

DEPARTMENT OF SOCIAL SERVICES

New Disability Support Employment Model

Joint submission from:

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Introduction

About Scope

Scope (Aust) Ltd ("Scope") is a leading provider of services to people with disability and one of the largest not-for-profit organisations in Australia. Our origins stretch back to 1948, when a group of parents who wanted better lives and opportunities for their children with disability established the Spastic Children's Society of Victoria.

Today, we support more than 7,000 people with complex intellectual, neurological, physical and multiple disabilities.

Scope's mission is to enable each person we support to live as an empowered and equal citizen. Our commitment is to work with and advocate for people with the most complex support needs, to promote and support access to mainstream services, and to build inclusive communities for all.

Scope services, delivered across metropolitan and regional Victoria – and now NSW – include accommodation, therapy and communication access. Our innovative Customised Employment program delivers personalised pathways to long-term jobs.

Scope has been active in research for more than 30 years. As part of our commitment to research-led and evidence-informed policy and practice, we have a long-term partnership with the University of Melbourne.

About Disability Services Australia

Disability Services Australia ("DSA") has a formidable record of providing employment and employment supports for people with disability. Founded in 1957 by a group of parents to create employment opportunities for their children with disability, employment is at the core of DSA's DNA.

DSA operates Disability Employment Services (DES), supported employment services (ADEs) and School Leaver Employment Support Services (SLES).

Our ADEs employ 500 people with disability, providing a range of packaging and logistics services to many well-known national and international brands. The majority of our supported employees have more complex support needs than the traditional DES cohort, but they have demonstrated that with effective support they are productive members of the workforce.

Our experience supporting people with disability to achieve their employment aspirations has demonstrated time and again that the key to achieving sustainable employment requires individualised and customised support. This support is required prior to commencing work, through to placement in a job and continuing until such time as they achieve a degree of confidence and independence in the workplace.

This is just as applicable to employers with respect to confidence and capability to support a person with disability in the workplace.

From Monday 13 December 2021, DSA became a wholly owned subsidiary of Scope (Aust) Ltd. and the second largest NDIS provider in Australia.

Our approach

We are making a joint submission based around our shared values and complementary support offerings. Please note that all subsequent references to "we" or "our" throughout this submission refer jointly to Scope and DSA.

This submission is structured around what we describe as the disability employment ecosystem. Our approach is to articulate principles that should underpin any future DES model rather than providing a detailed description of what needs to change. While we have responded to several of the questions from the consultation paper within the body of the submission, our response is based on collective learnings across Scope and DSA and informed by the experience and views of people we support to achieve their employment aspirations.

There are several recommendations provided throughout the submission and these are consolidated in the attached appendix.

Disability employment ecosystem

Current state

Australia's disability economic participation models have not facilitated the employment of people with disability at scale in Australia – the disturbing reality is that labour force participation for people with disability in Australia has remained relatively static over the past twenty years. While the disability employment landscape has changed fundamentally since the introduction of the NDIS, the disparate programs ostensibly designed to support people with disability into sustainable employment and long-term careers lack a cohesive approach to addressing individual needs.

Prior to the introduction of the NDIS, Disability Employment Services (DES) were the predominant service to assist people with disability attain and maintain employment in the open labour market. Yet the effectiveness of the DES system is somewhat mixed, with certain cohorts achieving considerably poorer outcomes than others. Usually, this is attributable to the varying and unique support needs of some people with disability that are not able to be met by the DES system. Moreover, the DES, SLES and ADE programs together have not been able to increase the participation rate of people with disability in employment¹.

The recent endorsement of *Australia's Disability Strategy 2021-2031* by Commonwealth, State and Territory Governments signifies a consolidated effort to increase the economic security of people with disability. This includes targeted action plans and pathways from education to employment. But unless the ecosystem around disability employment is properly geared to enact the *Strategy* then progress will be impeded.

Likewise, the employment support targets adopted by the NDIA represent an opportunity for people with disability to obtain the supports they require to achieve their employment aspirations. This would provide DES jobseekers with complementary supports that have not previously been available. That is not to say that the NDIS should replace DES. Rather, the NDIS has a key role to play in providing the types of supports to jobseekers that the DES system has historically failed to provide.

This will also require consistent improvement in performance against NDIA targets.

Only one in five NDIS participants of working age say that the NDIS has helped them

¹ Smith, P., McVilly, K., Rhodes, P., Pavlidis, L., (2018). Customised Employment: building workforce capacity for and establishing an evidence-based means of achieving the social and economic participation of people with disability. Final Report to the Innovative Workforce Fund. Sydney: Innovative Workforce Fund (IWF).

find a suitable job². Average payments to NDIS participants for employment goals in fact dropped six percent in the six months to 31 March 2021, with utilisation rates falling from 67% to 54%³. Indeed, as of September 2019 with a labour market unaffected by the pandemic, only 1.4% of NDIS supports for people aged 25 or over and 4.2% of supports for people aged 15 to 24 years were for employment.⁴ These figures are disappointingly low, decreasing one percent in both age groups over two years; and this dataset is no longer being reported.

In practice, the NDIS does little to encourage the inclusion of employment goals in participant plans. It disconnects employment support from real jobs and SLES intervenes too late in the school life of young people, while the interface with the DES program is complex to navigate. The low incidence of employment support in the plans of NDIS participants is effectively denying many people with disability a key pathway to the lives they want, limiting people's aspirations and life goals, leading to poor mental health outcomes and a lack of economic independence.

Future state

The future state should emphasise the importance of work readiness, appropriate placement and longer-term retention. This starts with development of the "soft skills" that young people require to participate successfully in the workforce and moves through to employment services tailored to life stage transitions and support. Our experience suggests that the primary factors impacting on successful transition to employment include a lack of aptitude in following instruction, appropriate workplace behaviour, working with others etc, rather than specific task-based skills.

Young people with disability are less likely to test their skills in casual work as teenagers compared to young people without disability. This may in turn delay the process of them defining their career direction through experimentation with interests, capabilities and values⁵. The challenge then is to ensure the disability employment ecosystem creates pathways for people with disability to experience the world of work in an organic way and prepares them for later employment.

This will entail disability services supporting families and educators to introduce the concept of working or volunteering at an earlier age for young people with disability than has been the case. Better links to schools will likewise be important in identifying individuals' interests, strengths and capabilities and understanding how these may connect to potential career ambitions. The circle of support for each young person is also critical to them in shaping their future employment aspirations.

² National Disability Services (2018). *NDIS Essential Issues, Making employment a priority*.

³ Utilisation rates at 31 March 2021 are likely to have been affected by COVID-19.

⁴ NDIS (2017 and 2019). National Dashboard 30 September 2017 and 30 September 2019.

⁵ Shah, S. (2009). Young Disabled People Aspirations Choices and Constraints. Taylor & Francis Group.

McMahon et al. (2020) completed a study involving young, urban Australians aged 18 to 30 with intellectual disability and found that the participants wanted meaningful employment, either on a paid or voluntary basis, which reflected and enhanced their values, capacities and life experiences⁶. Devine et al. (2021), who conducted research with adults engaged with disability employment services, similarly found that volunteering assisted the participants with building self-belief that finding paid employment was a possibility⁷. The clear inference is that people with disability may face barriers to employment because they miss out on work experience at an earlier age.

Such gaps in the disability employment ecosystem could be addressed by facilitating earlier opportunities for people with disability to obtain workplace experience, follow workplace rules, practice workplace communication and work as part of a team. This could be formalised through training in a supportive workplace environment with a blend of practical on-the-job training and instructor-led training according to individual needs. Ideally, the learning program would be delivered in conjunction with major mainstream employers.

In summary, the pathway to employment needs to be approached in a more holistic way and encompass early contact through schools, prior to any engagement with SLES, and more clearly progress to DES or open employment opportunities.

Other important elements of work experience include:

- Undertaking a "discovery" process to establish employment preferences, strengths and requirements
- Having the opportunity to "fail" safely during early workplace experiences and to break the paradigm of "fail until you find the right level for you"
- Making work experience open to all, including people with complex disability.

These elements would be complemented by supports to employers delivered through the revised DES program and include:

Having opportunities to meet with and employ people with disability

⁶ McMahon, M., Moni, K., Cuskelly, M., Lloyd, J., & Jobling, A. (2020). Aspirations held by young adults with intellectual disabilities and their mothers. *Australian Journal of Career Development*, *29*(2), 107–116. https://doi.org/10.1177/1038416220916813

⁷ Devine, A., Dickinson, H., Brophy, L., Kavanagh, A., & Vaughan, C. (2021). 'I don't think they trust the choices I will make.' – Narrative analysis of choice and control for people with psychosocial disability within reform of the Australian Disability Employment Services program. *Public Management Review*, *23*(1), 10–30. https://doi.org/10.1080/14719037.2019.1648700

- Demonstrating practical support techniques in an employment environment (Supported Employment may play a key role in this process)
- Establishing disability confidence e.g., training in specific disability support techniques and workplace modifications
- Linking with government-funded programs that provide statements of attainment and qualifications through a nationally recognised framework
- Employing supplementary support staff who can be embedded within a business in the early stages of employment and only stepping down support incrementally when it is no longer required.

Enabling Australians with complex disability to find and keep meaningful employment that is substantive, well-remunerated and values-aligned remains essential but will only be possible if the interactions between the various elements of the disability employment ecosystem are in harmony.

Recommendations

Facilitate further opportunities for young people with disability to undertake casual work and volunteering as a way of familiarizing them with the world of work.

Formalize the delivery of programs that develop the skill sets of young people and lead to nationally recognized qualifications.

Fund potential employers of people with disability to create work experience opportunities for young people with disability.

DES reform

Historically, the DES system has not been effective in achieving employment outcomes for people with higher intensity and frequency of support needs. More specifically, outcome rates for people with intellectual disability and autism are starkly lower than other cohorts receiving DES services. The most recent published outcomes data⁸ shows that 29.5% of DES jobseekers were in employment after 12 months. This figure also disguises the fact that only 5.8% of these people were employed full-time. While the number of jobseekers using DES has increased by over 100,000 since 2014, this coincides with the period during which 107,000 fewer people received the Disability Support Pension.

The weaknesses of DES are arguably attributable to the star rating performance measurement system that acts a disincentive for providers to support jobseekers with

⁸ Department of Education, Skills and Employment (2019). Employment Services Outcomes Report: Disability Employment Services, January 2018 – December 2018.

the personalised, intensive supports that lead to long-term sustainable employment for people with more complex support requirements. While reconfiguring the current star rating system to incentivise better support for jobseekers may assist with addressing this issue, now is the opportune time to completely re-think disability employment given the evolving support landscape.

The current configuration of DES somewhat replicates other services such as Job Active, particularly the DMS stream. The combination of mutual obligations for jobseekers and a DES contract that drives short term outcomes has failed people with disability who want to work but require more effective support.

Given that the NDIS specifically provides supports for scheme participants, we believe a more effective approach is to align the different functions of DES and the NDIS to support each party in the employment equation. That is, target DES toward empowering employers to employ and support people with disability and leverage NDIS supports to provide the underpinning supports to participants pre- and post-employment to ensure successful and sustainable employment.

Under this proposed model, DES would provide training for employers (e.g., disability awareness, support techniques, job customisation etc); facilitate the on-boarding process (e.g., wage subsidies, SWS assessments, traineeship administration); and coordinate additional support post-placement. This would essentially position DES as a resource for employers and act as the interface between NDIS participants and their current or potential employers.

NDIS would provide:

- Employment exploration and discovery
- Foundation skills support including development of career aspirations
- Pre employment support such as capacity building of foundational skills, strength-based employment planning and work experience placement.

DES would provide pre-employment support to employers as a funded participant support during experience placement. This would initially be funded at a higher rate owing to the dual focus and step down over time as support transitioned to the employer.

Element	Description
Eligibility	 People with complex disability including those in need of higher frequency and intensity support Jobseekers to have a clearly articulated employment goal that does not entail mutual obligation requirements that are catered for under separate, dedicated service streams

Qualitative measures	 Confidence to participate in employment Satisfaction with supports Longitudinal outcomes of capacity building efforts
Success measures	 Increased employment participation rates for people with disability Increased job satisfaction rates for people with disability in the workforce Increased length of tenure in paid employment Increased skill development and capacity building for both employees and employers Increased awareness and confidence of employers Improved reporting against proportion of school students successfully transitioning to employment Increased proportion of NDIS participants with employment supports in their NDIS plan

Recommendation

Modify the DES program to function as the primary interface with and support for employers i.e., vehicle for placement, workplace modifications, disability awareness training etc. while NDIS provides pre- and post-placement support to people with disability.

Innovation/Customised employment

The existing government disability employment programs, in particular DES, need to interact in a more considered way with all aspects of the ecosystem outlined above. We contend that by adopting more innovative and adaptive approaches to disability employment there will be significant improvements in outcomes and overall satisfaction among people with disability and their employers.

Disability employment services and supports need to facilitate an employment journey and build the confidence of people with disability to participate in employment. The journey should enhance the existing strengths of jobseekers and be cognizant of the conditioning that many people with disability receive about employment not being an option for them.

The current imperative of DES contracts often results in unsuitable job placements for providers so that they can meet prescribed performance indicators – and this leads to disillusionment for jobseekers and employers alike.

We believe that one solution would be to integrate the principles of Customised Employment more broadly as part of DES reform.

Customised Employment focuses on building self-determination, enhancing motivation and unlocking the potential of job seekers with disability. For each person, the process considers their environment, interests, skills and abilities, then matches them with employers in their local area.

Customised Employment has four distinct phases:

- the **discovery** phase identifies the person's interest and abilities and develops self-determination
- the **job development** phase conducts an employment, business and cultural scan to find the best fit
- the **job matching** phase focuses on developing relationships and personcentred employment opportunities in partnership with the employer and employee
- the transitional support and coaching phase provides employment transition support post-placement.

Customised Employment is endorsed by the United States Department of Labor and Industry as its preferred means of supporting people with disability to gain and sustain employment. It has been broadly adopted across the United States and evidence demonstrates it is the most successful approach to assisting people with significant disability to participate in the labour force. The extensive evidence base speaks to the effectiveness of Customised Employment in practice.

Several studies reviewed by Inge et al.⁹ report job placements for 60% to 75% of participants across projects involving between 200 and 500 participants. Wehman et al.¹⁰ in a study on employment for 64 adults with autism spectrum disorder, many with intellectual disability, found that 72% of positions were customised. These figures stand in stark contrast to the recent outcomes from DES cited above.

Customised Employment has the potential, following a rigorous validation process, to be adapted and implemented at scale in Australia leading to a more direct pathway to mainstream employment for people with disability. We maintain that the delivery of Customised Employment through the NDIS will ultimately improve overall employment outcomes for people with disability. In the meantime, the idea of facilitating direct connections with employers for jobseekers through Customised Employment could be explored as a way of enhancing DES. National Disability

⁹ Inge, K.J., Graham, C.W., Brooks-Lane, N., Wehman, P. and Griffin, C. (2018). Defining customized employment as an evidence-based practice: The results of a focus group study, Journal of Vocational Rehabilitation 48, pp.155-166.

¹⁰ Wehman, P., Brooke, V., Brooke, A.M., Ham, W., Schall, C., McDonough, J. and Avellone, L. (2016). Employment for adults with autism spectrum disorder: A retrospective review of a customized employment approach. Research in Developmental Disabilities, 53, pp.61-72.

Services has likewise suggested that incorporating the person-centred approach of Customised Employment would benefit the SLES program.¹¹

Recommendations

Incorporate the person-centred approaches from Customised Employment into SLES (as recommended by National Disability Services) and DES programs.

Aim toward the inclusion of Customised Employment as a legitimate and empirically tested item in the NDIS Price Guide by 1 July 2024.

Conclusion

The current review of the Disability Employment Support Model is timely and needed. Timely in that it provides a perfect opportunity to redesign DES to align with the current employment support ecosystem whilst providing a platform to achieve economic security for people with disability as articulated in Australia's Disability Strategy 2021-2031. Needed in that the current design of DES has not achieved an acceptable level of employment outcomes for people with disability.

We urge the Australian Government to seize this opportunity to redesign DES in such a way that it complements existing employment supports under the NDIS; provides clearer delineation from the New Employment Services Model; and encourages future providers of DES services to implement support models that facilitate employment supports customised to the individual needs of people with disability.

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¹¹ National Disability Services. op cit.

Appendix

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Modify DES program to function as the primary interface with and support for employers i.e., vehicle for placement, workplace modifications, disability awareness training etc. while NDIS provides pre- and post-placement support to people with disability.

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Aim toward the inclusion of Customised Employment as a legitimate and empirically tested item in the NDIS Price Guide by 1 July 2024.