and development for beneficiaries</i>	Industry certifications, licensing & mandatory job credentials
		Apprenticeship & traineeship training costs (external)
		Vocational, employability & digital skills training programs
		Accreditation recognition & credential translation costs
		Life skills & personal development training (external)
		Training materials, resources & assistive learning technology
	<i>Staff capability development (related to supporting beneficiaries)</i>	Mission capability training for support staff
		Mission capability training for non-support staff
Property Costs	<i>Additional premises & space</i>	Dedicated training and support rooms
		Additional floor space due to increased on-site workspace requirement
	<i>Accessibility fit-out and modifications</i>	Physical accessibility and mobility-related fit-out
		Sensory-friendly environment modifications
		Communication and information accessibility fit-out
Other Costs	<i>Beneficiary transport</i>	Subsidised transport for beneficiary employees to/from work
		Vehicle costs for transporting beneficiary employees to work or placement sites
	<i>Workplace equipment & supplies</i>	Assistive technology and learning supports (portable)
		Additional equipment, PPE, uniforms and consumables for beneficiaries (beyond requirements for a comparable mainstream workplace)
	<i>Participation supports</i>	Interpreting and translation services supporting workplace participation
		Emergency or hardship support provided to beneficiaries

Appendix 2: WISE impact costs per hour of employment

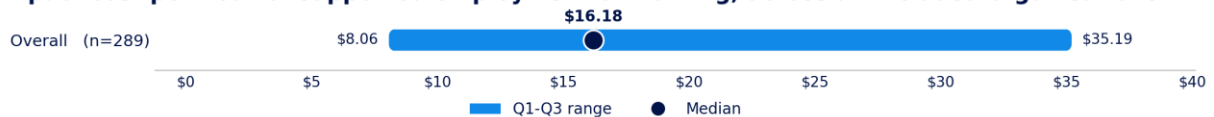
Using cost per hour rather than cost per participant per year captures variable program duration (e.g. six months vs 12 months) and variation in hours of engagement for different participants (e.g. 15 hours per week vs 40 hours per week).

Validated data on these impact costs is available through the 300+ certificated WISE dataset.

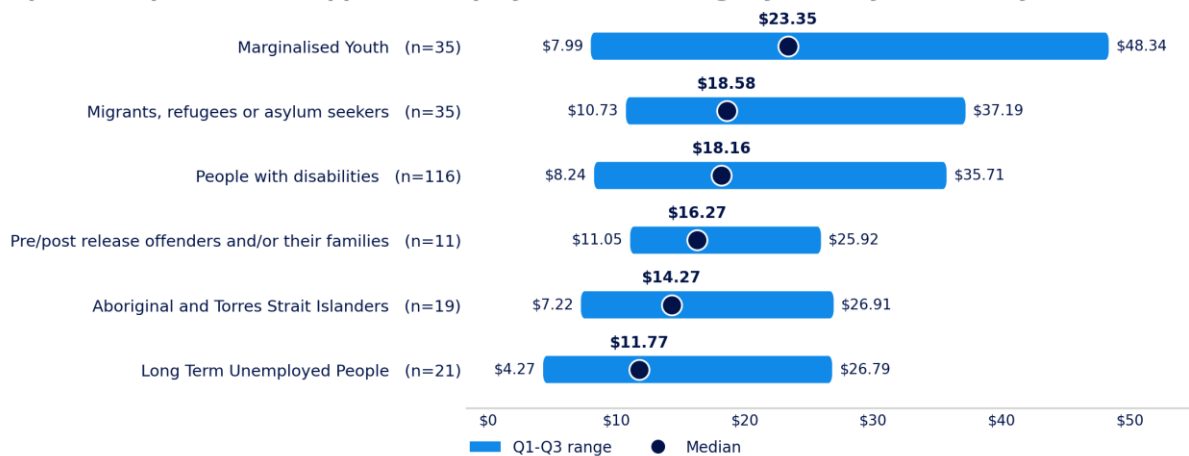
As an example of the data available, we've listed below the impact costs to deliver one hour of employment or training in a WISE, broken down by factors such as beneficiaries, location, business size and business type. These are costs before trade revenue (costs after trade revenue are also available if required).

The median impact cost across all WISEs is \$16.18 per hour of supported employment or training, with the middle 50% of impact costs ranging from \$8.06 to \$35.19 per hour.

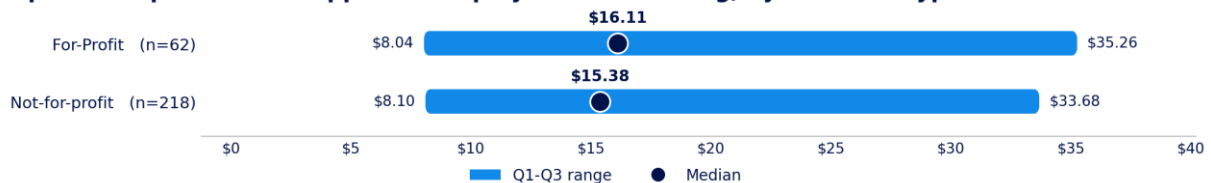
Impact cost per hour of supported employment or training, across all included organisations



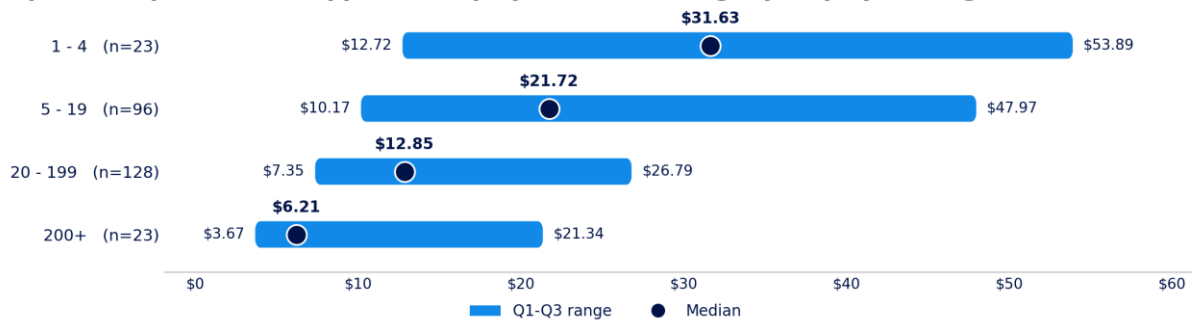
Impact cost per hour of supported employment or training, by Primary Beneficiary



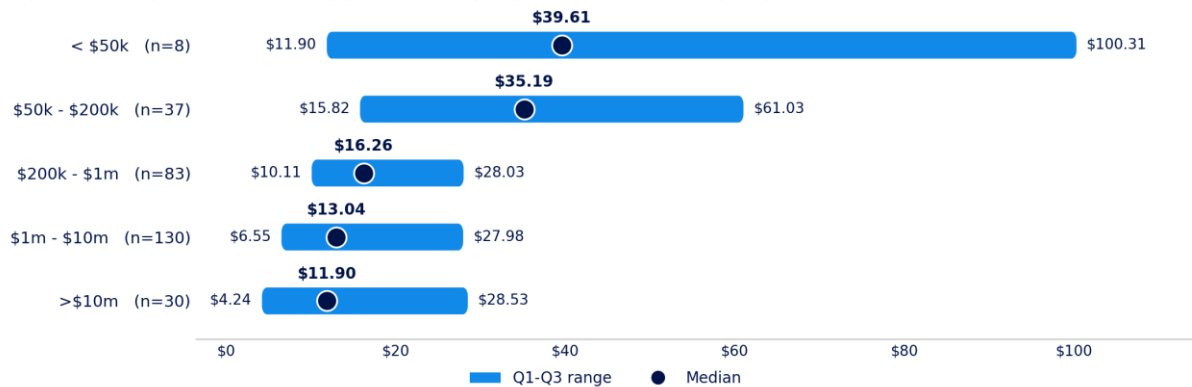
Impact cost per hour of supported employment or training, by Business Type



Impact cost per hour of supported employment or training, by Employee Range



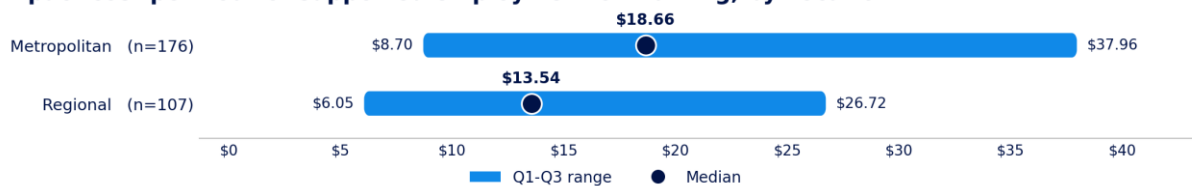
Impact cost per hour of supported employment or training, by Annual Revenue



Impact cost per hour of supported employment or training, by Trading Revenue % of Total



Impact cost per hour of supported employment or training, by Location



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