



Disability Employment Taskforce
PO Box 7576
Canberra Business Centre
ACT 2610

8 July 2015

Re: National Disability Employment Framework

Thank you for providing Northcott with the opportunity to provide a submission to the current consultation on the proposed new National Disability Employment Framework.

About Northcott

Northcott was established in 1929 by the Rotary Club of Sydney. Northcott's purpose is to build an inclusive society where people can live the life they choose. This is achieved by assisting people with disability to develop their skills and achieve their goals - including their potential for independence and ability to participate in their community and in economic and civic life.

Northcott supports over 14,000 people with disability and their families. Northcott employs over 700 staff, providing more than 100 services from 34 sites and offices across NSW and the ACT. Northcott provides services to people with a broad range of disabilities including physical, intellectual, sensory, acquired and degenerative disabilities.

Northcott has been providing support to people with a disability for over 85 years. Our services broadly fit into six streams: Employment and life skills; Accommodation; Individual and family support; Recreation and respite; Therapy; Equipment and technology.

Our Employment and Life Skills services include delivery of federally funded Disability Employment Services (DES), as well as a range of state-funded employment and life skills programs such as Transition to Work, Community Participation, Life Choices, Active Ageing and the recently developed Employment Enablement individual packages.

Northcott does not operate an Australian Disability Enterprise.

Our Submission

Northcott's submission is based on our extensive history and contemporary experience in providing employment and life skills services to people with disability. We respond to the following questions raised in the discussion paper, under the following broad themes:

Client experience

- What can improve employment outcomes for people with disability?
- What can help reduce barriers for people with disability seeking employment?
- What can help reduce barriers for employers hiring people with disability?
- How can we promote the benefits of employing people with disability?
- Are there particular milestones/life transition points which have a positive impact on employment prospects for people with disability?

Employer experience

- Are employers aware of supports like the Employment Assistance Fund, JobAccess, the National Disability Recruitment Coordinator, etc?
- Are the support needs of large employers different to the support needs of small employers?
- How can we encourage more engagement between employers and people with disability?

Service/system interface

- How effective are the pathways into employment services? [Note: they're only looking at the Federally funded ones, but we could also give comment about how TTW fits into this picture]
- How well do employment programmes work together to support people with disability throughout their life-course, including for conditions episodic in nature?
- How can the employment service model be improved to help providers deliver better support?

NDIS

- What scope is there to move employment services to an individualised funding model?
- Does DES need to be redesigned to operate in an NDIS environment?
- In what way do you think the NDIS can support employment outcomes for people with disability?
- What do you think we can learn from the NDIS to improve job services for people with disability?

Northcott's broad position is that all disability employment supports currently funded through either Federal, State or Territory programs should be rolled into the NDIS, in line with all other specialist disability supports. Recommendations in this paper align with this overall view, however we also make specific recommendations re how the DES program ought to be restructured in the event that it is not rolled into the NDIS.

Client experience

- **What can improve employment outcomes for people with disability?**

In Northcott's experience, a significant portion of our time spent in delivery and management of our DES is directed towards compliance activities. In particular, we view that there is a strong focus of adhering to the letter of a complex contract and set of guidelines rather than to focusing on the spirit of the contract and program - that is, supporting people with disability to achieve sustainable employment. This is in part due to the prevailing culture of contract management which we have experienced through the delivery of DES when compared to other government departments with which we deliver significant contracts, and partly due to the complex structure of the program and its associated processes around reporting and auditing.

Northcott fully supports the application of quality principles and checks in the delivery of publicly funded services, particularly where those services might be delivered to vulnerable people. However, we view that a drastic reduction in red tape is required where the administration of DES is concerned. Time and resources invested in the management of compliance processes are time and resources diverted from the support of people with disability to find and maintain employment that meets their skills, needs, career goals and professional interests.

Instead, a risk-based approach to compliance as seen elsewhere in federal and state government programs for the delivery of disability services ought to be adopted such that the compliance burden for providers is commensurate with the risk posed to users of their service and/or compliance history. This is consistent with the approach to quality and safeguards which has been proposed by the NDIS, and which Northcott also supports.

Recommendation: Red tape in the administration and management of DES contracts should be significantly reduced. This could be through the adoption of a risk-based approach to compliance.

Other factors which could improve employment outcomes for people with disability include a shift in focus within the DES program, away from quantitative or time-based outcomes and towards qualitative outcomes that encourage a person to pursue and engage in the right job for them and for where they want to go in their careers. There has been a prevailing attitude engendered by the 13-week and 26-week outcomes payments that 'any job will do'.

This approach drives short-term outcomes only, with only the inherent qualitative value of a person having any job, as opposed to the value of a person having a fulfilling job and a sense of career. It actively discourages work towards actual long-term outcomes, if we consider a 26-week outcome in light of a current school leaver's expected working life of 52 years¹. Even if we allow for early retirement for some people with some disability types where age-related illness can have an earlier

¹ Based on an assumption that a person leaves school at 18 and works until 70.

onset^{2 3 4}, a program which rewards six months' sustainability for a person who will nevertheless be able to work for a period of some decades and who requires support on an ongoing basis or at key transition points is not really rewarding sustainability at all.

A far better approach would see providers working with participants to achieve sustainable qualitative outcomes associated with equal rights in choice of career path, sense of career progression, professional development and access to support on an as-needed basis. This renewed focus would align the program with the principles of the NDIS and, moreover, would drive meaningful support and outcomes for people with disability in terms of their rights to equal employment opportunity⁵ and economic participation⁶.

Recommendation: The focus of employment service outcomes should shift away from short, time-based measures and towards meaningful, qualitative, whole-of-life outcomes for participants.

A further crucial shift in current approaches to delivering employment outcomes for people with disability would be a shift towards enabling choice and control for individual participants, rather than controlling the market as per current DES contracting structure which limits the geographical areas that a provider can cover, thereby limiting the range of providers from which a prospective participant may choose. This will support employment outcomes through:

- Allowing people to take ownership of their employment service choices, encouraging greater engagement in the service activities;
- Creating opportunities for people to identify the provider that is the best fit for their circumstances and that they feel they can work well with;
- Giving people a sense of choice and control, rather than a sense of coerced participation, again encouraging greater engagement in the service activities;
- Driving competition between providers to provide a quality service that attracts clients based on word-of-mouth from participants who have achieved meaningful outcomes.

Recommendation: Current market control measures which tie delivery contracts to defined geographical boundaries should be removed.

² T. Määttä, T. Tervo-Määttä, A. Taanila, M. Kaski and M. Iivanainen (2014). Adaptive Behaviour Change and Health in Adults with Down Syndrome. Stored at <http://www.intechopen.com>

³ Bigby, C. & Haveman, M. (2010). Ageing...A Continuing Challenge. IN: Journal of Policy and Practice in Intellectual Disabilities, Vol 7, Issue 1, pp 1-2.

⁴ Saxon, S. V., Etten, M. J. & Perkins, E. A. (2014). Physical Change and Ageing, Sixth Edition: A Guide for the Helping Professions. Springer Publishing Company, New York.

⁵ Disability Discrimination Act 1992 (Clth); Fair Work Act 2009 (Clth)

⁶ United Nations Convention on the Rights of Persons with Disability, 2008; Council of Australian Governments National Disability Agreement, 2009.

- **What can help reduce barriers for people with disability seeking employment?**
- **What can help reduce barriers for employers hiring people with disability?**

Many of the barriers that exist for people with disability seeking employment and for employers seeking to hire a person with disability can be considered two sides of the same coin. For this reason, these two questions are considered together.

A particular group that ought to be considered here is people who acquire disability and the organisations that employ them. It is Northcott's experience that adults who acquire a disability when they have already been in the workforce, as opposed to those who are attempting to enter the job market, are often not adequately supported by their current employers to stay within their current field. For example, people who may no longer be able to do physical work in the construction industry, but who have lots of knowledge about the construction industry, could continue to be employed within that industry in a range of other capacities but often find they cannot be accommodated.

Early intervention with these employers could ensure that the employee doesn't fall out of work. More targeted funding is needed to educate the employer, adapt duties and/or create a new role, and access transitional subsidies. Much of this could be done while the injured employee may still be off work. This can assist overall reintegration to work when the employee is ready to return, which in turn will prevent disengagement and gaps in employment for the person and ensure retention of corporate knowledge and a valuable resource for the employer.

An employer education campaign could support large and small employers to understand the range of assistance that is available to them in making adjustments for an employee with disability – both for employees who are hired already having their disability and for employees who acquire disability when already employed. This campaign could also communicate the range of benefits of employing or retaining a person with disability⁷. Such campaigns could be targeted to segments of the employment market and delivered by employer organisations with support from government, leading to efficient, well-honed campaigns with measurable results.

In Northcott's experience, employers most often have a psychological barrier to employing someone with a disability, such as fear based on lack of understanding or knowledge. We – people with disability, providers, government, advocates and others – need to address that psychological barrier, and the best way is through education. Employers need to know the benefits of job carving, part time job creation, job sharing, etc. A successful, multi-faceted campaign can educate employers about good practice in workplace flexibility, and about seeing a new workforce mix as an opportunity to consider the whole workplace for potential restructure, such as taking

⁷ Australian Network on Disability. Business Benefits of Hiring People with Disability. Online: <http://www.and.org.au/pages/business-benefits-of-hiring-people-with-a-disability.html> [Accessed 8 July 2015].

admin work off the sales reps on the team (thereby improving their productivity) to create a part time admin job.

Recommendation: An education campaign for employers which targets all employer types and which includes resources for providers and advocates to take directly to prospective employment sites should be developed, delivered and continuously evaluated and improved out of recognition that this will be a long-term undertaking to shift the perceptions of the employer market as a whole.

- **How can we promote the benefits of employing people with disability?**

As per the above commentary and recommendation, it is Northcott's view that concerted, targeted employer education is required. This could include:

- Advertising of existing resources through a wide range of trade and business publications;
- Presence at industry events, trade shows, etc of people who can discuss the benefits of employing people with disability and debunk myths and misperceptions;
- Creation of story-based resources that support people, including people with low English literacy, to understand the range of benefits and opportunities associated with employing a person with disability, presenting a diverse workforce to your customer base, etc;
- Creation of tools that can be used on mobile devices such as an iPad to support employment advisors, employer liaison staff and people with disability themselves to talk with employers on a one-on-one basis;
- Delivery of a wide-scale campaign similar in style to Every Australian Counts⁸, which has garnered wide-spread community and political support for major system reform in towards upholding the rights of people with disability.

- **Are there particular milestones/life transition points which have a positive impact on employment prospects for people with disability?**

For all people with disability, life transition points are unique to the individual and differ according to each person's life path. In this sense, there can be a whole range of life transition points which affect a person with disability and which may interplay with their employment prospects. These could include:

- Transition from school, TAFE or university to work;
- Transition from school to a vocational program such as Transition to Work;
- Transition between vocational programs;
- Transition from role to role within one place of employment;
- Promotions;

⁸ www.everyaustraliancounts.com.au

- Transition between employers;
- Adjustment to workplace changes (e.g. new manager, restructure, etc);
- Changes in health status;
- Changes in relationships and living arrangements;
- Transition to retirement;
- and others.

It is important that an employment services system is able to be responsive to each of these and, in being responsive, is able to approach the employment support needs of each individual in the way that works for them and best supports their sustained employment and career development. Alignment of the disability employment services system with the NDIS would best facilitate this.

Other developments in line with the National Disability Agreement and National Disability Strategy⁹ are also required. Where these instruments make clear the fact that inclusion of people with disability is a whole-of-government and whole-of-community responsibility, we do not yet see this fully realised in the day-to-day experience of supporting people with disability to prepare for and develop within the workforce.

One example is the education system, which is vocationally focused to only a limited degree, particularly with regards to students with a disability. For us to see concerted effort in this area, schools need to have outcome targets relating to supporting students to prepare for work – this occurs on a piecemeal basis reliant largely on the individual priorities and strengths of each school’s senior leadership team. An alternative could be for specialist employment teams to be allowed to operate within the schools. In this case, the DES system at a policy level would need to take responsibility for the outcomes of an age group not traditionally within its remit.

While alignment of the disability employment framework with the NDIS could go some way to addressing the individual needs of some students before they leave school, there remains a clear case for schools also to support the vocational outcomes of their students before they leave school. This is particularly the case for some students who may have a disability and may not be eligible for the NDIS, to avoid seeing this group fall through the cracks and end up unemployed, underemployed or inappropriately prepared for and supported within the workplace.

Recommendation: However the new disability employment framework is structured, ongoing commitment is also needed across government and the community to the principles of and delivery against the National Disability Agreement and the National Disability Strategy.

⁹ Council of Australian Governments National Disability Strategy 2010-2020

Employer experience

- **Are employers aware of supports like the Employment Assistance Fund, JobAccess, the National Disability Recruitment Coordinator, etc?**

From Northcott's experience in working directly with employers and prospective employers, there is very limited general community awareness of these resources and how employers can avail themselves of them. A significant part of a DES provider's job is to educate employers about these resources. This is unfortunate, as the need to 'start from the beginning' with each new employer and address their low level of assumed knowledge regarding employment of people with disability can take time and resources away from other work by employment consultants, such as providing ongoing placement support to a new employee and employer.

It is our experience that larger employers tend to be more likely to be aware of these benefits than smaller employers.

- **Are the support needs of large employers different to the support needs of small employers?**

Yes. For example, it is unreasonable to expect a small employer to have a Disability Employment Strategy or similar. Size of organisation can also be reflective of the amount of resources able to be invested in staff training, on-the-job mentoring, etc. However, though most large employers do have a strategy in place and many of the good ones have been well considered and thought through, sometimes the implementation of such strategies can be left to line managers without the necessary training or support.

Also, as previously mentioned, smaller employers are less likely to know what subsidies and other assistance is available to support a person with a disability in the workplace.

Recommendation: An education campaign for employers which targets all employer types should include easy-to-use resources which support the development and implementation of disability employment strategies, so that employers can 'walk the talk.'

- **How can we encourage more engagement between employers and people with disability?**

As mentioned above, Northcott supports the concept of targeted education campaigns aimed at employers and giving interested parties across the disability employment sector (job seekers, providers, advocates, others) a range of resources with which they can educate and advocate. Such a campaign could drive individual outcomes as well as broad social change and buy-in from employers.

In addition, our experience shows that wage subsidies are a popular incentive amongst employers which can mean the difference between an employer hiring a person with disability or not. An enhancement to the existing arrangement could drive

better employment outcomes for people with disability, particularly in reference to the move away from the 'any job will do' mentality and towards employment outcomes for people with disability that support a career focus and career progression. This proposed enhancement would see wage subsidies continued, but calculated so that they are proportional to the total remuneration attached to the position. In this way, employers will not only be incentivised to give people with disability a job, but will be incentivised to give people with disability the right number of hours of work at the level of pay, technical skill and/or seniority that is right and fair for that employee.

Recommendation: The existing wage subsidy scheme should be enhanced through the introduction of subsidies calculated on a proportional basis to total remuneration for the position.

Further employer incentives could also be introduced. Northcott is aware of quota systems which operate within several European jurisdictions. Our view, however, is that rather than implement a system where businesses are penalised for failure to comply or achieve a target, an opt-in system where employers are given tax breaks or subsidies for reaching certain disability targets would position disability employment as a field of excellence rather than an area of compliance.

Recommendation: Further investigation should be undertaken into international examples of quota-based disability employment systems with a view to identifying what could work within the Australian context, what improvements could be made to existing models and how this could be implemented.

Northcott is aware that an accreditation-style system similar to the Heart Foundation tick of approval has been proposed during the course of the face to face consultations which have been delivered adjacent to this written consultation process. It is not clear to us how this would operate or how valuable the incentive would be to employers when compared to other, financial incentives which are already known to have some success. Significant employer consultation – including both employers of people with disability and companies that do not yet employ people with disability – as to the value of such a system ought to be undertaken before this approach is endorsed.

Service/system interface

- **How effective are the pathways into employment services?**

There are several identified pathways into employment services. It is in our experience, however, that each of these includes barriers, with varying levels of scope for work-around. In addition, several of these pathways are limited to certain segments of the cohort of job seekers with disability. As such, other job seekers with disability may find themselves without a clear pathway. Specific examples appear below.

It is our experience that many teachers and parents are not aware that students may require or be eligible for additional assistance to gain employment. This is especially so if they are in mainstream school. The student may cope or appear to cope in the school system, but may not have the same success in employment. Further, parents

may not be aware there are supports, such as TTW or DES. This again points to the education system's lack of focus on vocational skills and can act as a barrier within what might otherwise have been considered one of the clearest pathways into employment services. Improved interface between the education system and the disability employment system is needed, as is improved Career Advisor awareness both of the pre-vocational needs of students with milder forms of disability and the career potential of students with more complex disability.

Recommendation: Work should be undertaken to improve the interface between the education system and the disability employment system, with particular focus on development for Career Advisors.

Northcott is a provider in NSW of the ADHC-funded Transition to Work (TTW) program, in addition to our DES. It is our experience that offering a continuum of supports to people with disability who are seeking to enter the workforce can be greatly beneficial to people who need a more intensive vocational skill development focus prior to engaging directly in job seeking activities. Many of the people we support through TTW can move into employment following this program, while others transition to DES and then achieve an employment outcome from there.

There is a series of policy-level barriers to accessing pre-vocational programs such as this for a range of job seekers, however. Many students may not be aware that they can't take up or apply for a funded TTW place after they have completed TAFE or university. As such, making the choice to pursue further education straight from school can exclude these people from receiving the pre-vocational support that they may require upon achievement of a qualification that might otherwise have increased their employability.

Further, many potential TTW participants are not eligible due to age-based criteria. These people miss out on pre-vocational skill development that could have set them up well either for employment or for engagement with an employment service as a step towards employment.

Recommendation: The Commonwealth, States and Territories should work together to remove artificial barriers to or between employment services and pre-vocational supports (per jurisdictional model). This could be done ahead of the transition to the NDIS.

Under the current guidelines, a person who has been accessing TTW or another pre-vocational program and who is ready to transition to a DES and commence active job-seeking can only transfer to a DES that operates in their home geographic area. This means that some clients who wish to stay with a particular provider are unable to due to the geographic basis of contracts and the variability between state and federal approaches to this.

Recommendation: Current contract measures which tie delivery to defined geographical boundaries and limit participant choice should be removed.

- **How well do employment programmes work together to support people with disability throughout their life-course, including for conditions episodic in nature?**

This is difficult for providers as there are not the resources to do it well, and those resources that are available are geared towards time-based outcomes as described above. The existing, short-term-outcome-based framework does not foster a holistic view of people with a disability.

A better system would allow for people to ‘dip in and dip out’ of employment support as and when needed, while also giving people choice of provider and giving them opportunities to return to providers where they feel they have an established relationship with their Employment Consultant if they choose this. Two cohorts in particular need to be considered here:

- People who have episodic conditions such as mental health disorders or a range of specific physical disabilities;
- People whose disabilities are not episodic but who experience difficulty in responding to change, such as process improvements, new management, etc.

Both of these groups of people experience episodic needs for additional support to remain within the workplace. Employment programmes should be structured in such a way as to be able to be responsive to these individuals’ needs as they arise. Alignment with the NDIS model of individualised support would achieve this, through time-based supports able to be provided in such a way as to support a person to achieve their broad life goals around getting and maintaining a work.

Recommendation: Align employment programs with the NDIS so that supports to job seekers and employees with disability can be provided on an as-needed basis across the span of their careers.

- **How can the employment service model be improved to help providers deliver better support?**

As above, Northcott’s broad position is that alignment of specialist disability employment service delivery with the NDIS will be the best way to achieve meaningful economic participation and career outcomes for people with disability through the provision of individually tailored supports at the points in a person’s life where this is needed. This would include:

- Opening the employment service market and ceasing controlling business share; creating a free market where providers can operate wherever they choose and compete on quality of outcomes;
- Removing the approach to contracting where lower performing providers lose their contracts, where the natural forces of a free market will either push them out or they will improve through investment of effort in delivery of quality service rather than compliance, supporting a more stable market and helps retain the knowledge and skills of workers;

- Considering alternatives to outcome payments which incentivise qualitative outcomes and long-term career sustainability;
- Streamlining reporting activities required under the noncompliance framework so that efficiency can be achieved.

These would need to be accompanied by the range of employer engagement and education initiatives outlined throughout this paper.

The over-arching consideration in the improvement of employment service models needs to be around ensuring that at a policy and contract level barriers to the delivery of rights-based, person centred services are removed. There needs to be a strong movement away from red-tape and onerous compliance burdens, as well as movement away from time-based, non-qualitative outcomes. Thinking about outcomes need to be refocused around whole-of-life goals and concepts such as job satisfaction and career progression, as well as matching jobs and career paths to a person's skills and interests just as is seen in the general open employment market.

Recommendation: Align the disability employment services framework with the NDIS to ensure delivery of person centred supports to job seekers and employees with disability across the continuum of available supports on an as-needed basis and with a focus on quality of outcome.

NDIS

- **What scope is there to move employment services to an individualised funding model?**

There is significant scope to move the gamut of employment services into an individualised model. We can also see that the NDIS is already heavily geared towards funding of supports which assist people to get and retain a job¹⁰. In Northcott's view, both DES and our range of state-funded employment and life skills services could be entirely merged into the NDIS model. Individual funding would allow clients to take greater control of their career, helping to support long term aspirations and better outcomes.

It would also create opportunities for providers to develop new and innovative employment supports, and offer greater ranges of skill development and educational opportunities for job seekers to access if they choose. This would lead to a diverse and vibrant disability employment sector which provides a broad range of flexible, quality supports able to meet the wide range of employment support needs experienced by the full breadth of the disability employment cohort, without limiting access due to age or other qualifiers.

Specific to the DES context, some job search activities could remain compulsory for those participants who have specific responsibilities with regards to their payments

¹⁰ National Disability Insurance Agency, March 2015. Seventh Quarterly Report to COAG Disability Reform Council, section 3.2 Participant Outcomes.

from Centrelink. In these cases, noncompliance penalties should not be the responsibility of the provider. Administration of these by a provider that is attempting to provide support and encouragement to a job seeker and drive positive engagement in the workforce or in pre-vocational skill development can act as a direct barrier to positive working relationships with the participant and positive employment outcomes.

- **Does DES need to be redesigned to operate in an NDIS environment?**

Rather than consider a redesign of DES, a better approach would be to dismantle the existing model and roll this element of employment support into the NDIS, along with all other employment supports already included within its pricing structure¹¹. Rolling DES into the NDIS would:

- Reflect the holistic, 'one person one plan' approach that the NDIS seeks to drive;
- Improve participant experience through the facilitation of all of their key supports through the one funding pool, the one portal, the one planning meeting, etc;
- Achieve system-level efficiency and avoid duplication;
- Reposition disability employment services a continuum of possible supports from which a participant can choose, where all services are geared towards quality outcomes and sustainable employment rather than compliance and churn;
- Shift job-seeker perceptions of engagement with a disability employment service away from a feeling of coercion and towards positive, aspirational engagement.

Recommendation: Dismantle DES and roll it into the NDIS.

- **In what way do you think the NDIS can support employment outcomes for people with disability?**

A central principle of contemporary disability service provision is the concept of choice and control. This is about giving people with disability the same rights and opportunities as all other members of society to make their own decisions about their lives and to have their agency respected. For some people, this includes providing some additional options or making some adjustments either to ensure that a person understands the choices that they have or to ensure that a person has the means to enact their choices according to their present circumstance. The NDIS can allow for this, in services relating to employment as for all other support items.

¹¹ National Disability Insurance Scheme, 2015. Pricing and Payment. Online: <http://www.ndis.gov.au/providers/pricing-and-payment> [Accessed 8 July 2015].

In addition, holistic assessments and individual planning will ensure that broader barriers to employment for a participant are adequately funded and addressed, leading to better, faster and more sustainable employment outcomes.

The NDIS will also drive innovation and expansion in the range of supports and services that providers can offer in response to client preferences and demands. As the Scheme is still in its infancy, it is difficult to predict the range of new and creative employment solutions that will be developed over the coming years. We can be sure, however, that inclusion of employment services in the NDIS will give unprecedented voice to participants of these services in articulating and then receiving the support that will have the best impact on their long-term economic participation and career engagement.

Should you require any clarification or further information please contact:

Hilary Smith, Business Development and Partnerships Coordinator, (02) 9890 0193,
hilary.smith@northcott.com.au