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Disability Employment Australia
trading as



**Submission to the House Committee on
Education and Employment**

Inquiry into

Mental Health and Workforce Participation

May 2011

About ACE

ACE National Network Inc is the peak industry body for Australia's Disability Employment Services (DES).

ACE exists to represent the interests of our members at a national level to government and other stakeholders. We advise, lobby, advocate, provide training, information, events and promote the sector.

We have a particular focus on:

- government policy in relation to disability employment;
- issues impacting on the viability of the industry;
- barriers to workforce participation for people with disability; *and*
- better ways to get people with disability real jobs

In terms of the wider community, ACE identifies opportunities to get a “better deal” for people with disability participating in the workforce and educates the public about issues related to disability employment.

ACE has played an active role over many years in providing advice on increasing workforce participation rates for people with disability and has worked hard to establish itself as the “go to” organisation in relation to Disability and Open Employment.

Over the past three years as the Australian Government has done much consultation and review in the area of Disability and Employment and ACE has worked closely with Ministers and departments involved in this area over this period.

Additionally, ACE enjoyed many opportunities to work with DEEWR on gathering industry views and feeding into the policy and procedure making process, particularly during the lead up to the implementation to the new DES structure and post transition, including through its representation on a number of key government advisory groups;

- DES Reference Group (Convened by the Minister)
- Employment Partnership Committee
- DES Operational working Group
- DES Evaluation Strategy Working Group
- IT Advisory Group (responsible for new ESS IT System covering both JSA and DES)
- DES Transition Reference Group
- DES Technical Advisory Group
- Contract Management and Quality Servicing Working Group
- UES Transition Reference Group

About Disability Employment Services in Australia

The Disability Employment Services program was founded in 1986 on an 'aspirational' rationale for employment for people with disability, particularly for people with intellectual and developmental disabilities, including those with substantial support needs. It asserts that any person with disability who wants to work should be supported to do so.

This rationale fundamentally promotes the value of employment as a way of achieving social inclusion. Not only does it create participation opportunities for people with disability, but it creates opportunities for the community to see people with disability as positive and contributing citizens in their community.

Recent statistics from the Organisation for Economic Cooperation & Development (OECD) show that Australia performs very poorly in the employment rates for people with disability – ranking 13th out of its 19 counterparts.¹ This poor performance continues despite significant reform over the last decade to both employment services and income support policy. With around 4 million Australians (18.5% of the population) reporting to have a disability² – people with disability are a crucial resource in building a productive and sustainable workforce that is able to meet the countries future economic needs.

In its current iteration DES is funded by DEEWR to deliver a range of disability employment services to jobseekers with disabilities. The service provided is proactive, specialised, flexible and sustained support to people with disability through an articulated set of client focused and tailored interventions. Two service streams sit under the umbrella of DES – Disability Management Services (DMS) and Employment Support Services (ESS).

These services to jobseekers with disabilities include;

- Vocational guidance and support
- An active, individualised approach to jobsearch
- Support in managing whole-of-life issues before and after starting work
- On-the-job support to assist to establish people in the job and additional ongoing support to maintain that job in the longer term – a key defining aspect of the program
- Off-site support for those who do not disclose their disability

They also provide a range of services to employers including;

¹ OECD, *Employment Outlook: Towards more and better jobs*, 2003, p141.

² ABS Survey 4430.0 - *Disability, Ageing and Carers, Australia: Summary of Findings*, 2009. For the purposes of SDAC, disability is defined as any limitation, restriction or impairment which restricts everyday activities and has lasted or is likely to last for at least six months.

- Recruitment and selection assistance
- On-the-job training with new employees
- Technical assistance with job redesign and workplace adjustments
- Information about available government programs or funding
- Follow-up and back-up support
- Re-training of employees should they move from one duty to another or if a new skill is required
- Advice and training to co-workers about issues related to employing people with disability

The Disability Employment Services are an integral part of a continuum of support and services necessary to ensure that people with disability are able to play active, integrated and valued roles in the Australian community.

There are currently 224 DES organisations spanning approximately 1999 sites across Australia and assisting over 140,000³ individuals with disability gain and maintain meaningful employment in the open labour market. These include both specialist services working with only clients with mental illness, and generalist service providers with diverse caseloads including participants with mental illness.

About this Submission

ACE welcomes the opportunity to respond to the Committee’s inquiry into Mental Health and Workforce Participation. While the terms of reference as outlined below, cover the broad scope of education, training and employment – we will seek to respond in relation to issue of employment – and specifically the role of Disability Employment services in assisting people with mental ill health participate in the workforce.

Terms of Reference

The Standing Committee on Education and Employment will inquire into, and respond to:

- Barriers to participation in education, training and employment of people with mental ill health
- Ways to enhance access to and participation in education, training and employment of people with mental ill health through improved collaboration between government, health, community, education, training, employment and other services; and
- Strategies to improve the capacity of individuals, families, community members, co-workers and employers to respond to the needs of people with mental ill health

³ DEEWR *Disability Employment Services Data* March 2011

We will focus this submission on three main areas:

- Assessment
- Servicing and Support; and
- Working with Employers

It is also important to note that there has been much consultation over the past many years in relation to this topic – particularly in the lead up to the National Mental Health and Disability Employment Strategy and the reviews of both Employment Services more broadly, and specifically Disability Employment Services between 2008 and 2011, so while what we say may not be “new” - it is critical that these issues are addressed if we are to improve the participation of people with mental illness in the workforce.

Assessment

Assessment impacts on people with mental ill health in a number of significant ways. It not only determines their access to the program, but the level of funding and support they are able to access, the hours they are expected to be able to work, and their ability to access ongoing support long term if required.

Job Capacity Assessment

ACE has had long standing concerns with the Job Capacity Assessment process. We have continued to work with Government to try to improve this process – however to date we continue to see assessment processes that are not necessarily as accurate as they could be, nor truly in the context of employment given the medical nature of the assessment processes as opposed to a rehabilitation or participation methodology. This medical model based solely on medical advice and hinged predominantly in deficits, tends to assume one of two things - that the injury or illness is something to be cured in order to work; or more commonly – that it is something that prevents a person from participating. Contemporary rehabilitation and participation models seek to view employment as part of the recovery process, assisting and adding value to the individuals well being and sense of self. In terms of participants with mental ill health – the process can be significantly daunting for the individual to undertake, and in many cases inadequate if the participant lacks significant insight into their condition, particularly in gaining enough medical evidence to support the impact of the illness on their lives. ACE believes it is important that – particularly in relation to employment, the expertise of providers and other supporting agencies must be able to be included in a more holistic and contextual assessment process.

The Job Capacity Assessment process determines two key things in relation to services to support people with disability access employment services – the first is which service they should go to, and secondly their capacity to undertake work.

In relation to access to services, ACE believes it is critical that Job Capacity Assessors have a better understanding of the services that are available in order to make the best referral recommendation possible. We know that in many cases people with mental illness have additional and significant non vocational barriers and potential co-morbidities that impact on their ability to gain and maintain employment. It also is critical to note that the Government funds an uncapped programme to work with jobseekers with such barriers to help them prepare for work – Stream Four services under the Job Services Australia (JSA) contract.

What providers are currently reporting however is an increase in the numbers of participants with significant non disability related barriers to employment which need to be addressed prior to making any progress in relation to the impact of disability on gaining and maintaining work being referred to DES. While we saw a significant increase in this profile of client during the contract of the Capped Personal Support Program (PSP), it was anticipated that the introduction of the demand driven Stream Four services within JSA would reduce the flow. This appears however to not be the case.

ACE believes that it is critical to ensure that participants are referred to the most appropriate services to meet their needs and barriers at the time of assessment. Stream Four services should be the first port of call for participants with significant non vocational barriers, to allow them the opportunity to address those barriers. Once non vocational barriers are addressed and supported, the participant should then be referred to DES in order to access appropriate support in relation to their disability and its impact on employment.

For participants whose primary barrier is the disability associated with their mental illness, DES should be the referral destination to ensure that engagement in the workforce can occur in the most supported and individually tailored manor.

The Job Capacity Assessment process also makes a judgement in relation to the amount of work it believes the individual can undertake – also known as individual work capacity.

ACE has long raised concerns about the ability of the JCA to assess work capacity. The core reasoning behind our positions stemmed from our understanding that work capacity in itself is a very contextual thing, and is impacted by many factors – the jobseeker's situation, the local labour market and most importantly, the experience, skills and links with employers and the local community that the potential provider possesses. As a sector, we do not believe that the JCA is able to make a call on an individual's work capacity outside of this context, nor within the very short period of time they have at their disposal to inform their decisions - anecdotally between 45 – 60 minutes, and based primarily on a deficiency and medical assessment model. We also question the validity of decisions being made based on an assessment tool that is not designed through an evidence based methodology, nor specifically designed for purpose it is being used for.

We again advocate that the input of employment service specialists into the assessment process would increase the appropriateness and accuracy of these judgements, as we believe that decisions around that economic potential are best made in context and in partnership with the participant and provider – based on a strength based and person centred assessment approach.

In addition to our concerns around the accuracy of work capacity, there is a further complication of these judgements being utilised in relation to outcome payments – while this in itself is not a problem if the assessment is accurate – it is the fact that two assessments are made – one on *current* capacity, and a second predicting *future* capacity with intervention – and that it is the second that participants need to reach in order to achieve an employment outcome in the DES model.

DEEWR has outlined that the reason behind this policy decision is that DES in itself is considered a program of intervention. While ACE accepts that this is a definition of DES, there is a disconnect between the way that the JCA guidelines indicate that Assessors should assess *Future Capacity with Intervention* and the way in which it affects the outcome requirements for DES.

JCA's are (in general) making an assessment of individual work capacity – working on the premise that **current work capacity is the benchmark of employment** that a participant **can achieve at the present time**. Future work capacity with intervention is the level which a participant is able to achieve at a point **in the future** – based on them undertaking a program of support – such as DES, for a period of time, quite often defined in JCA reports as between 12 – 24 months.

The difference between current and future work capacity can be significant (8 hours current versus 30+ hour's future capacity in some cases) and as a result many providers are being pressured to find employment for participants which is beyond their current capability in order to meet performance targets. Returning to the workforce can be a stressful process in itself, and needs the right environment to succeed – without the added pressures of arbitrary benchmarks which can inevitably be setting participants up to fail. In talking to specialist employment services providers, they indicated that it is common practice for participants to only be able to achieve below or up to their current capacity in the first 12 months, further supporting that utilising future work capacity is simply unrealistic goal setting.

Funding Level Assessments

Funding level assessments are conducted via an independent IT based tool which collects non subjective data from the Job Seeker Classification Instrument (JSCI) and JCA report. Since the implementation of this methodology, feedback from providers has indicated that clients with mental illness are trending towards the lowest funding level available.

What we know however is that participants with mental illness – especially those with significant psychiatric or psychotic illness, is that this is a complex client group – particularly the considering the common presence of co-morbidities such as substance abuse or homelessness etc, and support needs are often substantial. The appearance of “underfunding” in this new model has a considerable impact on provider resources when servicing this group.

From ACE’s perspective it is critical to ensure that the tool is as representative of the support needs of participants as possible – as the level of funding is directly related to the amount of support that a provider is able to provide to a participant while still maintaining a financially viable service that is able to meet the needs of all participants.

Ongoing Support Assessments

As with earlier assessment issues – it is important that assessors understand the context and impact of mental illness in the work place and the support required to ensure the successful maintenance of positions. It is incredibly common for employees with mental illness to not disclose their illness and as a result no direct support may be undertaken in the workplace itself. Support is also often episodic in delivery, in the same way that mental illness is often episodic in nature. Having a thorough understanding of these nuances and the barriers that mental illness places on workforce connection is vital to ensure that the assessments are appropriate and ensure access to the ongoing support needed. Without access to appropriate ongoing support, employee’s risk disconnection from the workforce, potentially compounding the impact of the illness, and increasing the likelihood of long term unemployment.

It would also be useful to utilise the Ongoing Support Assessment process to identify good practice in the area of mental health and employee supports – which could then feed into a broader awareness campaign and education programme. This would ultimately lead to better and more supportive employment relationships, higher levels of disclosure and better acceptance and management of mental illness in the workplace.

Servicing and Support

Flexible and Individualised Support

It is critical that the support that is available to people wanting to access assistance is flexible and able to be tailored to the needs of the individual. The barriers created by disability and the supports required to manage that disability in relation to workforce participation are as unique as the person they impact. Services aiming to increase workforce participation cannot be one size fits all – however what we see in DES is contact regimes and requirements that stifle a providers ability to deliver the most flexible and tailored services.

Continuous Employment Requirements

We recognise the importance of achieving sustainable quality employment for people with disability including those with mental illness, and it has long been the catch cry of the industry in terms of what we exist to achieve. What we find however is that the Government definition of sustainable and quality employment does not necessarily fit with the nature and needs of people with disability – and particularly those with mental illness.

Sustainability should not necessarily refer to longevity in one particular job, but rather sustained participation in employment in the long term. It must also recognise more qualitative factors such as an inclusive and supportive workplace, or opportunities for skill development.

Given that many participants with mental illness are long term unemployed, or are at a statistically increased risk of becoming long term unemployed – it is important that programmes designed to support increased participation are able to build capacity, and acknowledge that success may not fit perfectly into a “26 week” timeframe due to the complex and episodic nature of the illness.

Current outcome requirements require in essence 26 weeks of continuous employment – with a focus on being employed with one employer. While the system offers “permissible” and “allowable” breaks in employment, in many cases these are not adequate for people with mental illness and the way in which they may need to engage in the workforce as a result of their disability.

The length of break that a person with disability may require will vary extensively from person to person; and is generally a situation that the individual has limited control over particularly for participants with episodic conditions. It is critical that extended periods of employment are recognised by the system, and that participants and providers are able to implement breaks as required to support long term success.

Administration

The burden associated with administration is in effect reducing the time and resources that organisations have to engage with both participants and employers. What is crucial to understand is that those working in the DES sector are not just case managers or employment consultants – they are ambassadors for people with disability – promoting their capability and value not only to the employers that they engage with, but to the community more broadly. When tied to your desk inputting data it is impossible to provide the service and support required to maintain the successful outcomes, and promote the potential of people with mental illness.

Employment & Working with Employers

Raising Awareness and Reducing Stigma

Significant level of stigma and misconception still exist in the community in relation to mental illness, and we know that in human nature, an ounce of ill perception can outweigh a tonne of facts. It is critical if we are to increase the employment of people with mental illness we need to remove the barriers related to misconception and stigma, and ensure that the community understands the value and contribution that all citizens can make regardless of impairment.

What is required is open conversation, campaigns and champions to raise awareness and provide information, and the power of positive experience. More employers need to stand up and lead their peers and reduce stigma through their experience. By building disability confidence in our employers and the community, disclosure will become more likely, and then the right supports can be provided to encourage success and inclusion.

Promoting Programmes and Resources

The Government funds a significant number of resources to assist employers seeking to, or already employing, people with disability including those with mental illness. The trouble is that navigating their way to and accessing this information can be daunting and complicated. The Government must get better at promoting the programmes and supports that are available – for example the Job in Jeopardy (JiJ) component of DES. JiJ is a programme with the potential to make significant difference to employees and employers struggling with mental illness in the workplace, and reduce disengagement from the workforce, however very few employees or individuals with mental illness know that this programme even exists.

Increasing Flexibility under the Employer Assistance Fund

Importantly the Employer Assistance Fund exists to provide additional supports to help employers offset the cost of employing a person with disability. In March 2010 the services available under the fund were extended to include mental illness awareness training and other supports related to mental illness in the workplace – however those “other” services have not been well defined.

By ensuring that the fund is able to be flexible enough to aid supports – such as mentoring, counselling (such as an EAP type service for small businesses), mental health plans, learning assessments and so on, as well as awareness training, work place adjustments etc.

Making Work Pay

There are often significant financial disincentives to participation for people with disability in receipt of assistance in the workforce. It is important that Government recognise that disability comes with an inherent cost and this must be taken into account when looking to

encourage increased participation in the workforce. Work must pay – as it can quite often be seen as a significant risk.

There have been a number of reports which have reviewed and recommended changes to the income support system in Australia – most recently the Henry Tax Review outlining a number of significant reforms. What must be understood is that no aspects of the support requirements of an individual are a silo from other areas – and as such without looking at the whole picture we will not succeed in increasing participation rates. The Government can spend billions on supports – however if there is no financial advantage (and quite possibly financial risk) involved in engaging in employment – we cannot expect people to want to take that leap.

Recommendations

There are a number of key steps which ACE believes must be taken in order to increase the success of people with mental illness participating in the workforce – and again these points are not new information, and have been covered and recommended many times before. What is critical now is that we implement these and other key recommendations to improve the systems and supports for individuals with mental illness.

- Implement a broad and staged awareness raising campaign – particularly services and supports available such as Job in Jeopardy
- Review & refine Job Capacity Assessment process and invest in developing valid and reliable assessment tools
- Ensure support requirements are adequately recognised within the funding level assessment tool
- Ensure the system is flexible enough to support the episodic nature of mental illness and recognises the wide and varied ways in which support can be provided – face to face, phone, on the job, off site, etc
- Invest in improving knowledge and capability of the employment services workforce to be better equipped to work with people with mental illness. Remove the financial disincentives to participation for those in receipt of assistance. Government needs to recognise that disability comes with an inherent cost and this must be taken into account when ensuring work pays.

Again, we appreciate the opportunity to participate in this inquiry and look forward to working closely with Government to increase the workforce participation of people with mental ill health in Australia.