

Response to New Disability Employment Services from 2018 Discussion Paper

Social Ventures Australia

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Introduction

Social Ventures Australia (SVA) welcomes the opportunity to respond to the Department of Social Services' (DSS) New Disability Employment Services from 2018 Discussion Paper (Discussion Paper).¹

SVA is a social purpose organisation that works to improve the lives of Australians in need. We have a vision for Australia where every person can participate to the maximum of their potential.

The goal of our employment work is to increase the economic participation of disadvantaged job seekers, including people with a disability, and we have an evidence based perspective on the drivers that will lead to improved employment outcomes.²

SVA has a particular focus on 'demand-led' approaches to employment in which opportunities are identified in growing job markets and both employers and job seekers are supported to improve the rates of success in transition into work.

While we acknowledge the need for broad reforms to the Disability Employment Services system, including in the supports offered to job seekers and the pricing of outcomes, our response to the Discussion Paper is focussed on the issues identified with employer engagement (chiefly Chapter 8, 'Building Employer Demand').

SVA also works with and invests in social enterprises to build employment demand for groups excluded from the labour force. We have not addressed the investments required to foster growth in social enterprises in this submission as it's beyond the scope of the inquiry but note the evidence suggests this could help to increase demand for high quality employment opportunities for people with a disability.³

Our submission highlights learnings from our employment initiatives including a joint project with the Australian Network on Disability and funded by NSW Department of Family and Community Service - High Growth Jobs Talented Candidates (HGJTC). Five disability employment organisations are also participating in this pilot (four of the five are also Disability Employment Services (DES) providers). A copy of the report outlining the early learnings from HGJTC is attached with our submission.

Recommendations relating to employer engagement:

- There are many labour markets, not a single labour market, and they can change rapidly. Greater focus should be given in DES to identifying employment opportunities that are in demand and are growing in local labour markets, including in service and caring sectors.
- The funding structure of DES should allow for investment in assessing and building employer disability confidence, ensuring systemic changes to employers' policies and

¹ <https://engage.dss.gov.au/disability-employment-services-reform/disability-employment-services-reform-discussion-paper/>.

² For further information on SVA's views on the drivers of better job outcomes see *SVA Perspectives: Employment*, available here: <http://www.socialventures.com.au/assets/employment-perspective-web.pdf>

³ Meltzer, A et al, 2016, 'What do people with an intellectual disability think about their jobs and the support they receive at work? A comparative study of three employment support models', Social Policy Research Centre, UNSW. Accessed 20 December 2016: https://www.sprc.unsw.edu.au/media/SPRCFile/Comparative_study_of_three_employment_models.pdf

procedures and ensuring that DES providers understand the available employment opportunities within an employer. We consider that the most effective way to achieve this is through a skilled third party provider. Emerging evidence suggests this will improve the rate and duration of employment outcomes for job seekers but DES providers are neither funded nor have the capability to do this.

- Design of pre-employment training programs should reflect the demand led approach – co-designed with the employer, broker and DES provider.
- DSS should consider funding a demand-led brokerage program with explicit remit to build employer disability confidence as one of the identified Employer Initiatives to test at a larger scale in 2017.

Employer engagement is a critical element in disability employment initiatives

As the Discussion Paper notes, unless there is sufficient demand for workers with (and without) disability, improvements in services and the job readiness of people with disability can yield only marginal improvements in employment outcomes.

The Discussion Paper acknowledges that to overcome this, DSS must engage with and support employers to increase their willingness to employ people with a disability and ensure there are more employers who are prepared to hire people with disability.⁴

The Discussion Paper also outlines two initiatives aimed at better engaging employers:

- Trialling employer-nominated initiatives aimed at identifying innovative and effective solutions to employing people with disability
- Implementing targeted disability employment communications, education and awareness raising and employer engagement activities.⁵

In SVA's view, there are additional factors and initiatives which could improve employer engagement and demand.

⁴ Discussion paper, pg 11.

⁵ Discussion paper, pg 53.

SVA employment initiatives

From its foundation in 2002, SVA has tested a number of different and innovative employment models that aim to increase the economic participation of marginalised job seekers including young people who have been unemployed for prolonged periods, First Australians as well as people with a disability. Two of the demand-led projects have particular relevance.

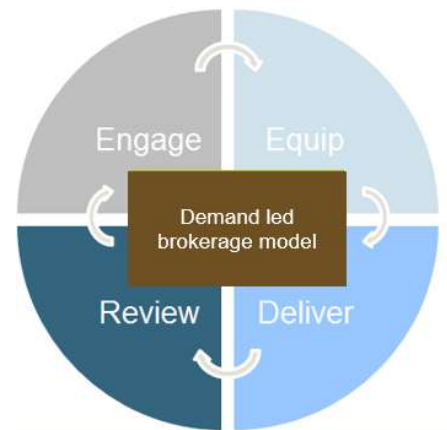
High Growth Jobs Talented Candidates

SVA is working in partnership with AND to deliver the HGJTC initiative, funded by the NSW Department of Family and Community Services. HGJTC matches people with disability with employers seeking candidates to fill roles in high growth areas. It is designed to increase employers' capability to employ people with disability, while at the same time helping to better prepare candidates with disability for the jobs of the future.

The project focuses equally on the needs of employers and candidates, ensuring an effective job match.

HGJTC uses a demand-led brokerage model that starts with the employer and works backwards to prepare and match job seekers to the job:

1. The process starts with building the disability confidence of identified employers through expert training provided by AND.
2. Specific roles and sites are then identified and a Disability Employment Service (DES) provider or disability specialist organisation (employment providers) is engaged.
3. Working together, AND and the employment provider/s invest time to gain a deep understanding of the job requirements and the employer's culture.
4. A pre-employment training program (co-designed with the employer, employment provider and AND) then provides candidates with knowledge of the employer and role.
5. An interview and selection process is then undertaken focused on ensuring that the right person, with the right skills and attitude is found for each position.



Industry Employment Initiative

SVA is also leading the Industry Employment Initiative (IEI), a collaboration between SVA and the Jesuit Social Services, and supported by the Business Council of Australia. The IEI tests an employment model that meets the recruitment needs of large employers – which have generally found government employment services difficult to access and use - while improving outcomes for young disadvantaged jobseekers.

Like HGJTC, IEI takes a demand-led approach and deeply engages employers in the design of training and employment pathways, providing tailored training, work placements and wrap around support for job seekers through their transition in to employment.⁶

This model has recently been adopted by the Victorian Government through the Jobs Victoria Employment Network.

Learnings and implications for employer engagement

SVA's experience to date confirms the view expressed in the Discussion Paper that effective employer engagement is a critical step to improve outcomes for disadvantaged jobseekers, including jobseekers with a disability.

Employer knowledge, perceptions and attitudes

Our experience confirms that the understanding of the breadth and diversity of the skill set of people with disability amongst employers is low, that they perceive risks in employing people with disability and that their processes and systems often act as barriers to people with disability gaining and sustaining jobs.

In the case of one participating employer, line managers expressed strong views that people with a mental health illness should be forced to disclose their disability at an interview, and at others, Human Resources (HR) teams expressed concern that providing a workplace adjustment in the recruitment phase would be offering candidates with disability an unfair advantage. Only one of the eight participating employers had a workplace adjustment policy in place.

However, after attending disability confidence training delivered by AND, one HR officer commented:

'I picked up on a lot of things I was previously unaware of in the industry and closed some gaps on some areas I was not confident, such as 'person first wording'. The most memorable part of the training for me was where the AND trainer' spoke about disabilities as not being disabling at all until there is a social barrier in the way – such as stairs for a wheelchair user etc. I know on a more superficial level we needed to make changes – but that really drove it home for me!'

'Levers' to improve employer engagement and demand

While the initiatives outlined in the Discussion Paper may go some way to engaging employers, our experience suggests that they would be insufficient to create the systemic change greatly needed within employers, and across industries, to increase participation of people with a disability in the workforce.

⁶ For further information, see <http://www.socialventures.com.au/work/iei/>.

One of the main lessons from our employer research is that employers are more likely to commit to hiring people with disability and make systemic changes to their processes to be accessible and inclusive to people with a disability, if they are supported to do so by an external organisation with recognised expertise.⁷

In practice this requires an external organisation with:

- expertise and significant time available to invest in building a relationship with an employer across many levels of the organisation;
- understanding the unique business, how it operates and how the available vacancies fit within a broader workforce plan; and
- guide the employer and its current employees through the cultural, procedural and internal policy changes that are needed to ensure that hiring managers and other staff are willing and able to employ people with disability.

As one employer participating in the HGJTC initiative commented:

'Without the supports from external organisations, this wouldn't be effective in our company. It takes effort for a company to pull together a program themselves – while we might have employed people with a disability in the past, there needs to be a program to ensure scale and sustainability, and it's hard for businesses to find resources to develop and deliver this themselves.'

To achieve systemic change, the external organisation is required to invest a significant commitment of time and have a specific skill set. DES providers are not currently funded to provide this service, nor do they have the expertise.

As another employer commented:

'An important part of it for us is seeing that each step is being done with longevity and sustainability in mind. The time investment up front is worth it for that.'

Our recently published early learnings paper from the HGJTC initiative (see Attachment A) outlines in more detail the demand-led brokerage model, and our activities, outcomes and learnings to date. The final evaluation is due to be completed in September 2017.

⁷ Supported by many previous employer surveys and the findings of the Business Council of Australia survey 2015 *Recognising Ability* <http://www.bca.com.au/publications/workforce-inclusion-of-people-with-disability>

About SVA

Social Ventures Australia is a social purpose organisation that works with partners to improve the lives of people in need.

We focus on the drivers to overcoming disadvantage in Australia, including great education, sustainable jobs, stable housing and health, disability and community services.

By offering funding, investment, and advice we support partners across sectors to increase their social impact.

We are a non-profit organisation established in 2002 by The Benevolent Society, The Smith Family, WorkVentures and AMP Foundation.