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#### MANDALA

This document is intended for general informational purposes only. The analysis in this report was completed as a pro-bono project commissioned by Fitted for Work, prepared by Mandala.

Mandala is an economics research and advisory firm.

Mandala specialises in combining cutting-edge data and advanced analytical techniques to generate new insights and fresh perspectives on the challenges facing non-profits, business and governments.

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Note: All dollar figures are Australian dollars unless indicated otherwise.

## **Executive summary**

Over the past 20 years, Fitted for Work has served over 45,000 women and gender-diverse people to become job ready and secure meaningful employment.

There is incredible demand for our services as a non-profit that cares deeply about supporting clients through the toughest periods of their life.

Our work is incredibly special, and the impact of our staff, programs, partners and volunteers creates significant change in the lives of women and gender diverse clients.

That's why this report is important. The economic impact analysis in Chapter 3 outlines the significant direct economic benefits of investing in Fitted for Work.

This analysis shows that Fitted for Work has created \$86m in benefits since its founding in 2005. The benefits outlined in this report are only the beginning.

The now-adult children of our clients have told us of the immense impact Fitted for Work services had on their lives through helping their mother secure work when they were young.

We know that having a job not only unlocks independence, but also boosts health and wellbeing, contributions to community and to society.

The international academic literature shows employment is one of the best protective factors and recovery mechanisms for domestic violence.

I'm incredibly proud to be launching this report as a call to action for support and investment in women and gender-diverse jobseekers.

#### Donna de Zwart

Managing Director, Fitted for Work

Celebrating Fitted for Work's contribution to the lives of women and gender-diverse job seekers across Australia is incredibly important.

This report presents a rigorous analysis of the immediate benefits achieved within one year of investing in Fitted for Work. This work shows that for every dollar invested in Fitted for Work, \$2.19 is returned in economic benefits. This is before we count health and wellbeing, social, child development and quality of life uplifts.

As an Australian specialist economics and policy firm, we have been honoured to partner with Fitted for Work as it marks its 20<sup>th</sup> Year Anniversary milestone.

#### **Amit Singh**

Managing Partner, Mandala Partners

## Over 20 years, Fitted for Work has served 45,000 women and unlocked \$86M in net direct economic benefits by supporting women to find secure employment

## OVER ONE MILLION WOMEN IN AUSTRALIA WANT WORK OR MORE HOURS



1.3 million women in Australia want work or additional hours



One in two unemployed women have been looking for work for 3 months or longer



Existing employment services better serve job-seeking men than women – 28% of men find full-time work within 3 months compared to 18% of women

## FITTED FOR WORK HELPS WOMEN AND GENDER-DIVERSE PEOPLE FIND WORK



Over 20 years, Fitted For Work has supported 45,000 women and gender-diverse clients



In FY24, Fitted for Work delivered **6,502 client services** supporting women to find work



Clients with known employment outcomes find work in 13 weeks, significantly faster than the national average. The full client cohort is estimated to find work in 27 weeks, 26 weeks faster than the national average

## INVESTMENT IN FITTED FOR WORK CREATES WIDER ECONOMIC BENEFITS



Fitted for Work reduces job search duration by at least 48% for clients compared to the national average



Every dollar invested in Fitted for Work creates \$2.19 in return



Fitted for Work aims to raise \$5M+ in its Future Fund by late 2025



Through the new Future Fund, funders can invest in and scale the \$86M in economic net benefits unlocked over the last 20 years



1.3 million women in Australia want work or additional hours

2 Fitted for Work helps women and gender-diverse people to become job-ready and gain secure, stable employment

Investing \$1 in Fitted for Work generates \$2.19 in economic benefits to society

4 Appendix

# 1.3 million women in Australia want work or additional hours

1.3 million women in Australia either want to find work or, if they have a job, want to work additional hours. These women fall into three labour force categories: unemployed, underemployed, and out of the labour force.

278,400 women in Australia are unemployed and are actively looking for work. People who are unemployed have at some point in the past four weeks actively looked for work.

A further 557,000 employed women are underemployed, meaning they are employed but want to work more hours or are employed in a role where they don't fully use their skills, education, or experience. Women who are underemployed are likely earning less than they could be and are not utilising their full productive capacity.

461,000 of the 4.2 million women aged 15-65 years not in the labour force want to work and are available, but did not look for work in the past four weeks.

### Women who want work or additional hours

Number by labour force status, 2024



# 278,400 women are unemployed across Australia and actively looking for work

Throughout Australia, 278,400 women are unemployed and are actively looking for work. For women, the unemployment rate is 3.8%.

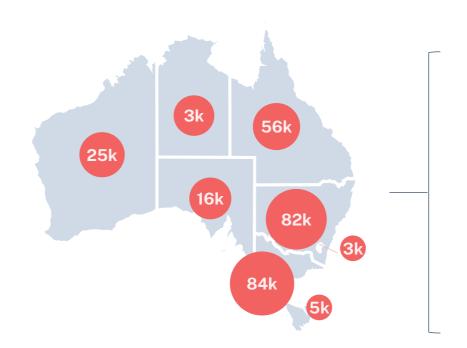
This level of unemployment has remained relatively stable over the past three decades, with the number of jobless women consistently hovering around 300,000.

Most job-seeking women (60%) are pursuing full-time employment opportunities, with 40% looking for part-time positions. This reflects the diverse workforce participation preferences of women.

Six in ten unemployed women are based in New South Wales (31%) or Victoria (26%). The distribution of women who are unemployed aligns with the distribution of the population in Australia, with New South Wales and Victoria having the largest portion of the population.

## Australia's female unemployment

Number by state, December 2024



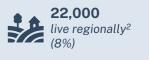
## OF THE JOB SEARCHING WOMEN IN AUSTRALIA<sup>1</sup>







8,000 have a disability (3%)



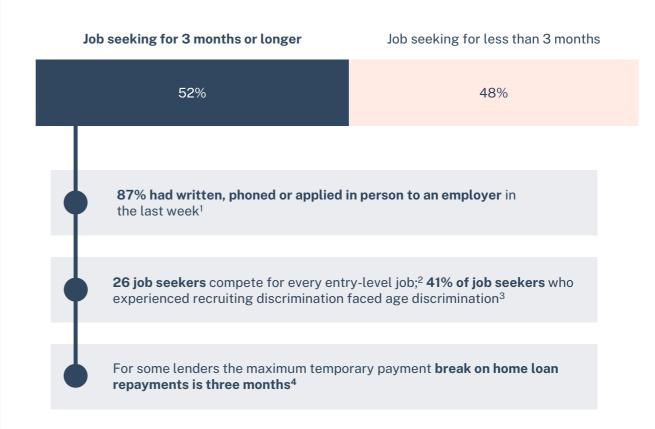
# One in two unemployed women has been looking for work for 3 months or longer

More than half (52%) of unemployed women have been unemployed and actively looking for work for 3 months or longer. To be counted as unemployed, rather than not in the labour force, a woman must be actively searching for work in the past four weeks. Searching for a job is time consuming and challenging, with many job seekers applying for the same jobs.

Women who are unemployed for 3 months or longer face decreased chances of finding employment later, can only access low unemployment support payments and may not have access to appropriate, positive and encouraging employment services that meet their needs.

## Proportion of unemployed women by time spent job seeking

%, women aged 15-64 by duration of unemployment, July 2024



<sup>1.</sup> ABS (2024) Labour Force Statistics - February 2024. 2. Anglicare Australia (<u>2023</u>) Jobs Availability Snapshot. 3. Blair (<u>2022</u>) What do job applicants in Australia think of the recruitment process? 4. NAB (<u>2024</u>) Support Source: ABS Detailed Labour Force Survey (July 2024); Mandala analysis

# For the one in five unemployed for over a year, their chance of securing paid work falls to just 30%

Analysis of unemployment payment recipients finds that the probability of finding employment diminishes the longer a person remains unemployed.

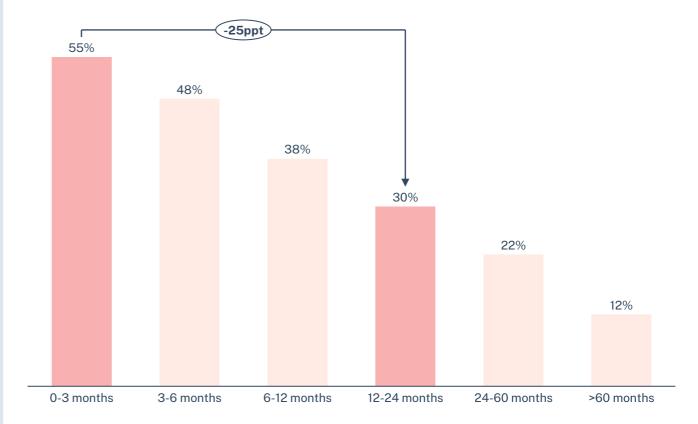
For people unemployed for less than three months, the proportion no longer on benefits 12 months later was 55%. For those unemployed for 12 to 24 months, only 30% were no longer on benefits. Being unemployed for more than five years reduces this down to 12%.

Similar analysis conducted by the RBA which found people who are unemployed for longer are less likely to find a job.<sup>1</sup>

Extended periods of unemployment can harm people's employment chances. This is due to unemployment 'scarring', including discrimination against the long-term unemployed by employers, skill loss, or discouragement from job searching.

## Probability of employment in the next 12 months by length of unemployment

%, probability of being off New Start Allowance and Youth Allowance 12 months later by length of time on benefits



# Unemployment is more common for women who have a disability, were born overseas or are single parents

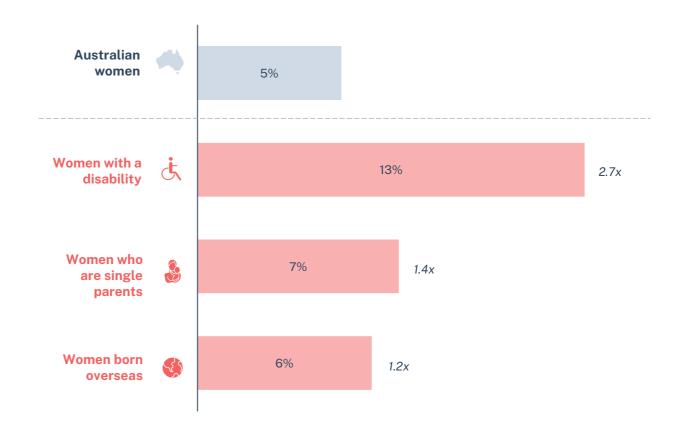
Across Australia on Census night in 2021, the unemployment rate for women was 5%. Within the overall cohort of unemployed women in Australia, there are disparities amongst different groups of women. The rates of unemployment are higher for women with a disability, single parents and migrants.

Women with a disability experienced an unemployment rate of 13%, more than double the average. For women who are single parents, the unemployment rate was 7% which is 1.4 times the rate of the average for women. For women born overseas, the unemployment rate was 6% which is 1.2 times the rate of the average for women.

The disparities highlight the additional challenges these groups of women face in securing employment.

## Unemployment rates by cohort of women

%, unemployment rate for women aged 15-64 by category, 2021



# Women using existing supports are less likely to end up in full-time work and more likely to leave the labour force than men

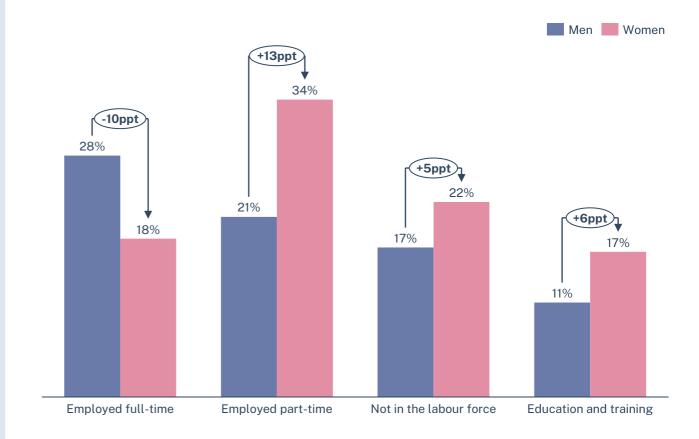
Employment services currently do not deliver the supportive, person-centred approach needed to help women enter or reenter the workforce. Women who are job seeking are less likely to end up in full-time work, and more likely to end up in part-time work, than men who are job seeking. They are also more likely to leave the labour force or go into education and training.

Two recent reports, the 2023 Employment White Paper, and 2023 House of Representatives Select Committee on Workforce Australia Employment Services Final Report, found that Australia's current employment services system is "not fit for purpose and is causing harm." 1,2

Current employment supports are inefficient, producing an unacceptably low employment success rate.<sup>2</sup> Despite the aim of economic inclusion and full employment, the current services are not working for women.

## **Employment service outcomes**

Outcomes for job seekers who participated in employment services in the 12 months to June 2022, 3 months later



## For domestic violence victims, employment supports financial independence for recovery and prevention

Employment can enable a woman experiencing domestic violence to leave her situation and support her to recover from the impacts of the violence.1

A workplace may also be the only place a woman is away from the perpetrator, offering a reprieve from the situation and a space to seek help.<sup>2</sup>

Employment can also act as a protective factor against domestic violence, as having a job reduces vulnerability to economic abuse.3

Around 12% of women in violent relationships say they cannot leave due to a lack of money, and about 15% of return to a violent partner because their alternative is poverty and/or homelessness.4 Up to half of women who leave a violent relationship will end up in poverty.4

Source: 1. Royal Commission into Family Violence Victoria (2016) 2. Braaf and Meyering (2011) 3. Australian Human Rights Commission (2015) Submission to The Fair Work Commission 4. Summers, A. (2022), The Choice Violence or Poverty: Domestic violence and its consequences in Australia today, University of Technology Sydney

## Pathway from gaining employment to recovery from violence



## Other benefits of employment for women experiencing violence



Social reconnection and challenging isolation



Growing self-esteem and confidence



Feeling of contribution in the world

# Increasing women's economic participation is estimated to generate at least \$60 to \$128 billion for the Australian economy

Estimates of economic benefits from increasing women's economic participation

Estimated benefit	\$60 billion	\$111 billion	\$128 billion
Source	KPMG, 2018 <sup>1</sup>	ACTU, 2022 <sup>2</sup>	Deloitte Access Economics, 2024 <sup>3</sup>
Methodology	Halving the workforce participation gap between men and women would boost annual GDP by \$60 billion in 20 years' time.	Halving the workforce participation gap and halving the gender pay gap between men and women would boost women's earnings and national income by \$111 billion annually.	Challenging gender norms and dismantling stereotypes can increase women's labour force participation and wages, improve talent allocation in the economy, and boost productivity, resulting in a \$128 billion contribution to the economy.



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Discovering **Fitted for Work** was a transformative experience. Initially seeking support for my CV and cover letter, I found so much more...

Workshops guided me in job readiness, and I enrolled in the Emerge program.

Listening to other women's stories — from facing harassment to overcoming gaps in their careers — helped me realise my worth. I reconnected with who I am, my skills, and my aspirations.

The program gave me the confidence to embrace my identity as a neurodivergent woman and to speak openly about my experiences.

I also benefited from the Personal Outfitting program, which not only provided professional clothing but boosted my self-esteem. Seeing myself dressed for success brought back memories of my professional achievements and reignited my belief in my capabilities.

Fitted for Work's holistic support made a profound impact on me, from practical interview preparation to understanding Australian workplace culture.

Through the Australian Disability Network, I secured an internship. Although it didn't lead to a permanent role, it was invaluable in building my self-confidence and proving to myself that I could excel.

The process wasn't just about securing a job; it was about overcoming my fears and self-doubts. The experience taught me resilience and the importance of persistence and see my value as a woman.

I have done great things (now I say), before I didn't realise that I did any important things. I remember one of the workshops of Emerge program that talked about impostor syndrome, I never realised that I had been through that, still I struggle with it but now I try to be aware and reinforce my value with myself and others.



# Women experience periods of disadvantage for a range of reasons, with support to gain employment a pathway to overcome disadvantage

Disadvantage can be experienced by anyone at any time. Employment is a powerful catalyst for transforming lives and overcoming disadvantage. Securing a job is more than just a means to earn income; it is a gateway to economic security, independence, and personal growth.

For many women and gender-diverse people who have faced significant challenges, employment represents a lifeline and a chance to rebuild savings, contribute to superannuation, and regain financial stability. Employment can boost self-esteem, foster resilience, and empower women to take control of their futures.

Fitted for Work supports women who are experiencing disadvantage to become job-ready and secure meaningful employment.

## Client stories for why they sought support from Fitted for Work and the outcomes of this support

#### Maggie

As an **older** woman who had been out of the workforce for an **extensive period**, Maggie faced unique challenges in her job search.

She secured a position that matched her career aspirations and offered the flexibility she desired.

#### **Nasrin**

Nasrin had been searching for work for almost a year. At the time of her referral, struggling with her mental health after workplace bullying in her prior role. Nasrin is a single parent with two children in high school.

She found full-time work as an Operations Manager, her dream job!

#### **Jasmine**

Jasmine has faced an **extremely hard year** feeling very lost, desperate, hopeless and felt like giving up after escaping a **domestic violence** situation affecting her career and life. As a **single mother** of two, she faced **financial challenges** and the effects of COVID-19.

She received two job offers after a year and half out of work.

#### Lor

Despite **30** years of experience, Lori found herself in a cycle of insecure employment. Lori was working "on and off" for several years while experiencing some mental health challenges. She suffered a big loss of confidence throughout this time.

After attending several workshops Lori had the confidence to reach out to her first preference employer and was offered a full-time contract.

## I was looking for a job and a friend recommended **Fitted for Work** to me.

They helped me with my CV and interview prep. As part of my prep, the Fitted for Work person told me about a job posting. Now I'm doing work that I want to be doing – the hours are flexible, and I've also enrolled in a diploma course.

The best thing about my Fitted for Work experience was the CV review. Compared to others, Fitted for Work was very thorough and gave me feedback. The CV part was really important as I was able to get possible employers' attention and was able to get interviews. There were phone call meetings regarding how I could do better. This was my highlight.

I remember I was speaking to one worker and she really helped me a lot. She said 'do you know we have job advertisements' and I said 'I didn't know' and she told me about the She Works program and after she sent an email with a link. She said there may be some jobs I would like and it was really helpful.

She Works was the middle program between myself and my current employer. She Works told me they were happy with my CV and gave me a casual interview and some feedback. This worker was fantastic. She prepped me for an hour on the phone with possible interview questions and sent me some interview prep slides. The slides were really thorough – covering what to say and how to compose myself and get feedback. This was really helpful for the face-to-face interview.

I went to the interview and got the job!

Fitted for Work contacted me twice after I got the job to check on me and see how I was.

They also encouraged me to do the mentor program. The mentor has been fantastic and a rock. My mentor has a background in admin and she has helped me with values, work ethics and things not taught at work. She gave me insights on how to do events as I'm planning a Christmas party and we just had a team lunch... She has been so helpful.

Fitted for Work really helped me to increase my confidence and know I am actually capable so it boosted my confidence. With the wardrobe and the way they dressed me, I felt more confident.

It helped with my mental wellbeing. For a time being without a job felt like I was trying to motivate myself and I was questioning myself and feeling not good enough but with the programs like the CV and the interview prep it made me feel confident in myself and it improved my morale and made me feel that 'I'm good enough'. It has also benefitted my family as I'm now able to contribute financially as I used to and my daughter can do things she couldn't before and my family back home benefit from me sending money.





## Fitted for Work tailors services to support women and gender-diverse people to be job-ready to find meaningful employment

Pathway of engagement with Fitted for Work













## Initial engagement

Women and gender-diverse job-seekers are referred or self-refer to Fitted for Work. It is an inclusive service, with no eligibility criteria for women or gender-diverse people. Clients engage in an initial consultation where staff learn about their needs.

## Accepted into a safe, supportive space

Clients are supported in a non-judgemental way and receive holistic support, considering individual circumstances. Clients can be safely connected with support services. Job-readiness support is accessible at a client's own pace.

## Develop confidence through Outfitting services

Clients are supported in a safe space with specialised staff and trained volunteers to put together a work clothing capsule. The aim is to empower clients to feel confident forming an outfit for the job seeking journey. Clients receive a capsule wardrobe including shoes.

## Build skills and jobsearching capabilities

Clients can access services, workshops, oneon-one appointments to learn how to apply for suitable roles, secure an interview, and build confidence. This includes resume and cover letter support.

## **Practicing** interviews

Clients can develop their interview skills and confidence by practicing interviews with the Fitted for Work staff, in-person or virtually.

### Job-ready

Once clients feel they are job-ready, clients look and apply for work. Clients may return to Fitted for Work as need for further support.

## Feel welcomed and comfortable to seek support

- Reduced social isolation
- Increased social connection
- Establish peer relationships

- Confidence to put together an outfit for work
- Increased selfconfidence
- Refined resumes and cover letters
- Identifying strengths and transferable skills
- Understand how to address key selection criteria
- Interview skills and techniques
- Confidence to engage in an interview

 Clients are on the pathway to meaningful employment

**Outcomes** 

Source: Fitted for Work; Mandala analysis

## Fitted for Work has delivered over 6,502 online and in-person services to support women and gender-diverse people in Australia

## Services delivered by Fitted for Work in 2023/24





Towards the end of last year, around October, I had a women's health issue present out of nowhere and another health issue became exacerbated to a point that was dangerous.

Because of the scale of health issues I was facing, I left my job in November last year and my mental health was compromised as well. I had hiccups with surgeries, with one being abandoned while I was under, and the second successful... But the physical recovery from surgery floored me even more.

My partner lost his job about two weeks after I had the second surgery, in part because of taking time off to collect me from day surgery. This put us into a precarious financial position for a few months, all while I was trying to heal physically.

Coming back to the workforce my priority was to find a role that could help us stabilise financially, but also, I wanted to find something sustainable, where I could use my unique skills. Plus, I was limited by the physical recovery and mobility issues from the operation. I decided to focus on arts worker roles, realistically though the industry is not large, so it was confronting to look for work. I was also facing the challenge of realising that because I'd been living in PJs for six months and that I didn't have a wardrobe that fit because of going up quite a few sizes, and was compromised financially, so I couldn't just replace everything.

I remembered that a friend of mine had gone through a rough patch in her life a few years ago, and she had talked to me about a service that gave her outfits to go for an interview.

So I googled and found **Fitted for Work**. Even as I read about their services online, I still hesitated and it felt hard to reach out when I felt so vulnerable. I think I sent through a webform or an email to connect initially, with a little info on my circumstances.

Then someone gave me a call and the way the call was conducted, the tone, manner, genuineness, how simple it all was and how clearly they laid everything out and how rapidly they were able to engage.

They booked me into a range of services over the next few weeks, so it was very aligned with what I needed and so much more than just outfits.

Even the experience of going to the outfitting appointment is so much more than just receiving a capsule wardrobe. I was feeling so uncomfortable from surgery and my body changing, so to look good and feel good, and have a supporting and empowering experience, I left beaming and feeling more confident. It was a new experience as I had never worked with a stylist before, and it was really energising for me.

The timing was impeccable. I think when I went for the outfitting, I was about to submit an application for a role and I ended up interviewing the week after the appointment, I was so grateful to have an outfit to wear.

I was successful in obtaining that role with a major cultural organisation. My partner also got a new role and because of that we're relocating, so I wrapped up in that role at the end of the year.



I would recommend Fitted for Work 100%.

Something that was so amazing was the timing.

If I had to wait a whole month this wouldn't have worked for me and they made everything so simple. I was highly stressed at the time, and it felt vulnerable to reach out.

I was blown away by how genuine they are, with their strengths-based and empowering approach, in the way that everything is done, to being really personable...

Engaging in Fitted for Work made me feel something, feel a part of a community.

They are about women helping women because they understand what women go through.



## Key retail partners have helped Fitted for Work outfit almost 1,000 women this financial year

Fitted for Work partners with diverse organisations, whose support increases its capacity to support clients to become job ready.

In 2024, three of Fitted for Work's key retail partners include ELK, DISSH, and Taking Shape directly helped outfit 973 clients. These partners contribute a supply of contemporary and inclusive clothing, accessories, and shoes. Additionally, several ELK team members volunteered their time and skills with Fitted for Work once a month, totalling 5 days of support.

These partnerships reduce waste and create stronger corporate social value while supporting the employment outcomes of the clients Fitted for Work serves.

## Impacts of partnerships on client outfitting outcomes



281 kg of clothes donated 5 days of volunteer support DISSH

1,168 kg of clothes donated

## taking shape

**375** kg of clothes donated









## **Additional outcomes of partnerships**



Hundreds of kg clothes saved from landfill



**Sharing expertise** on logistics, warehousing



Helping provide shoe racks



Stronger corporate social value

# Fitted for Work supports clients to become job-ready via practical and emotional skill support

Fitted for Work delivers job-readiness services which provide practical skills, knowledge, and connection, so clients can move forward with confidence in their careers.

Job readiness means the skills to apply for a job, engage in an interview and succeed in securing a job. Importantly, job readiness covers emotional preparedness factors that are critical for gaining employment.

Client feedback indicates that Fitted for Work has a positive impact on practical and emotional job-readiness outcomes. Over two-thirds of respondents reported strong positive outcomes on emotional job-readiness outcomes. Many clients who engage with Fitted for Work have never been in the workforce or have been out of the workforce for an extended period. Developing self-confidence and improving well-being is an important process in being job-ready.

#### Client outcomes because of Fitted for Work services

Number of appointments, proportion of survey respondents (n = 45), 2023

## Practical job-readiness trainings



1,188
resume and cover
letter writing
workshops attended



1,100
Virtual job
preparation sessions
attended

## Reported emotional job-readiness outcomes



76%
Increased feelings of self-worth



69%
Improved personal presentation



**67%**Overall wellbeing improvement



Increased motivation



Reduced stress and anxiety



65%
Increased confidence in abilities

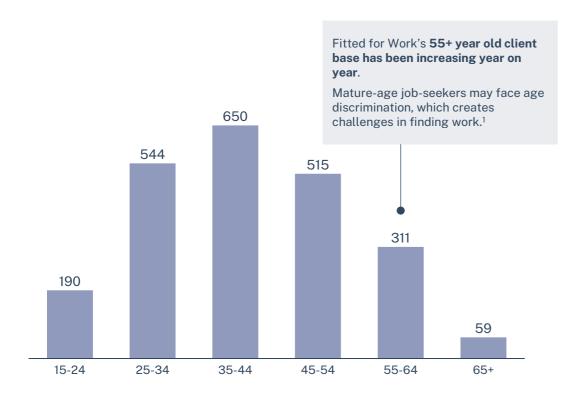
## Fitted for Work serves diverse demographics with tailored support to become job ready

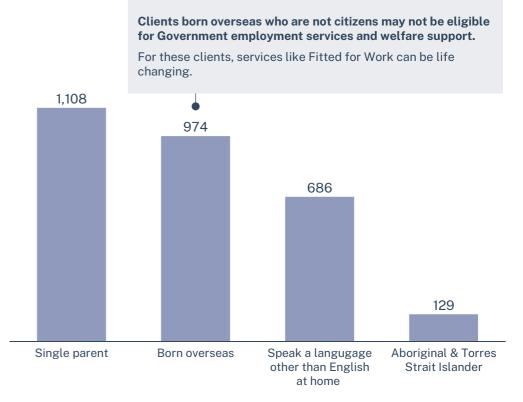
## Number of clients served, by age group

## Number of clients served, by demographic

Count of clients, 2023/24

Count of clients, 2023/24

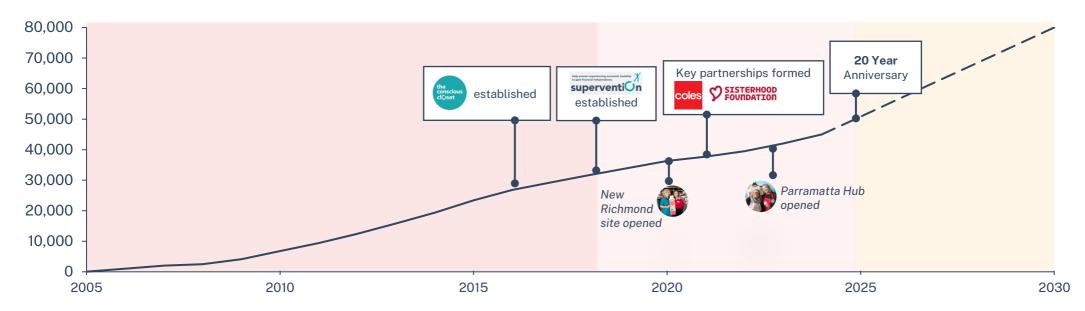




## Over 20 years, Fitted For Work has connected 45,000 women and genderdiverse clients with positive employment supports

## **Growth trajectory of the impact of Fitted for Work**

Cumulative total number of clients served since 2005



## **Building momentum**

Fitted for Work was founded in 2005 by Marion Webster and Renata Singer.

Initially based in Melbourne, delivering outfitting and job readiness services aimed at helping women secure work.

## 2 Expanding what works

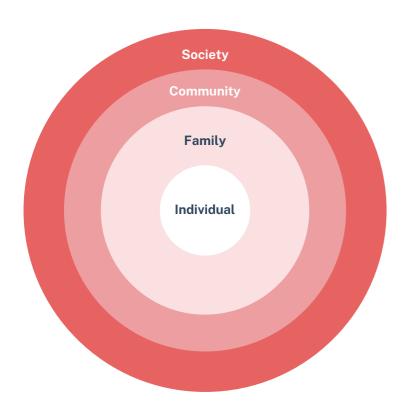
Fitted for Work has had a strong focus on growth and partnerships over the last six years – including the Supervention program and key partnerships.

## 3 Scaling for the future

Fitted for Work aims to double the number of clients supported in the next five years.

## Fitted for Work creates systems-change through unlocking intergenerational impacts from employment to individuals, families, communities and society

## Impacts of Fitted for Work's services





#### Society

- Increasing female workforce participation improves gender diversity in the labour force which leads to economic gains as women bring new skills to the workplace<sup>1</sup>
- Contributes to overall economic growth and productivity<sup>2</sup>



#### **Community**

- Through employment, women build broader social networks, which can strengthen community bonds and support systems
- Working women have more resources to contribute to local charities, schools, and community projects



#### **Family**

- Increased income is associated with increased health expenditure and better health<sup>3</sup>
- Increase in parental income results in improved cognitive and educational outcomes, behavioural-emotional outcomes and physical health for children<sup>4</sup>



#### Individual

- Optimism about finding a job improves self-reported mental health scores<sup>5</sup>
- Being employed leads to better mental wellbeing compared to being unemployed<sup>6</sup>



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## Fitted for Work reduces job search duration for clients by almost half (48%) compared to the national average

Fitted for Work provides services to help women become jobready, which reduces the time it takes for them to find work.

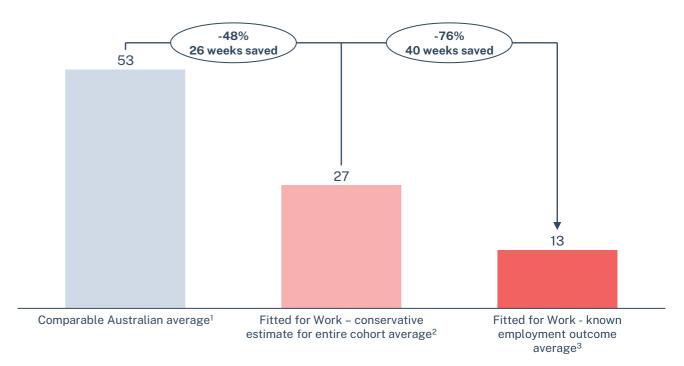
The average job search duration for clients with known employment outcomes is 13 weeks based on 645 clients (30% of the sample).

Many clients do not report back to Fitted for Work after receiving services. Including both those with a known and unknown employment outcome, the average job search duration is 27 weeks. In contrast, had the same cohort of women not been supported by Fitted for Work, their average job search duration would be 53 weeks.

Fitted for Work reduces the job search duration by an average of 26 weeks, or 48%. The reduction in job search duration drives a range of economic, social and health benefits, realised by supporting a client through Fitted for Work. Clients who secure work faster spend fewer weeks on income support payments or needing family support, and spend extra weeks earning an income, therefore contributing to the tax base.

### Average job search duration

Weeks



<sup>1.</sup> The Australian average has been adjusted to serve as a counterfactual based on Fitted for Work's client mix. The Australia-wide job search durations for female 15-24 year olds; 25-54 and 55+ is weighted to the proportion of these client cohorts served by Fitted for Work.

<sup>2.</sup> The entire cohort average takes a conservative approach to estimating job search durations for those without an employment outcome recorded, based on known outcomes for Fitted for Work compared to ABS averages. To be conservative, the mid-point between the average job search duration of known employment outcomes and the average job search duration from the ABS for their age group is used.

<sup>3.</sup> Only clients with known employment outcomes are included. The average is calculated from the date of their first booking of a Fitted for Work service and the date of the recorded outcome. Source: ABS Labour Force Survey (2024); Fitted for Work, Mandala analysis

# Every dollar invested in Fitted for Work creates \$2.19 in return

By investing \$1 in Fitted for Work, \$2.19 is returned in benefits.<sup>1</sup> This return on investment is seen immediately within the first year of investment. Of the \$2.19 return on investment, 75% is generated through savings on welfare. A further 25% is generated through tax contributions.

The contributions of Fitted for Work represent the impacts of accelerated employment for clients. Because of the nature of this study's scope, this is likely a significant underestimate of the total economic benefits arising from the long-term impacts of clients securing meaningful employment, such as long-term increased earnings, health and wellbeing benefits and positive impacts on a client's family and children. The true return on investment is likely much larger.

Fitted for Work delivers over \$1,900 in net benefits per client by reducing the cost of welfare and increasing the tax contributions by getting clients into work faster. This is the net benefit that is contributed by Fitted for Work on top of what would be contributed if the client had not sought out support from Fitted for Work.

#### **Return on investment**





\$2.19

return in benefits to society

In addition to creating broader benefits beyond the scope of this study...

- Improved mental health: Optimism during a job search improves mental health outcomes and securing a job also improves health outcomes<sup>1,2</sup>
- Improved health: Increased earnings results in increased expenditure on healthcare, reducing overall health costs<sup>3</sup>
- Improved child outcomes: Increased earnings results in improved learning outcomes for children<sup>4</sup>
- **Lifetime earnings:** Supporting women into a job increases lifetime earning capacity

# Through accelerating employment, Fitted for Work has contributed \$86 million to society

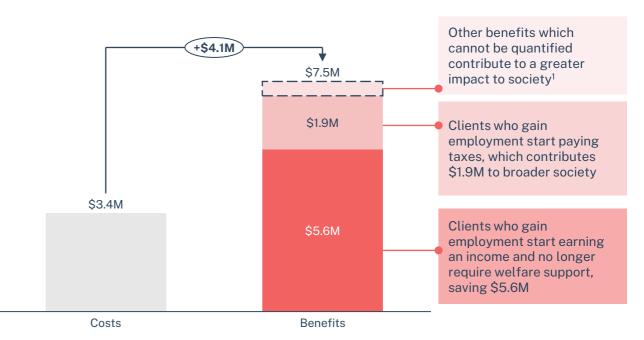
Fitted for Work contributed \$7.5M in economic benefits at a cost of \$3.4M in 2023/24. This delivered a net benefit (total benefits minus total costs) of \$4.1M. Since Fitted for Work began in 2005, these benefits have been accumulating. With 45,000 clients supported over this time, Fitted for Work has delivered an estimated \$86M in net economic benefits (2024 dollars).

The net benefits are made up of two components; avoided welfare and additional tax revenue contributed. Fitted for Work contributes \$5.6M each year in avoided welfare costs by supporting clients to be job-ready and find employment. By supporting clients to have the confidence and skills to find employment, clients find work on average 26 weeks faster than they would without Fitted for Work.¹ By accelerating employment, clients start earning an income more quickly and do not rely on government funded welfare payments for as long.

By accelerating employment and supporting clients to secure employment, clients start earning income and contribute an additional \$1.9M in tax revenue each year.

### Costs to deliver services and benefits delivered in 2023/24





Since inception in 2005, Fitted for Work has contributed \$86 million in net benefits

<sup>1.</sup> Other benefits include the benefits to physical and mental health, lower family stress and better child development outcomes. See page 23 for more.

# Fitted for Work has already created intergenerational impact by unlocking better futures for children

Fitted for Work has already achieved intergenerational impact through supporting future generations of Australians to grow up in households with higher economic resources.

Testimonials from the children of women that have been supported through Fitted for Work show that Fitted for Work changes their mother's life but also their own lives for the better.

We know that lifting family income – such as through supporting a parent to find employment – unlocks intergenerational impact through improving the lives of children. A systematic review of randomised control trials (RCTs) and observation studies using fixed effect controls over time showed income positively impacts child outcomes in 63% of studies. More income has strong effects on cognitive and educational outcomes, particularly for lower-income households.

While intergenerational benefits have not been included in our economic analysis; we know that the effects of parental income are significant and play a meaningful role in shaping better lives for children.

## The intergenerational effects of increasing the income of a parent



Through supporting women and gender-diverse clients to access jobs,

Fitted for Work supports families to achieve higher

economic security





### Lower family stress

Increased income can reduce family distress and hence children's distress – as financial strain is directly related to parental distress<sup>2</sup>



#### **Better educational outcomes**

Increases in family income are related to improved performance in literacy and numeracy<sup>3</sup>



## **Higher graduation rates**

Test scores at ages 5-6 are significantly correlated with educational attainment<sup>4</sup>



Intergenerational benefits

# Investing in Fitted for Work's Future Fund offers a chance to scale this impact

The Fitted for Work Future Fund is an endowment fund with the goal of supporting financial sustainability. This fund has been created to ensure Fitted for Work can continue serving women on their path to employment well into the Future.

The Future Fund's capital will be invested to produce a regular distribution endowment for the sole benefit of Fitted for Work, supported by a rigorous investment policy and professional investment and management support team.

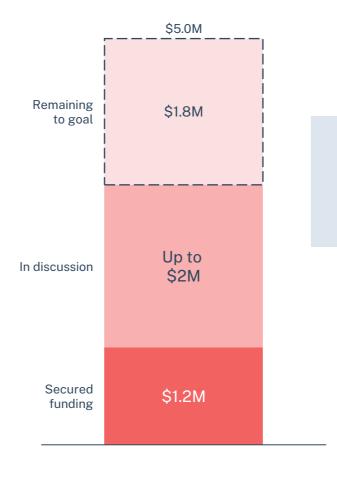
The Future Fund will enable Fitted for Work to dynamically direct this untied funding to where it is most needed.

Fitted for Work aims to secure an initial commitment of \$5M+ in the Future Fund by late 2025.

A contribution to the Future Fund supports Fitted for Work to plan with confidence and continuously empower women to achieve financial independence through workforce participation.

Once this goal is achieved, Fitted for Work aims to continue to increase this in the next 3-5 years to \$10 million, with a goal of \$20 million in the longer-term.

## The Fitted for Work Future Fund initial goal to reach a commitment \$5M+ by late 2025



Fitted for Work aims to raise \$5M+ in its Future Fund by late 2025.



1.3 million women in Australia want work or additional hours

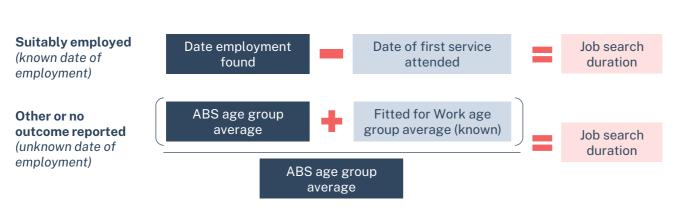
2 Fitted for Work helps women and gender-diverse people to become job-ready and gain secure, stable employment

Investing \$1 in Fitted for Work generates a \$2.19 return on investment in economic benefits to society

4 Appendix

## We develop a robust estimate for job search duration for all clients who engaged in at least one service with Fitted for Work

#### Job search duration calculation



### Imputed job search durations for clients with unknown date of employment

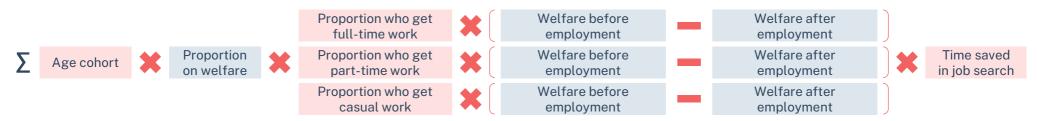
Cohort		Description	Imputed job search duration	Explanation
Outcome reported	Disengaged	Client who attended service and disengaged from services.	The mid naint between age	
	Uncontactable	Client who attended service and was not contactable.	The mid-point between age group's average job search duration and the national average	Client is either still looking for work or has already found work.
	Declined	Client who attended service and declined further services when contacted.	for age (from ABS data).	work of has already found work.
	No longer looking	Client who attended service and reported no longer looking for work at time of contact.	NA	Excluded as client is no longer searching for work.
No outcome reported		Client who attended service, but no outcome was reported.	The mid-point between age group's average job search duration and the national average for age (from ABS data).	Client is either still looking for work or has already found work.

### Methodology

- We use the full sample of Fitted for Work clients who have received any service (including initial consult). For 2023/24, this number was 2.136 clients.
- The average job search duration for clients with known employment outcomes is 13 weeks based on 645 clients (30% of the sample).
- The average job search duration used in this report is 27 weeks. This was calculated by taking an average of the job search duration for the whole cohort, including those with and without date of an outcome recorded.
- For the clients with a known outcome of suitably employed, the duration is based on the difference between the date of their first service and date of their reported outcome.
- For clients who reported non-employment outcomes or had no listed outcome, the midpoint was taken between the average for clients in their age category who had a known employment outcome and the ABS national average job search duration for their age group.

# Welfare savings are based on reduced time receiving JobSeeker and Parenting Payment

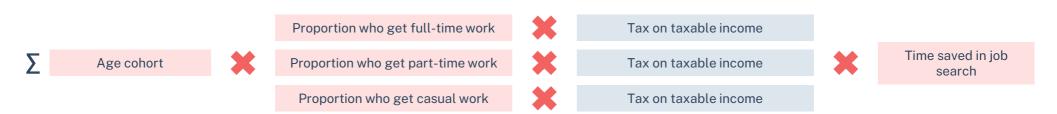
Welfare savings unlocked by Fitted for Work



Category	Value	Assumption	Source
Age cohort (15-24 years, 25-54 years, 55+ years)	194   1,161   326	Unique clients attending any service in 2023/24	Client data for 2023/24
Proportion on welfare	67%	The proportion of unemployed low-income women who are on any welfare is 75% but given the proportion of clients who are born overseas and likely not eligible for welfare payments, we have made a conservative assumption.	ABS Income and Wealth; Mandala estimates
Proportion who get employment by type	20%   27%   20%	Proportion who reported they had a full-time   part-time or   casual job	Office for Women Evaluation Interim Report 2
Welfare before employment	\$419.47	Average of all JobSeeker and Parenting Payment categories	Services Australia
Welfare after employment	\$0   \$229.7   \$315.60	Calculations based on payment reductions per dollar income over threshold – full time   part-time   casual	Services Australia
Time saved in job search (per age cohort)	6 weeks   20 weeks   67 weeks	Average weeks to find a job subtract the average weeks to find a job for the Fitted for Work cohort	ABS, Client data for 2023/24

## Tax contributions are calculated based on additional time earning taxable income

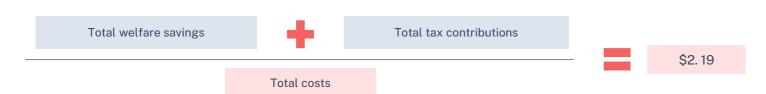
Tax contributions unlocked by Fitted for Work



Category	Value	Assumption	Source
Age cohort (15-24 years, 25-54 years, 55+ years)	194   1,161   326	Unique clients attending any service excluding initial consult	Client data for 2023/24
Type of employment	20%   27%   20%	Portion who reported they had a full-time   part-time   casual job	Office for Women Evaluation Interim Report 2
Income received	\$59,280   \$20,800   \$13,361	Income for the 25th percentile for women across full-time   part-time   employees with no leave entitlements (proxy for casual)	ABS
Tax on taxable income	16c for each \$1 over \$18,200, \$4,288 plus 30c for each \$1 over \$45,000	Apply the marginal tax rate to the annual income	АТО
Time saved in job search (per age cohort)	6 weeks   20 weeks   67 weeks	Average weeks to find a job subtract the average weeks to find a job for the Fitted for Work cohort	ABS, Client data for 2023/24

# The cost-benefit ratio combined the welfare savings and tax contributions, divided by the incremental cost to deliver Fitted for Work's services

#### **Return on investment**



Component	Input
Total welfare savings	Value of the difference between pre- and post-service welfare received
Total tax contributions	Value of taxable income based on type of employment received
Total costs	94% of total organisation costs were included. 6% of organisation costs were excluded to account for costs incurred to operate the Conscious Closet.

## Our approach aligns with comparable cost-benefit analysis reports, and delivers a comparable return on investment

## Cost-benefit analyses and ratios in the literature

Title	Cost-benefit ratio <sup>1</sup>	Method	Source
Cost-benefit analysis of a non- government organization and Australian government collaborative supported employment program for autistic people	\$1.09	Benefits calculated based on increases in wage rates and hours worked and decreases in welfare and unemployment benefit payments.	Hedley, D., Hedley, D. F., Walkowiak, E., Bury, S. M., Spoor, J. R., & Shiell, A. (2023)
A helping hand goes a long way: Long-term effects of counselling and support to workfare program participants	\$1.23	Benefits calculated based on increases in earnings and tax paid and decreases in welfare payments.	Bobonis, G. J., Bonikowska, A., Oreopoulos, P., Riddell, W. C., & Ryan, S. P. ( <u>2022</u> ).
Fostering Soft Skills in Active Labor Market Programs: Evidence from a Large-Scale RCT.	\$2.76	Benefits calculated based on decrease in welfare payments.	Schlosser, A., & Shanan, Y. ( <u>2022</u> ).

# Fitted for Work's supportive and positive approach to supporting women and gender-diverse clients drives its theory of change

## fitted for wOrk

## Theory of change

Purpose: Empowering the economic independence of women in Australia through workforce participation.											
Inputs (S)	Funding	Clothing donations		Staff and volunteers who drive a supportive, positive approach		Technology platforms		Parrama	Parramatta and Richmond spaces		
Activities Activities		Network and employment events	Tailored workshops	Work placement	ts Men	toring	Outfitting services	Tailore consultat	Mon	toring	Resume support/hubs
Short-term outcomes	Improved resume writing skills	Improve	d interview skill	s Increase in co	onfidence		· · · · · · · · · · · · · · · · · · ·		knowledge of Incre		sed knowledge of job market
	Increased job readiness	Increased wil to seek supp advice	ort and	articipants provide peer support		sed self- ance	Increased so connectedne		Increased job- specific skills		
Intermediate term outcomes	Greater employment opportunities	Increased che empowered of makin	decision	creased knowledge support networks		knowledge al support vices	e Increased wa improved wo arrangemen	ork I	ncreased tenure omployment/stabil		Employment outcomes
À	Stable permanent employment or self-employment	Increased mo	otivation	Job search goals	n goals Increased knowledge of legal supports		ge Increased access to government and community support		Stable housing		
Long-term	·		ed dependency on wel government services	Greater Wellheing and mental he		tal health	n Reduced stress		stress		
outcomes	Improved rela	Improved relationships Improved		d confidence and self-esteem		Higher standard of living		Higher quality of life			

Source: Fitted for Work; Mandala analysis

MANDALA

