

**Mental Health
Australia**

New Disability Employment Support Model

Submission to Department of Social Services Consultation Paper

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Mentally healthy people,
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Introduction

As the national peak body for the mental health sector, Mental Health Australia provides this submission focusing on the experiences of people with psychosocial disability. Psychosocial disability refers to “disability experience, impairments and participation restrictions related to mental health conditions”.¹

Over one million Australians live with psychosocial disability, and people with psychosocial disability make up a quarter (26%) of all people with disability.² People with psychosocial disability generally report more severe limitations than people with other disabilities, and most people with psychosocial disability (85.5%) also report having another condition/s.³

According to the Australian Government’s classifications, people with primary ‘psychiatric’ disability make up 40.1% of people accessing Disability Employment Services (DES), and are the largest group by diagnosis accessing the more intensive, ongoing DES supports through the Employment Support Service program.⁴

Evidence suggests most people living with mental health conditions would prefer to work, but often face barriers not of their own making.⁵ Almost a quarter of people with psychosocial disability report being treated unfairly because of their disability, and 85% report employment restrictions related to their disability – both much higher rates compared to people with other disabilities.⁶ These barriers to meaningful employment limit the opportunities of people with psychosocial disability to contribute to society and the economy, and deny people the personal wellbeing benefits of employment.⁷

While there has been a slight increase in the proportion of people with psychosocial disability working full-time (from 8.1% in 2015 to 10.9% in 2018), employment rates for people with psychosocial disability in Australia remain very poor.⁸ Only one-third of people with psychosocial disability are in the labour force compared to two-thirds of people with other disabilities. Further, nearly 8% of people with psychosocial disability are unemployed compared to 4.5% of people with other disabilities, or 3.9% of people with no disability.⁹

Australia’s disability employment support model can be reformed to improve the employment rate for people with psychosocial - and other - disabilities. The current DES model is difficult

¹ National Mental Health Consumer & Carer Forum (2021). *Unravelling Psychosocial Disability: Position Statement on Psychosocial Disability Associated with Mental Health Conditions*. <https://nmhccf.org.au/our-work/position-statements/psychosocial-disability-associated-with-mental-health-conditions>

² Australian Bureau of Statistics (2020). *Psychosocial disability*. <https://www.abs.gov.au/articles/psychosocial-disability>

³ Australian Bureau of Statistics (2020). *Psychosocial disability*.

⁴ Australian Government Labour Market Information Portal (2021) *DES Data 30 November 2021: DES Monthly Report (Summary)*, <https://lmip.gov.au/default.aspx?LMIP/Downloads/DisabilityEmploymentServicesData/MonthlyData>

⁵ Productivity Commission (2020) *Mental Health*, p.927 <https://www.pc.gov.au/inquiries/completed/mental-health/report/mental-health-volume3.pdf>

⁶ Australian Bureau of Statistics (2020). *Psychosocial disability*.

⁷ National Mental Health Commission (2012) *A Contributing Life: the 2012 National Report Card*, pp.50-58. <https://www.mentalhealthcommission.gov.au/monitoring-and-reporting/national-reports/2012-national-report>

⁸ Australian Bureau of Statistics (2020) *Psychosocial Disability: Employment*, <https://www.abs.gov.au/articles/psychosocial-disability#employment>

⁹ ABS analysis of 2018 Survey of Disability, Ageing and Carers, released 25 September 2020, <https://www.abs.gov.au/articles/psychosocial-disability#employment>



to navigate, relies on a one-size-fits all performance framework and does not incentivise providers to support long-term employment and career outcomes for people with disability.^{10 11}

Reforms must tackle these fundamental challenges if we are to build a new disability employment support model that genuinely supports people with disability, including those with psychosocial disability, into meaningful work.

Mental Health Australia and the National Mental Health Consumer and Carer Forum have previously articulated principles for a high functioning social security system and employment support which meets the needs of people with psychosocial disability. These principles include:¹²

- be easy for people to access and navigate
- treat people fairly and in good faith at all times – providing similar benefits to individuals with similar needs
- focus on individual capabilities through strengths-based assessment and support, rather than focussing on the perceived deficits associated with a diagnosis of mental illness
- ensure that people with experience of mental ill-health are appropriately identified within the system and referred to the right support services to support recovery
- wherever possible, avoid exacerbating known mental health conditions
- proactively support people with experience of mental ill-health to undertake education or training
- provide supported and predictable pathways to social participation and employment for all people with experience of mental ill-health who are able to work now or wish to work in the future
- ensure that services are delivered in culturally appropriate ways.

Mental Health Australia provides this submission in response to questions posed in the Department of Social Services' consultation paper,¹³ and looks forward to continued engagement with the Department as the new model for disability employment support is progressed.

Mental Health Australia extends its thanks to the individuals and organisations who contributed to this submission, and acknowledges the valuable input from both lived and learned experience.

¹⁰ Department of Social Services (2021) *Inclusive, Accessible, Diverse: Shaping your new disability employment support program – consultation paper*. <https://engage.dss.gov.au/wp-content/uploads/2021/11/Consultation-Paper-New-Disability-Employment-Services-Model.pdf>

¹¹ Productivity Commission (2020) *Mental Health*, p.935, <https://www.pc.gov.au/inquiries/completed/mental-health/report/mental-health-volume3.pdf>

¹² National Mental Health Consumer & Carer Forum and Mental Health Council of Australia (2014). Making the Welfare System Work for Mental Health Consumers & Carers. https://mhaustralia.org/sites/default/files/docs/mhca_-_submissions_-_adjacent_systems_-_mcclure_review_of_the_welfare_system_-_mhca_august_2014.pdf

¹³ Department of Social Services (2021) *Inclusive Accessible Diverse*



List of Recommendations

Mental Health Australia offers the following recommendations, outlined in detail in this submission, for consideration in developing a new disability employment support model that would better support people with psychosocial disability into meaningful employment.

1. Improve alignment of NDIS and disability employment supports through clear guidance to NDIS planners on role of the NDIS in supporting workforce participation, including through coordination with non-NDIS employment services.
2. Improve identification and accuracy of assessment of people with psychosocial disability entering employment support, as recommended by the Productivity Commission inquiry into mental health.
3. Incorporate a strengths-based approach systemically across the disability employment journey from assessment to service delivery.
4. Support person-centred employment supports through greater flexibility in the funding and performance framework, early engagement with participants, and availability of long-term post-placement support.
5. Facilitate greater integration of disability employment support services with mental health services.
6. Include incentives for providers to support ongoing career advancement of disability employment support participants, where participants choose this.
7. Integrate vocational peer workers into disability employment support services.
8. Promote use of Employment Assistance Fund to purchase employment participation supports for participants with psychosocial disability.
9. Australian Government and disability support providers proactively work to address stigma and discrimination related to mental illness amongst potential employers.
10. Ensure representatives of diverse and priority population groups are included in the design of the new disability employment support model.
11. Provide education attainment support for young people accessing disability employment services, alongside career and employment support.
12. Consider augmentation of disability employment support services through technology to improve participant engagement, particularly amongst young people.
13. Promote employment and retention of people with disability through ensuring wage subsidies are kept up to date and provide tax-incentives for ongoing employment of disability employment support participants.
14. Implement the Productivity Commission's recommendation for greater flexibility in Mutual Obligation Requirements, to better accommodate the range of participants' goals and capacities.
15. Reform the disability employment support funding and performance model to better facilitate intensive supports for participants with complex needs, through greater emphasis on pre- and post-placement support, and non-vocational outcomes.



1. Who should be able to access a specialist disability employment program?

The new DES model will be part of a complex ecosystem of employment support services for people with mental illness and psychosocial disability, including NDIS employment supports, the New Employment Services Model, and Individual Placement Support programs for people living with mental ill health, as well as other information and resource services such as Job Access. As acknowledged in the Consultation Paper, careful consideration must be given to the alignment and connection between these service systems to support the best outcomes for participants. Mental Health Australia is in favour of broad eligibility requirements that allow flexibility for individuals to access the service most appropriate for them.

An area of particular confusion already is the significant complexity in the interface between NDIS and non-NDIS employment services. Through consultation in April-May 2021 on the Australian Government's National Disability Employment Strategy Consultation Paper, it was found that "the interface between the NDIS and DES was described as disconnected and complex to navigate, with a clear theme coming from feedback that this needs to be addressed."¹⁴

The Applied Principles and Tables of Support (APTOS) which outline the responsibilities of the NDIS and other service systems, provide some guidance. According to the agreement outlined in the APTOS, employment services are responsible for providing advice and support to people with disability to assist with preparing for, finding and maintaining jobs, and to employers to encourage and assist hiring and inclusion of people with disability in the workplace. The NDIS is responsible for "funding individualised assistance to support a person with disability to take part in work".¹⁵ According to the APTOS, "The NDIS and the employment system will work closely together at the local level to plan and coordinate streamlined services for individuals requiring both employment services and disability services recognising that both inputs may be required at the same time or through a smooth transition from one to the other or across service systems".¹⁶ The APTOS indicate that it is the role of the NDIS to coordinate its supports with those offered by the employment system.¹⁷

However, it does not appear that these principles are being clearly implemented. Anecdotal feedback indicates that supports included in an NDIS participant's plan relating to participation in employment, though clearly within the NDIS' purview, can be highly dependent on the individual planner. Clearer guidance to planners on the role of the NDIS in supporting participants to take part in work, and coordinate with non-NDIS employment

¹⁴ Australian Government Department of Social Services (2021) National Disability Employment Strategy: Consultation Report, p32, retrieved 26 October 2021 <https://engage.dss.gov.au/wpcontent/uploads/2021/10/dss-consultation-report.pdf>

¹⁵ Department of Social Services (2015) Principles to Determine the Responsibilities of the NDIS and Other Service Systems, p16, <https://www.dss.gov.au/the-applied-principles-and-tables-of-support-to-determine-responsibilities-ndis-and-other-service>

¹⁶ Department of Social Services (2015), p16

¹⁷ Department of Social Services (2015), p17



supports, could improve outcomes for people with disability who are both NDIS and DES participants.

Recommendation 1: Improve alignment of NDIS and disability employment supports through clear guidance to NDIS planners on role of NDIS in supporting workforce participation, including through coordination with non-NDIS employment services.

The Consultation Paper also considers whether the future disability employment support model should include employment pathways such as casual and part-time employment, community engagement, voluntary work and short-term unpaid work experience. As discussed below, Mental Health Australia supports inclusion of more diverse vocational and non-vocational outcomes in disability employment support, to better match the preferences of participants. However, Mental Health Australia is concerned that broad inclusion of unpaid work might lead to the contribution of people with disability being taken advantage of, without clearly leading to future paid work opportunities.

2. How can we simplify entry to the disability employment support model?

People with psychosocial disability often experience difficulties in qualifying for assistance due to the episodic nature of mental illness. In stable periods, people may have their support needs underestimated by providers, which can lead to refusal or under-provision of assistance, and to increased frustration and stress for the individual seeking employment.¹⁸

The experience of a jurisdictional peak body is that “Currently, it is difficult for people with psychosocial disability to access and navigate disability employment supports. Many do not pursue employment support because they don’t know where to go or they find the eligibility and assessment processes too difficult (especially in combination with other complicated processes associated with the NDIS and Centrelink). Others who do enter the system often end up with the wrong support or job placement because their needs were not accurately assessed.”¹⁹

As the Productivity Commission found, assessment and streaming processes for employment services could be improved to more reliably identify people with mental illness to ensure referral to appropriate supports. The Productivity Commission recommended the Job Seeker Classification Instrument be made more relevant for people with mental illness or psychosocial disability by “providing more specific guidance to job seekers about the types of impacts on their functionality resulting from illness or disability that are relevant to their employability and work capacity [and] adding a short form mental health assessment tool to the Job Seeker Classification Instrument.” The Productivity Commission also recommended the Department of Social Services “should supplement the Employment

¹⁸ Waghorn, G. & Lloyd, C. (2005). *The Employment of People with Mental Illness: A discussion document prepared for the Mental Illness Fellowship of Australia*. Queensland: MIFA in Mental Health Australia (previously Mental Health Council of Australia) (2007). *Let’s get to work: A National Mental Health Employment Strategy for Australia*. Retrieved 10 September 2020 from https://mhaustralia.org/sites/default/files/imported/component/rsfiles/employment/Let_s_Get_To_Work_Employment_Strategy.pdf.

¹⁹ Mental Health Victoria (2021) National Disability Employment Strategy: response to consultation paper, p.7, <https://engage.dss.gov.au/wpcontent/uploads/2021/05/MHV-submission-National-Disability-Employment-Strategy.pdf>



Services Assessment with the Personal and Social Performance Scale or similar instrument to more accurately assess the employability of participants with mental illness.”²⁰

Improvements to these streaming and assessment tools would improve referral of people with psychosocial disability to the right level of support, and provide more accurate job capacity assessments.

Mental Health Australia has also received feedback that there is significant room for improvement in streamlining employment assessment processes, where the booking system is convoluted, and there are often delays in availability.

Recommendation 2: Improve identification and accuracy of assessment of people with psychosocial disability entering employment support, as recommended by the Productivity Commission inquiry into mental health.

The Consultation Paper also discusses moving from a deficit-based model to a strengths-based approach to assessments for disability employment support. Mental Health Australia supports a strength-based approach, as an inherent element of best-practice recovery-oriented mental health care. This will require the new assessment process to both identify participant’s individual strengths, skills and goals, while also ensuring people are appropriately referred to the level of support required.

A strengths-based assessment approach will mean little however if this is not continued through to service delivery. A large survey of prospective DES participants found that in relation to choosing a DES provider, participants rated looking for a provider who would “recognise my strengths” as the most important factor.²¹ When asked about the supports they wanted from a DES provider, prospective participants with psychosocial disability rated “support me to feel confident in my ability” most highly (followed by “provide me with support when I have a job” and “offer suggestions about what sort of work I might be good for”). These findings indicate the importance of a strengths-based approach across the employment support journey.

Recommendation 3: Incorporate a strengths-based approach systemically across the disability employment journey from assessment to service delivery.

²⁰ Productivity Commission (2020) *Mental Health*, p.939

²¹ Devine, A., Vaughan, C., Kavanagh, A. *et al.* ‘I’m proud of how far I’ve come. I’m just ready to work’: mental health recovery narratives within the context of Australia’s Disability Employment Services. *BMC Public Health* 20, 325 (2020). <https://doi.org/10.1186/s12889-020-8452-z>



3. What employment services and supports would most help people with disability?

People living with psychosocial disability in receipt of DSP have previously told Mental Health Australia about the support they would need to find and maintain a job, their advice included:²²

- access to better quality, coordinated mental health care and support
- a supportive and understanding employer/work environment with appropriate adjustments
- leave entitlements that are sufficiently flexible to accommodate the need to take time off frequently and unpredictably
- support from a mentor or peer-worker
- access to appropriate education and training with support to stay engaged
- a reduction in stigma and a belief that colleagues will accept people with lived experience of mental illness.

These principles are further elaborated upon throughout this submission. In particular, Mental Health Australia wishes to highlight three aspects of employment services which could most help people with psychosocial disability; person-centred support, integrated employment and mental health services, career development and peer support.

Person-centred employment support

For employment support services to be most effective, people need to be at the centre of decisions about their own life. Most of the evidence about what works in employment services is grounded in the understanding that if people do not want to participate in particular types of work or employment settings, the chances of sustaining employment are greatly diminished.²³ Meaningful employment opportunities which are matched to the skills, circumstances and interests of the employee are more likely to succeed and result in people remaining in employment.

Like everyone, people with a psychosocial disability have personal employment goals, employment preferences and particular needs. Further, people with psychosocial disability who have other diverse identities and experiences (such as relating to gender, age, sexuality, cultural background and where they live) often experience compounding barriers to accessing and maintaining adequate employment.²⁴ As such, the new Disability Employment Support model must provide a framework in which providers have the flexibility

²² National Mental Health Consumer & Carer Forum and Mental Health Council of Australia (2014). *Making the Welfare System Work for Mental Health Consumers & Carers*. p.40

https://mhaustralia.org/sites/default/files/docs/mhca_-_submissions_-_adjacent_systems_-_mcclure_review_of_the_welfare_system_-_mhca_august_2014.pdf

²³ Mental Health Australia (previously Mental Health Council of Australia) (2007). *Let's get to work: A National Mental Health Employment Strategy for Australia*. Retrieved 10 September 2020 from https://mhaustralia.org/sites/default/files/imported/component/rsfiles/employment/Let_s_Get_To_Work_Employment_Strategy.pdf.

²⁴ Mental Health Australia (2020) *Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability: Submission to Issues Paper – Employment*.

https://mhaustralia.org/sites/default/files/docs/submission_-_royal_commission_into_violence_abuse_neglect_and_exploita.pdf



and resources to work with participant's individual strengths, limitations and circumstances, and provide services that support their specific needs and goals.

The current DES model supports person-centred, flexible services to some extent, but is limited by the restrictive funding and performance framework. As one specialist mental health DES provider has expressed, "the expectation of differing support models within a singular performance framework is flawed and misguided with the objective of the DES program in direct conflict with the program design and measurement."²⁵ As discussed below, the new DES model could support more flexible, person-centred services through a funding model that better recognises the differing levels of support required for participants with varying complexity of needs, provides incentives for continued engagement to support participant career development, and includes greater recognition of non-vocational goals and outcomes.

The current funding and performance framework model is very heavily weighted towards employment placement outcomes, which limits providers' ability to provide intensive individualised pre-employment support. There are also disincentives for person-centred support. For example where a participant ceases a job placement due to a period of illness, a provider would receive more funding for placing them in a new placement, rather than supporting the participant to re-engage with the previous employer, which in many instances would be less disruptive for the participant.²⁶

Australian research also suggests that time from referral to commencement with an employment support program is associated with job tenure.^{27 28} A future disability employment support model could be made more person-centred, and support longer-term job outcomes, through prioritising immediate engagement with referred participants. This could require systemic changes to support realistic case loads to maintain availability of providers, and incentives for providers to engage early with referrals.

Person-centred supports also means provision of ongoing post-placement support. The importance of ongoing support for many people with psychosocial disability is reflected in the higher proportion of people with 'psychiatric' disability in the DES Employment Support Services ongoing support program. One study found that 3.5 years after employment support participants with psychosocial disability had commenced a job placement, 71% of participants who continued receiving employment support remained employed, compared to 28% of those who discontinued support.²⁹ Continuing accessibility of post-placement support is a vital component then of disability support services. This is also particularly important for participants with psychosocial disability whose support needs can vary over time with episodic and fluctuating symptoms of mental health conditions.

²⁵ Cotton, R. (2019). *How People with a Mental Illness in Disability Employment Services are Predisposed to Failure: Discussion Paper*. Queensland: Worklink . p4

²⁶ Cotton, R. (2019). *How People with a Mental Illness in Disability Employment Services are Predisposed to Failure: Discussion Paper*. Queensland: Worklink .p4

²⁷ Chang L, Douglas N, Scanlan JN, Still M. Implementation of the enhanced intersectoral links approach to support increased employment outcomes for consumers of a large metropolitan mental health service. *British Journal of Occupational Therapy*. 2016;79(11):643-650. doi:**10.1177/0308022616638673**

²⁸ Scanlan JN, Feder K, Ennals P, Hancock N. Outcomes of an individual placement and support programme incorporating principles of the collaborative recovery model. *Aust Occup Ther J*. 2019 Aug;66(4):519-529. doi: 10.1111/1440-1630.12580. Epub 2019 May 28. PMID: 31134658.

²⁹ McHugo, G.J., Drake, R.E., & Becker, D.R. (1998). *The durability of supported employment effects*. *Psychiatric Rehabilitation Journal*, 22(1), 55-61



Recommendation 4: Support person-centred employment supports through greater flexibility in the funding and performance framework, early engagement with participants, and availability of long-term post-placement support.

Integrated employment and mental health supports

Australia's current mental health and employment support systems operate largely independently, leading to service gaps and competing priorities for clients of both services.³⁰ This lack of integration is also associated with less effective employment services, as "there is growing evidence that effective integration of employment and mental health services is critical in differentiating more effective services from less effective services".³¹

Integrated mental health and employment services is a feature of the Individual Placement and Support (IPS) model of supported employment for people with psychosocial disability. IPS has 8 principles:³²

- 1) Competitive employment – open employment with fair wages
- 2) Systematic job development – relationship building with employers
- 3) Rapid job search – immediate job search and contact with employer within 30 days
- 4) Integrated services - IPS programs are integrated with mental health treatment
- 5) Benefits planning – support to access personalised information on social security and any impacts related to employment
- 6) Zero exclusion – participants are not excluded on the basis of readiness, diagnoses, symptoms etc.
- 7) Time-unlimited supports - job supports are individualised and continue for as long as each worker wants and needs, with at least monthly face to face contact
- 8) Worker preferences - IPS program services are based on each job seeker's preferences and choices rather than the employment specialist's judgments.

The Productivity Commission inquiry into mental health found that "trials and meta-analyses in Australia and abroad have shown that the IPS model outperforms conventional approaches, with superior vocational outcomes (greater employment of participants) and non-vocational results (improved mental health leading to reduced need for healthcare). The effects are often large — sometimes with employment rates of the order of 40 percentage points greater than conventional programs".³³

Research comparing the outcomes of a DES program for people with mental illness in NSW before and after the service incorporated IPS practices, found that job commencement outcomes increased significantly after IPS incorporation (67.6% compared to 56.1%).³⁴ Another study in Queensland found a trial involving a formal partnership between a state-funded adult mental health service and a DES provider, was more effective in achieving

³⁰ Cotton, R. (2019).

³¹ King, R., Waghorn, G., Lloyd, C., McLeod, P., McMha, T. & Leong, C. (2006) 'Enhancing employment services for people with severe mental illness: the challenge of the Australian service environment', *Australian and New Zealand Journal of Psychiatry* 40, p.474, <https://core.ac.uk/reader/15011460>

³² IPS Employment Centre (2022) *The 8 principles of IPS*, <https://ipsworks.org/index.php/what-is-ips/>

³³ Productivity Commission (2020), Mental Health, Report no. 95. p.947.

<https://www.pc.gov.au/inquiries/completed/mental-health/report>

³⁴ Parletta, V. A & Waghorn, G. (2016) 'The financial viability of evidence-based supported employment for people with mental illnesses in a blended funding system' *Journal of Vocational Rehabilitation*, 44(2), pp227-241, DOI: 10.3233/JVR-150793



employment outcomes for participants than simple referral to DES providers operating independently.³⁵

Analysis indicates government investment in IPS programs could generate a return of \$1.80 for every dollar invested in the short term, and \$2.30 in the long term.³⁶ The effectiveness and economic impact of disability employment services could be significantly increased then through greater incorporation of IPS practices.

A principle which merits particular attention is integration of employment and mental health services, where integration “has been found to be the single variable that best differentiates more and less effective programs across a range of services”.³⁷

Internationally, integration of mental health and employment services has typically been undertaken through co-location of services or full integration with structural links, though integration could also be enhanced through formal communication structures.³⁸

Implementation of an ‘enhanced intersectoral links’ approach to mental health and DES service integration in Australia was found to produce employment placement outcomes comparable to international IPS programs.³⁹ While this is promising, duration of employment for participants in this program was relatively low and so requires further consideration.

Currently in Australia, the IPS program is delivered through direct employment of IPS specialists through Orygen and headspace youth mental health services. Further, the Australian Government has provided \$5.7million in the 2021-22 Federal Budget for limited expansion of the IPS program through trialling the program in two Head to Health adult mental health centres and vocational peer support workers in two headspace IPS sites.⁴⁰ The experiences of these service integrations should inform further integration of the new disability employment support model with mental health services for people with psychosocial disability.⁴¹

There are also some partnerships and secondments between mental health specialist DES providers and community mental healthcare services, including state and territory government-funded mental health services.^{42 43} However, the benefits of such partnerships for DES providers can be constrained by lack of availability of mental health services to support DES clients. The landscape of mental health services which DES providers might

³⁵ Waghorn G, Dias S, Gladman B, Harris M, Saha S. A multi-site randomised controlled trial of evidence-based supported employment for adults with severe and persistent mental illness. *Aust Occup Ther J*. 2014 Dec;61(6):424-36. doi: 10.1111/1440-1630.12148. Epub 2014 Oct 4. PMID: 25284162.

³⁶ KPMG and Mental Health Australia (2018) *Investing to Save*, https://mhaustralia.org/sites/default/files/docs/investing_to_save_may_2018_-_kpmg_mental_health_australia.pdf p40

³⁷ King et al. (2006) p.474

³⁸ King, R., Waghorn, G., & Lloyd, C. (2006) ‘Enhancing Employment Services for People with Severe Mental Illness: The Challenge of the Australian Service Environment’ *Australian & New Zealand Journal of Psychiatry*, 40, pp.471-477 doi.org/10.1080/j.1440-1614.2006.01824.x

³⁹ Chang L, Douglas N, Scanlan JN, Still M. Implementation of the enhanced intersectoral links approach to support increased employment outcomes for consumers of a large metropolitan mental health service. *British Journal of Occupational Therapy*. 2016;79(11):643-650. doi:10.1177/0308022616638673

⁴⁰ Department of Health (2021) *2021-22 Budget Department of Health Stakeholder Kit*, p3 <https://www.health.gov.au/sites/default/files/documents/2021/05/budget-2021-22-stakeholder-pack.pdf> p3

⁴¹ Killackey, E., & Waghorn, G. (2008). ‘The challenge of integrating employment services with public mental health services in Australia: Progress at the first demonstration site.’ *Psychiatric Rehabilitation Journal*, 32(1), pp.63–66. doi.org/10.2975/32.1.2008.63.66

⁴² Productivity Commission (2020), *Mental Health*, Report no. 95. p.947. <https://www.pc.gov.au/inquiries/completed/mental-health/report>

⁴³ Waghorn, G., Killackey, E., Dickson, P., Brock, L., & Skate, C. (2020). Evidence-based supported employment for people with psychiatric disabilities in Australia: Progress in the past 15 years. *Psychiatric Rehabilitation Journal*, 43(1), 32-39. <http://dx.doi.org/10.1037/prj0000370>



partner or integrate with has also undergone significant change in transition to the NDIS. While MBS-funded mental health care may be supportive for DES participants with psychosocial disability, these services are not sufficient for many people with psychosocial disability, are cost-prohibitive and often have very long wait times. Further, provided by individual practitioners, these services would not integrate easily with DES.

Innovative ways to support integration of mental health and employment services could include incentives for DES providers supporting people with psychosocial disability to develop formal communication structures with local mental health services; additional resourcing for specialist mental health DES providers to hire mental health professionals to support participants who do not have existing connections with mental health services; outcome payments for mental health service providers who support clients with psychosocial disability into employment placements; and consideration of participation in IPS programs through youth or adult mental health hubs as meeting Mutual Obligation Requirements.

Recommendation 5: Facilitate greater integration of disability employment support services with mental health services.

Career development

When Australia ratified the United Nations Convention on the Rights of Persons with Disabilities (CRPD) in 2008, the Australian Government committed to “recognize the right of persons with disabilities to work, on an equal basis with others” and safeguard and promote the realisation of this right including by “Promot[ing] employment opportunities and career advancement for persons with disabilities in the labour market, as well as assistance in finding, obtaining, maintaining and returning to employment”.⁴⁴

However, the current DES model is focused on job placement in and of itself, rather than further consideration for career advancement of participants. This can reinforce rather than address discrimination and low expectations for people with disability. The future DES model should include incentives for providers to support ongoing career advancement of DES participants, where participants choose this. This could include development of career plans, and engagement with DES participants beyond job placement to support search for further job opportunities in a participant’s preferred occupation or with better conditions.

Recommendation 6: Include incentives for providers to support ongoing career advancement of disability employment support participants, where participants choose this.

Peer worker support

Peer workers are people who have lived experience of mental health issues themselves or have cared for someone with mental health issues, and are employed specifically for their expertise developed from this lived experience as a mental health consumer or a carer.⁴⁵

As the Australian Government has previously acknowledged, “peer workers play an important role in building recovery-oriented approaches to care, providing meaningful

⁴⁴ United Nations General Assembly (2008). Convention on the Rights of People with Disabilities. New York: UN

⁴⁵ National Mental Health Consumer & Carer Forum (nd) *Submission in response to the Productivity Commission Inquiry into Mental Health*, https://www.pc.gov.au/__data/assets/pdf_file/0003/241248/sub476-mental-health.pdf p3



support to people and model[...] positive outcomes from service experiences. However, the peer workforce is sporadically utilised and poorly supported.”⁴⁶

Research of the integration of peer workers in employment support for people with psychosocial disability has found that peer workers assisted participants to feel safe and understood, and provided a positive influence in supporting their pathways through to further education and employment.^{47 48} Evaluation of an Australian IPS program for young people including vocational peer workers found the program achieved strong outcomes, with 48% of participants placed into work and 55% achieving a 26 week outcome.⁴⁹

Vocational peer workers can support people with psychosocial disability to develop employment skills, and bring a unique understanding of the challenges experienced by participants with mental ill health engaging in employment.⁵⁰ Vocational psychosocial peer workers could be incorporated into the future disability employment support model to further support the significant number of participants with psychosocial disability.

Recommendation 7: integrate vocational peer workers into disability employment support services.

How can people receiving disability employment services also be supported to address other barriers to employment?

As outlined above, employment services for people with psychosocial disability can increase in effectiveness by integrating with and supporting access to mental health services. Access to appropriate mental health supports is an essential aspect of addressing barriers to employment for people with psychosocial disability.

While the Employment Assistance Fund may be used to purchase supports for people with disability to participate in work, anecdotal feedback indicates it is not being used to the extent possible for people with psychosocial disability. The use of this fund to purchase mental health and other supports for people with psychosocial disability should be clear and promoted.

Recommendation 8: Promote use of Employment Assistance Fund to purchase employment participation supports for participants with psychosocial disability.

Further, stigma and discrimination remain some of the greatest barriers to employment participation of people with mental illness.⁵¹ Unfortunately, employment service providers

⁴⁶ Department of Health. (2017). The Fifth National Mental Health and Suicide Prevention Plan, p45

⁴⁷ 42. Ellison ML, Klodnick VV, Bond GR, Krzos IM, Kaiser SM, Fagan MA, et al. Adapting supported employment for emerging adults with serious mental health conditions. The journal of behavioral health services & research. 2015;42 (2):206-22.

⁴⁸ Cohen DA, Klodnick VV, Stevens L, Fagan MA, Spencer ES. Implementing Adapted Individual Placement and Support (IPS) Supported Employment for Transition-Age Youth in Texas. Community mental health journal. 2020;56 (3):513-23.

⁴⁹ Orygen (2020) *Policy Briefing: Individual Placement and Support*, <https://www.orygen.org.au/Policy/Policy-Areas/Employment-and-education/Employment/Individual-placement-and-support>

⁵⁰ Orygen (2020) *Policy Briefing: Individual Placement and Support*, <https://www.orygen.org.au/Policy/Policy-Areas/Employment-and-education/Employment/Individual-placement-and-support>

⁵¹ National Mental Health Commission. (2012). *A Contributing Life: the 2012 National Report Card on Mental Health and Suicide Prevention*. Canberra: NMHC.



have reported employers have been reluctant to take on DES clients with psychosocial disability due to employers' limited understanding of mental ill-health.⁵²

Research has found that DES workers supporting people with psychosocial disability who attain greater employment outcomes often also work with employers to address stigma. This can include conversations with employers to increase understanding about mental illness and address erroneous beliefs prior to placing a job-seeker in employment there, as well as information specific to particular clients' experiences and workplace accommodations.⁵³

Recommendation 9: Australian Government and disability support providers proactively work to address stigma and discrimination related to mental illness amongst potential employers.

Many people experience stigma related both to mental ill-health and to other aspects of their lives. For example, people with mental ill-health and who belong to First Nations,⁵⁴ LGBTIQ+⁵⁵ and culturally and linguistically diverse⁵⁶ communities in Australia can be exposed to multiple forms of stigma and discrimination which can further impact on their mental health. As such, it is crucial that representatives from diverse communities are included in the design of the new disability employment support model, to ensure the model addresses rather than furthers intersectional stigma and discrimination.

Recommendation 10: Ensure representatives of diverse and priority population groups are included in the design of the new disability employment support model.

A further significant barrier to employment for many people with psychosocial disability is lack of access to affordable housing.⁵⁷ Appropriate housing is the critical foundation for people to participate in society, contribute economically, and recover and maintain mental health. However, many people with psychosocial disability do not have access to adequate housing.⁵⁸ Where housing insecurity perpetuates high use of other costly government services, provision of supported housing has been found to save governments overall.⁵⁹ Mental Health Australia recommends the Australian Government increase availability of housing options, including supported housing for people with psychosocial disability, as a priority in addressing barriers to employment.⁶⁰

⁵² Mental Health Australia (prev. Mental Health Council of Australia). (2012) *PHaMs Employment and Mental Health Workshop, Report of key issues and themes*.

⁵³ King, J., & Waghorn, G. (2018). How Higher Performing Employment Specialists Engage and Support Job-seekers with Psychiatric Disabilities. *Journal of Rehabilitation*, 84(2), 48-56. www.proquest.com

⁵⁴ Ferdinand, A., Paradies, Y., & Kelaheer, M. (2013). Mental Health Impacts of Racial Discrimination in Victorian Aboriginal Communities: The Localities Embracing and Accepting Diversity (LEAD) Experiences of Racism Survey. <https://dro.deakin.edu.au/eserv/DU:30058482/paradies-mentalhealthimpacts-2013.pdf>

⁵⁵ LGBTIQ+ Health Australia. (2021). Snapshot of mental health and suicide prevention statistics for LGBTIQ+ people. <https://www.lgbtiqhealth.org.au/statistics>

⁵⁶ Ferdinand, A., Paradies, Y., & Kelaheer, M. (2015). Mental health impacts of racial discrimination in Australian culturally and linguistically diverse communities: a cross sectional survey. *BMC Public Health*. 15(401)

⁵⁷ Devine, A., Vaughan, C., Kavanagh, A. et al. 'I'm proud of how far I've come. I'm just ready to work': mental health recovery narratives within the context of Australia's Disability Employment Services. *BMC Public Health* 20, 325 (2020). <https://doi.org/10.1186/s12889-020-8452-z>

⁵⁸ Brackertz, N., Borrowman, L., Roggenbuck, C. Pollock, S. & Davis, E. (2020). Trajectories: the interplay between mental health and housing pathways. Final research report, Australian Housing and Urban Research Institute Limited and Mind Australia, Melbourne. <https://www.ahuri.edu.au/housing/trajectories>; Productivity Commission (2020). Mental Health: Productivity Commission Inquiry Report: Volume 3, Canberra, pp.1001-2, <https://www.pc.gov.au/inquiries/completed/mental-health/report/mental-health-volume3.pdf>

⁵⁹ Parsell, C., Petersen, M. & Culhane, D. (2017). Cost Offsets of Supportive Housing: Evidence for social work. *British Journal of Social Work*, 47(5), pp.1534-1553

⁶⁰ Mental Health Australia (2021) *Housing and mental health*, <https://mhaustralia.org/general/mental-health-australia-position-statement-housing-and-mental-health>



4. What employment services and supports would most help young people?

Education continues to be important across the lifespan, but is critically important for young people in establishing employment pathways and careers.⁶¹ Where the majority of mental health problems emerge before 25 years of age,⁶² experience of mental ill health can significantly disrupt education participation. Research indicates lower rates of educational attainment for young people with experience of mental ill health.⁶³ As such “educational support is particularly important for the long-term employment health of this age group”,⁶⁴ and should be a key part of supporting young people with psychosocial disability towards a range of meaningful employment and career options.

A recent study by Orygen found adapting IPS for education support is feasible and effective, with 95 per cent of participants successfully completing the intervention.⁶⁵ The trial of IPS in headspace centres funded by the Department of Social Services also included both education and employment outcomes. Similarly, the new disability employment services model should support educational attainment for young participants, focussing equally on education and career development.

Recommendation 11: Provide education attainment support for young people accessing disability employment services, alongside career and employment support.

Options to engage with services digitally, often which compliment face to face service delivery, can enhance engagement amongst young people.⁶⁶ Emerging international and Australian research exploring how IPS programs can be augmented with technology-based tools suggests use of technology could address some barriers to engagement with employment services.⁶⁷ A trial of a Youth Online Training and Employment System is also currently underway in Australia.⁶⁸

While increasing options to engage digitally can enhance service engagement amongst some cohorts, many younger and older Australians do not have access to the technology required, cannot afford to use it, or do not have the skills to engage with services digitally.⁶⁹

⁶¹ Orygen (2020) *Policy Briefing: Individual Placement and Support*, <https://www.orygen.org.au/Policy/Policy-Areas/Employment-and-education/Employment/Individual-placement-and-support>

⁶² Blackdog Institute (2022) *Youth mental health*, <https://www.blackdoginstitute.org.au/research-areas/youth-mental-health/>

⁶³ Orygen (2020) *Policy Briefing: Individual Placement and Support*,

⁶⁴ Orygen (2020) *Policy Briefing: Individual Placement and Support*, p7

⁶⁵ Killackey E, Allott K, Woodhead G, Connor S, Dragon S, Ring J. Individual placement and support, supported education in young people with mental illness: an exploratory feasibility study. *Early intervention in psychiatry*. 2017;11 (6):526-31

⁶⁶ Orygen (2019) *Clinical practice in digital technology and youth mental health*.

<https://www.orygen.org.au/Training/Resources/digital-technology/Clinical-practice-points/The-digital-age-Does-digital-technology-work-in-y/orygen-the-digital-age-and-YMH-CPP-2019?ext=>.

⁶⁷ Orygen (2020) *Policy Briefing: Individual Placement and Support*, p7

⁶⁸ Simmons MB, Nicholas J, Chinnery G, O'Sullivan S, D'Alfonso S, Bendall S, Cagliarini D, Hamilton M, Gleeson J, Killackey E, Alvarez-Jimenez M. The youth online training and employment system: Study protocol for a randomized controlled trial of an online vocational intervention for young people with mental ill health. *Early Interv Psychiatry*. 2021 Dec;15(6):1602-1611. doi: 10.1111/eip.13100. Epub 2021 Jan 10. PMID: 33426790.

⁶⁹ Thomas, J, Barraket, J, Wilson, CK, Holcombe-James, I, Kennedy, J, Rennie, E, Ewing, S, MacDonald, T, 2020, *Measuring Australia's Digital Divide: The Australian Digital Inclusion Index 2020*, RMIT and Swinburne University of Technology, Melbourne, for Telstra.



As such, services must continue to be available through face-to-face delivery while digital enhancements are considered to ensure ongoing equity of access.

Recommendation 12: Consider augmentation of disability employment support services through technology to improve participant engagement, particularly amongst young people.

5. What support do employers need to attract, employ and retain people with disability?

Mental Health Australia commends the Australian Government's consideration of how to support employers to attract, employ and retain people with disability. There is a considerable body of evidence and resources to support employers to create mentally healthy workplaces,⁷⁰ and Mental Health Australia has previously written about how employers can improve workplace support and retention for people with psychosocial disability.⁷¹

As discussed above, proactive engagement to address stigma and increase employers' understanding of mental illness and disability are important to increasing employment outcomes for people with psychosocial disability. This could involve challenging poor expectations of people with psychosocial disability, and focusing on the capabilities and contributions of people with disability. Post placement support offered through DES is a key factor supporting retention of DES participants, and this support could be a key 'selling point' to employers.

Wage subsidies are also an important lever of the Australian Government for supporting increased employment of disability employment support participants. The DES wage subsidy should be reviewed to maintain pace with modern wages, and could include further incentives to reward employers who provide opportunities for disability employment support participants who have been long term unemployed or with irregular employment history. Beyond these short-term wage subsidies, the Australian Government could further support employment rates of people with disability through tax incentives for ongoing employment of disability employment support participants.

Recommendation 13: Promote employment and retention of people with disability through ensuring wage subsidies are kept up to date and provide tax-incentives for ongoing employment of disability employment support participants.

⁷⁰ Heads up: *Better Mental health in the workplace*, The Mentally Healthy Workplace Alliance and Beyond Blue, <https://www.headsup.org.au/>

⁷¹ Mental Health Australia (2020) *Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability: Submission to Issues Paper – Employment*. Retrieved https://mhaustralia.org/sites/default/files/docs/submission_-_royal_commission_into_violence_abuse_neglect_and_exploita.pdf



6. How do we best tailor mutual obligation requirements to increase the likelihood of people with disability finding work in the future?

The current mutual obligation requirements (MORs) place further stress on jobseekers and administrative burden on DES providers and employers. Recent research indicates the vast majority (79%) of a sample of people receiving income support believe the mutual obligation activities are pointless, though most (75%) want to do activities that are fair and would lead to work.⁷²

The recent suspension of mutual obligation requirements due to the COVID-19 pandemic offers insights into the impacts of these requirements. While suspension of requirements was a welcome measure to support people with disability during pandemic disruptions, Mental Health Australia has received feedback from a provider that momentum with clients was lost and took significant time to rebuild, where participants ceased contact. Maintaining minimum contact may then improve continuity of service in future.

People experiencing mental ill health may be particularly negatively impacted by ill-fitting mutual obligation requirements. The Productivity Commission found that “there are good grounds to be much more cautious from a policy perspective in implementing stringent MORs for people with pre-existing mental illness, as sound reasons and plausible evidence suggest this could aggravate their illness and increase distress”.⁷³

While engaging in employment is a goal for many people with psychosocial disability, it is only one element of what ‘meaningful and contributing activity’ can look like.⁷⁴ While education is an acceptable activity for some employment programs, there needs to be greater scope for recognition of other meaningful and contributing activities, such as caring or volunteering. Many disability employment support participants with psychosocial disability may also prefer to increase their employment hours gradually, while introducing strategies to maintain their wellbeing while adjusting to employment, which is not appropriately catered for in the current MOR and DES model.

Mental Health Australia supports the Productivity Commission’s recommendation for greater flexibility in mutual obligation requirements through improved Job Plans, broadening the scope of activities that count towards MOR and increasing participants’ choice about the activities they undertake.⁷⁵ The Productivity Commission found such increased flexibility would likely be beneficial for all participants, not just those with psychosocial disability.

Recommendation 14: Implement the Productivity Commission’s recommendation for greater flexibility in Mutual Obligation Requirements, to better accommodate the range of participants’ goals and capacities.

⁷² Anglicare Australia (2021) Asking those who know: A study of Australians on Centrelink payments. Anglicare Australia: Canberra <https://www.anglicare.asn.au/wp-content/uploads/2021/11/Asking-Those-Who-Know-Final-Report.pdf>

⁷³ Productivity Commission (2020), Mental Health, Report no. 95. p.942.

⁷⁴ Gye, B. (2019). *Submission to the NDIS Participant Employment Taskforce*. Sydney: Community Mental Health Australia.

⁷⁵ Productivity Commission (2020), Mental Health, Report no. 95. p.944.
<https://www.pc.gov.au/inquiries/completed/mental-health/report>



7 & 8. How can funding arrangements incentivise good work outcomes? How do we drive high quality services and supports?

As outlined above, people with psychosocial disability can experience severe limitations and barriers to employment,⁷⁶ and as such might expect to receive intensive support services through DES equivalent to the level of challenges they face. However, as reported by participants with psychosocial disability, this not everyone's experience. Participants have also commonly pointed to feeling that their DES provider does not understand their psychosocial disability.

Similarly, specialist mental health DES providers have critiqued the one-size-fits-all funding and performance framework, as too skewed towards particular employment outcome payments, and under-resourcing providers to support people with complex needs. While incentivising outcomes is generally positive, the current model does not adequately support the level of service required for people with complex needs to support job placement. While general providers can cherry-pick clients, specialist mental health providers are dedicated to working only with clients with psychosocial disability. For clients facing complex challenges, it can take a long time of support before a job placement. Differences in supporting clients with more or less complex needs should be reflected in the new disability employment support performance framework and funding model.

Where the evidence-supported IPS model operates on the basis of time-unlimited supports, the DES model places restrictions on support. This limits the capacity of employment providers to develop trusted relationships with participants, which is particularly important in working with people with psychosocial disability, and support participants to address other barriers to employment, such as through linking with housing or mental health services.⁷⁷

The future DES model should better account for the variation in needs across the DES cohort, recognising the more intensive service required for participants with complex needs, and goals that are achieved other than employment placement. The model could be improved through appropriate weighting for pre-employment support services for DES participants with complex needs, and better balancing of outcome payments with funding for pre and post-employment support. This could include payments to recognise goals achieved with participants other than employment placement.

Recommendation 15: Reform the disability employment support funding and performance model to better facilitate intensive supports for participants with complex needs, through greater emphasis on pre- and post-placement support, and non-vocational outcomes.

⁷⁶ Australian Bureau of Statistics (2020). *Psychosocial disability*.
<https://www.abs.gov.au/articles/psychosocial-disability>

⁷⁷ Cotton, R. (2019). *How People with a Mental Illness in Disability Employment Services are Predisposed to Failure: Discussion Paper*. Queensland: Worklink . p4



9. How do we measure success?

Fundamentally, the success of DES is reflected in the rate and quality of employment (and non-vocational) outcomes for people with disability. As discussed above, measures of success for DES should move beyond placement in any job, to consider alignment of job placements with DES participants' individual goals and career development. Achievement of non-vocational goals such as community engagement and work-readiness should also be recognised.

Conclusion

Design of the future disability employment support model is an opportunity to address shortcomings of the current DES model and fundamentally improve the employment rate and career outcomes for Australians with disability. Mental Health Australia calls on the Australian Government to implement evidence-based employment support practices to increase employment for people with psychosocial disability, through the recommendations outlined in this submission, via:

- a funding and performance framework that supports person-centred supports and recognises differences in support required for participants with complex needs
- systemic facilitation of integration of employment and mental health services
- career development support
- proactive work to address stigma and discrimination.

Research has found that DES employment outcomes for participants with psychosocial disability can be improved through integration of evidence-based practices as outlined in this submission. Systemic changes in the new disability support model should ensure all Australians with psychosocial disability have access to such effective employment support.



Mental Health Australia



Mentally healthy people,
mentally healthy communities

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