



Australian Government

Department of Education, Employment and Workplace Relations



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Ms Sara Edson
Inquiry Secretary
House of Representatives Standing Committee on
Education and Employment
PO Box 6021
Parliament House
CANBERRA ACT 2600
AUSTRALIA

Dear Ms Edson

Inquiry into Mental Health and Workforce Participation

The Department of Education, Employment and Workplace Relations (DEEWR) appeared before the House of Representatives Standing Committee on Education and Employment on Friday 14 October 2011, as part of the Committee's inquiry into mental health and workforce participation. Please find attached responses to the questions that were taken on notice by DEEWR during the hearing.

Thank you for the opportunity to provide these responses. We look forward to the findings of the inquiry.

Yours sincerely

Fiona Buffinton
Group Manager
Specialist Employment Services Group

13 December 2011



HOUSE OF REPRESENTATIVES
STANDING COMMITTEE ON EDUCATION AND EMPLOYMENT

QUESTION ON NOTICE
Mental health and workforce participation

Outcome 4 - Employment & Participation Policy

DEEWR Question No. 1

Ms Buffinton said on 14 October 2011, Hansard page 5

Question

In terms of the fees—and we are happy to show you those—it would be fair to say that as we developed this whole package for Disability Employment Service, which included consumer groups, employment service groups and other interested parties, it was considered to be the right balance between service fees and outcome fees.

Answer

The focus of Disability Employment Services has shifted over time, with more emphasis on encouraging employment service providers to achieve sustainable employment outcomes for participants. The fee structure reflects this by offering improved rewards for achieving employment outcomes, consistent with the Government's priorities. Service fees are similar to those in the previous Vocational Rehabilitation Services and Disability Employment Network capped programs. Pathway outcome fees are also available to recognise a job seeker's progress towards achievement of sustainable employment or education, such as substantial part-time work relative to their assessed work capacity. Below is a table of DES fees:

Disability Employment Services Fees

13 Week Service Fees	Non-remote	Remote	MIDL*
<i>Disability Management Service</i>			
First and second in Employment Assistance	\$1,595	\$2,711	-
Third to sixth in Employment Assistance	\$715	\$1,215	-
First and second in Extended Employment Assistance	\$715	\$1,215	-
<i>Employment Support Service Funding Level 1</i>			
First and second in Employment Assistance	\$890	\$1,513	\$623
Third to sixth in Employment Assistance	\$890	\$1,513	-
First and second in Extended Employment Assistance	\$890	\$1,513	-
<i>Employment Support Service Funding Level 2</i>			
First and second in Employment Assistance	\$1,900	\$3,230	\$1,330
Third to sixth in Employment Assistance	\$1,900	\$3,230	-
First and second in Extended Employment Assistance	\$1,900	\$3,230	-

Job Placement Fees	Fees	MIDL*
Disability Management Service	\$770	-
Employment Support Service Funding Level 1	\$770	\$539
Employment Support Service Funding Level 2	\$1540	\$1078

13 and 26 Week Outcome Fees	Outcome Fee	Bonus Fee	MIDL*
<i>Disability Management Service</i>			
13 Week Full Outcome	\$2,860	\$572	-
26 Week Full Outcome	\$4,400	\$880	-
13 Week Pathway Outcome	\$945	\$189	-
26 Week Pathway Outcome	\$1,450	\$290	-
<i>Employment Support Service Funding Level 1</i>			
13 Week Full Outcome	\$2,860	\$572	\$2,002
26 Week Full Outcome	\$4,400	\$880	\$3,080
13 Week Pathway Outcome	\$945	\$189	-
26 Week Pathway Outcome	\$1,450	\$290	-
<i>Employment Support Service Funding Level 2</i>			
13 Week Full Outcome	\$5,500	\$1,100	\$3,850
26 Week Full Outcome	\$7,700	\$1,540	\$5,390
13 Week Pathway Outcome	\$1,815	\$363	-
26 Week Pathway Outcome	\$2,540	\$508	-

Ongoing Support Payments	Ongoing Support	Remote fee (1.7)
Flexible Ongoing Support	\$440 per instance	\$748 per instance
Moderate Ongoing Support	\$1320 paid quarterly	\$2244 paid quarterly
High Ongoing Support	\$3300 paid quarterly	\$5610 paid quarterly

*Disability Management Service participants can receive only Flexible Ongoing Support

Other fees	Fee	Remote fee (1.7)
Remote Education Commencement Outcome Fee	\$500	-
Remote Educational Achievement Outcome Fee	\$1,500	-
Job in Jeopardy Service Fees	\$1320	\$2244
Job in Jeopardy 26-week Outcome Fee	\$2860	-

*MIDL = Moderate Intellectual Disability Loading

HOUSE OF REPRESENTATIVES
STANDING COMMITTEE ON EDUCATION AND EMPLOYMENT

QUESTION ON NOTICE
Mental health and workforce participation

Outcome 4 - Employment & Participation Policy

DEEWR Question No. 2

The Hon Mrs Karen Andrews asked on 14 October 2011, Hansard page 7 and 8

Question

Please provide further information / evidence to support the following statements:

- some people believe those with serious mental illnesses cannot recover or are to blame for their health problems;
- employers' attitudes to mental illness represent one of the most significant barriers to employment for those who experience mental illness; and
- many who experience mental illnesses are not willing to disclose to their employer that they have a mental illness.

Answer

There is a broad range of evidence about societal attitudes to mental illness and the impact of mental illness stigma. The issue of stigma and potential affects is discussed in each of the listed references (see below) – each of the references was referred to in developing the submission. Specific examples from the reference list that relate to the three statements include:

- as part of the National Disability Strategy consultation process it was found that - in regards to employment - 'people with a history of mental illness or an intellectual disability appeared to be particularly stigmatised'(ShutOut p:5). Section 2.4 of the Shut Out report discusses employment of people with disability.
- Bloom (2008) discusses employers attitudes and asserts ...'that it would be helpful to educate the community that mental illness is not a person's choice or 'fault'; mental illness is a medical condition that is manageable and can be treated' (p:17)
- Waterhouse (2010) explores the issues of disclosure from the employers perspective 'Employers consistently said that it is much easier to consider and manage the fact that someone has depression or bipolar disorder than that they have 'a mental illness' or are 'mentally ill' (p:18).
- OECD report discuss employer attitudes as a significant barrier particularly for people with a mental health related disability – particularly pages 11-14 & 94

The following references provide further evidence on the above issues.

Bill, A. Cowling, S. Mitchell, W. & Quirk, V. (2006). *Employment programs for people with psychiatric disability: the case for change*. Australian Journal of Social Issues, 41 (2): 209-220

Bloom, W. et al (2008) *Employer Attitudes to Employing People with Mental Illness* Australian Government Department of Education, Employment and Workplace Relations (DEEWR) –

<http://www.deewr.gov.au/Employment/ResearchStatistics/Documents/EmployerAttitudesReport.pdf>

Deane, K. (2009) *Shut Out: The Experience of People with Disabilities and their Families in Australia* National Disability Strategy Consultation Report prepared by the National People with Disabilities and Carer Council – http://www.fahcsia.gov.au/sa/disability/pubs/policy/community_consult/Pages/default.aspx

DEEWR (2009) *National Mental Health and Disability Employment Strategy* Australian Government Department of Education, Employment and Workplace Relations – http://www.workplace.gov.au/NR/rdonlyres/6AA4D8AD-B1A6-4EAD-9FD5-BFFFEBF77BBF/0/NHMDES_paper.pdf

OECD (2010) *Sickness, Disability and Work: Breaking the Barriers*: Organisation for Economic Co-operation and Development: Paris

Schott R L 1999, 'Managers and mental health: mental illness and the workplace', *Public Personnel Management*, vol.28:2. pp.161–183.

Tse S 2004, 'What do employers think about employing people with experience of mental illness in New Zealand workplaces?', *Work*, vol.23:3. pp.267–274.

Waterhouse, P., H. Kimberley, P. Jonas and J. Glover (2010) *What Would It Take? Employer Perspectives on Employing People with a Disability Research Report*, National Centre for Vocational Education Research, Australian Government Department of Education, Employment and Workplace Relations – <http://www.ncver.edu.au/publications/2219.html>

HOUSE OF REPRESENTATIVES
STANDING COMMITTEE ON EDUCATION AND EMPLOYMENT

QUESTION ON NOTICE
Mental health and workforce participation

Outcome 4 - Employment & Participation Policy

DEEWR Question No. 3

The Hon Ms Amanda Rishworth asked on 14 October 2011, Hansard page 10

Question

Chair: But a lot of employment service providers and support workers have said, 'We could start to see it going down.' Employers said, 'We started seeing it going down this road, but we had to wait until it got to such a bad point before we could initiate the program.' I would be interested in your comments on whether or not that could be recalibrated to come in a little bit earlier as a bit more of a preventative? You can take that on notice.

Ms Buffinton:

We need to make sure that people are more aware of Jobs in Jeopardy in order to have the uptake. I do not think we have had feedback about that access; as soon as somebody is ready for a Job in Jeopardy they can approach the Disability Employment Services and immediately go in and work. But I would not mind taking it on notice just to give you a specific answer.

Answer

A review of the Job in Jeopardy (JiJ) program in 2008 highlighted that although the program is flexible in meeting the needs of people with disability who require support in the workplace in order to maintain their employment, awareness and understanding of the JiJ program is low amongst people with disability and their employers. More information on this study is available at:

<http://www.deewr.gov.au/Employment/ResearchStatistics/Pages/COAGmentalhealth.aspx>

Job in Jeopardy (JiJ) assistance is available for people who are likely to lose their employment in the immediate future as a result of their injury, disability or health condition. A person can contact a DES provider when it becomes apparent that they are experiencing difficulty in performing their duties because of their injury, disability or health condition and, as a result, they are at risk of losing their employment. Once the DES provider confirms that the person is eligible, they can be commenced in either the Disability Management Service or Employment Support Service. They do not need a Job Capacity Assessment.

The DES provider must work flexibly with the JiJ participant, delivering an individual program of assistance that helps the JiJ participant to retain their Employment. The DES provider can claim up to two quarterly JiJ Service Fees and a JiJ Outcome Fee where the JiJ Participant continues this employment at their normal number of hours per week for 26 Consecutive Weeks.

The person must have been employed for a minimum of eight hours a week on average over the previous consecutive 13 weeks or where there is an expectation that the employment will last 13 weeks. This will allow workers employed for less than 13 weeks to receive assistance, with the exception of where the job is very short term.

It is not the intention that a JiJ participant must necessarily stay in the same job as the JiJ participant occupied upon commencement. The JiJ participant may stay in the same job, or may move to another job with the same employer, with the agreement of all parties. Where a JiJ participant moves to a new job with the same employer, the JiJ participant must still be provided with JiJ assistance and may still proceed to a JiJ outcome in accordance with the Disability Employment Services Deed 2010-12.

HOUSE OF REPRESENTATIVES
STANDING COMMITTEE ON EDUCATION AND EMPLOYMENT

QUESTION ON NOTICE
Mental health and workforce participation

Outcome 4 - Employment & Participation Policy

DEEWR Question No. 4

The Hon Ms Amanda Rishworth asked on 14 October 2011, Hansard page 10

Question

Chair: I know there were some comments about the OECD. Perhaps you could give us some information on some of the programs, comments they have made, and perhaps some of the figures and how we are performing around the world.

Answer

Early Intervention regarding Economic and Social Participation for Disability Benefit Recipients

A literature review was published by the University of NSW in July 2010 in response to the increasing numbers of people who are reliant on disability benefits across OECD countries.

The study included analyses of existing strategies that are proving effective in facilitating economic and social participation through early interventions with Disability Support Pension recipients and their equivalents in other countries.

The study found that Disability Employment Services (DES) offers the following services which are considered 'international best practice':

- Providing ongoing support and follow-up (Pathways to Work—UK; Ticket to Work—USA; Flexible and Ongoing Support—Australia)
- Seamless case management, job brokerage and post placement support (DES—Australia)
- Outsourcing employment assistance and rehabilitation to private and not-for-profit organisations (Netherlands, UK, Sweden, Australia)

The study also found that DES is in line with 'international good practice' in the areas of:

- Early intervention
- Providing individualised and flexible employment support and assistance (e.g. Individual Reintegration Plans—Netherlands; Opportunities Fund for Persons with Disabilities—Canada; DES—Australia); and
- Creating incentives for providers to enhance skills development and training through outcome payments (e.g. Pathways to Work—UK; financial incentives project—Sweden; outcome payments in DES—Australia).

The study also stated that Australia does not have specific strategies in the following areas of 'international best practice':

- Strong links and partnerships between providers and employers (New Deal—UK; Promising Practices—Canada)
- Good communication and partnership between clients, employers, and service providers (Promising Practices—Canada)
- Strong cooperation between public and non-governmental employment, health and social service providers and a one-stop-shop approach (Norway)

As part of the 2011-12 Budget, the Australian Government introduced a range of initiatives under the *Building Australia's Future Workforce* package to increase employer engagement and communication including:

- additional funding for Disability Employment Broker projects which will help create new job opportunities for people with disability,
- new wage subsidies to help job seekers with disability gain paid employment experience.

Sickness, Disability and Work: Breaking the Barriers

An OECD thematic review on *Sickness, Disability and Work: Breaking the Barriers* was launched in 2005. The review explores the social and economic trend across all OECD countries whereby too many people of working age who are able to work rely on sickness and disability benefits as their main source of income.

A report released by the OECD on 24 November 2010 synthesises the project's findings and explores the possible factors behind this trend. It highlights the roles of institutions and policies and concludes that higher expectations and better incentives for the main actors – workers, employers, doctors, public agencies and service providers – are crucial.

The report includes information on the previous Australian Government's Disability Employment Network (DEN) with limited information on the changes introduced through Disability Employment Services (DES) which was released on 1 March 2010.

Several issues which were raised by the OECD regarding the previous DEN program have been amended through the introduction of DES including:

- *Increase resources for employment services – abolish capping*—The DES program is uncapped meaning that all eligible people with disability have immediate access to the service they need.
- *Change funding rules to avoid creaming – focus on the longer term*—The DES Deed 2010-2012 requires participants be placed in sustainable jobs. The DES fee structure offers improved rewards for achieving employment outcomes.

HOUSE OF REPRESENTATIVES
STANDING COMMITTEE ON EDUCATION AND EMPLOYMENT

QUESTION ON NOTICE
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Outcome 4 - Employment & Participation Policy

DEEWR Question No. 5

The Hon Ms Amanda Rishworth asked on 14 October 2011, Hansard page 10

Question

Chair: I meant the supported wage system...

We would be very interested in the outcomes of that, so please send that through and make us aware of that.

Answer

The Review of the Supported Wage System (SWS) is a component of the Budget measure – *Increased employment participation for people with mental illness* in the 2011-2012 *National Mental Health Reform* package. The purpose of the review of the SWS program is to improve the effectiveness and appropriateness of applying the program to people with mental illness particularly having regard to the episodic nature of the condition.

Evolution Research has been engaged by DEEWR to undertake the review and the focus will be on the SWS Assessment Tool.

Stakeholder consultations will include conducting focus groups with Disability Employment Service providers and SWS assessors. Interviews will also be held with Department of Families, Housing, Community Services and Indigenous Affairs, Department of Health and Ageing (DoHA), Fair Work Australia and Disability peak bodies as well as consultations with the Human Rights Commission, ACTU and health professional associations.

Evolution Research proposes to interview participants with mental illness, their families, carers and employers. An application for ethics approval was submitted to the DOHA Ethics Committee to ensure that the research meets the requirements of the National Statement on Ethical Conduct in Human Research. A draft report is due with the Department in early December with the final report due in early January 2012.