



DES Reforms – Consultation on recommendations from recent reviews

Transcript for webinar

[Speaker - Kellie Spence, Group Manager of the Disability Employment Group]

Warm greetings, everyone. I'm Kelly Spence. Group Manager of the Disability Employment Group. I'm your host for today's webinar on Disability Employment Reforms and I thank you for joining us.

Today we have AUSLAN interpreters Alisa and Rebecca joining us and you should be able to see them spotlighted on your screen. You can also access automatically generated live captions through Ms Teams. To turn on live captioning, select 'More Options' from the top of your screen and click 'Turn on live captions'.

Before we begin, I would like to acknowledge the Traditional Owners of the many lands around Australia on which we meet today and pay my respects to all the Elders past, present and emerging. I'm joining you today from the beautiful country of the Ngunnawal and Ngambri peoples.

I would also like to extend that acknowledgment and respect to any Aboriginal and Torres Strait Islander peoples joining us today.

This is one of two identical webinars being presented to seek feedback on some of the recent recommendations made that relate to the Disability Employment Services. Or as many refer to as DES.

This session will be recorded and published along with the transcript. The format will be a presentation for about 40 minutes, followed by about 20 minutes of questions and answers. And I'll be putting some questions to you through the presentation. Please post your questions and your feedback in the chat as I go through the slides. I will have people bringing your questions to my attention and I will respond as well as I can at the end. The questions and answers from both sessions will be published in the coming days so that no one misses out.

There have been disability employment-related recommendations from the Disability Royal Commission, the NDIS Review and the Select Committee on Workforce Australia. There was also the Employment White Paper, which focused on the system as a whole and had 8 principles for reform of employment services in order to build more efficient, inclusive labour markets. There has also been extensive consultation with participants, providers and employers over the past couple of years on DES, and we have drawn in that feedback.

The recommendations that will run through today relate directly to disability employment services. Some of the reviews have proposed cross-cutting changes within the broader disability services or employment services ecosystems that would likely impact the new program. Where appropriate we have taken into consideration broader suggestions as part of our response to disability employment

related recommendations. We've given some thought to what could be done to address them, bearing in mind all the feedback we've had from you in our past consultations. Some reform may be phased in or incorporated into broader future system reform that's across employment services.

Today we want to test some high level concepts specific to DES and identifying things we may need to consider in more detail as part of future considerations and consultations. It is important to note that these ideas are subject to further development and consideration by government. We are sharing ideas at a conceptual level and we won't be able to give details. I'd encourage you to consider why that detail might be important and share, so that this may inform our development work.

We are particularly keen to hear about unintended consequences. That is, while we aim for one policy objective, a change of settings could have a negative or perverse unforeseen knock on effect elsewhere. We encourage your feedback on those possible consequences. We also want to know if there are other sensitivities. Are there particular issues we need to consider when we developing these ideas up?

This slide considers possible eligibility for DES. The Disability Royal Commission recommended the removal of the 8 hours per week work capacity limit. As a quick refresh on the current eligibility for DES, work capacity with support must be between 8 to 30 hours. If eligibility was expanded to include voluntary participants with an assessed work capacity with support of less than 8 hours, what are the key issues we need to be considering?

We have a number of questions, included on the slide, that we are seeking your feedback on. What would quality employment look like? Is it 'open' employment at full wages? What would be an appropriate minimum requirement for an outcome with support?

The Disability Royal Commission identified that all people with disability should have the opportunity to work in open employment. The Select Committee on Workforce Australia has a similar theme, but employment services should help all individuals to find work, and not just those on income support.

Stakeholders have shared similar views that all people with disability who need or want employment assistance should be eligible for support under the new model. We are exploring changes that would support access for people with a disability with the highest needs.

Two possible areas of change are removing the two year limit and opening access to those not on income support, but who meet the other eligibility criteria. Currently, there is a two year limit on participation in DES, and we know that the majority of former DES participants have reached their two year limit actually reapply, and re-enter DES. There are also people with disability who want to participate in DES but are unable to because they don't receive an income support payment. We would like your views on how these options would impact participants and the providers servicing or service model.

Many reviews, as well as stakeholder feedback, have included themes related to the service structure or design of employment services for people with disability. This includes the need to simplify employment service programs, their administration and reduce fragmentation.

The Disability Royal Commission recommended that the new DES model adopt customised employment models as a core component of service provision. The Select Committee on Workforce Australia, in particular, recommended simplifying and consolidating the number of employment service programs. They also acknowledge the need for specialists to ensure that services meet the needs of particular cohorts, including people with a disability.

The Employment White Paper noted that people with disability can face unique challenges when unemployed and may need additional supports to re-engage, engage more or continue to engage in the workforce. The new Disability Services Inclusion Act 2023 is designed in a way that supports a more flexible approach to delivering employment services for people with disability.

One option is combining the current Disability Management Service or DMS and the Employment Service Support, ESS programs, into a single program. More tailored and flexible servicing would be encouraged through service offers and the funding levels. The benefits of simplification would include simpler streaming for participants, fewer contracts and less reporting. Providers could consider individual needs and provide services as needed. Ongoing support needs would be identified on placement in employment. Would there be other benefits or any unintended consequences from such a simplification?

The Disability Royal Commission and the Select Committee on Workforce Australia both recommended that there be more tailored and flexible supports, with Job Plans that recognise more diverse pathways to employment. The current DES program seeks to offer an intensive 'disability specialist' employment service to all participants. There is some flexibility within the current program. However, feedback provided indicates that it can be difficult to adapt the program to be responsive to the circumstances of participants. It may be described as 'all', an intensive service, or 'nothing', exempt or suspended, as an example.

At any point in time, some participants may struggle to meet appointments and activities that are driven by the need to meet requirements. There is a perception of activity churn with limited value in terms of contributing to outcomes or participants might seek suspension when they're finding it difficult to meet those requirements and want to avoid potential compliance consequences.

Stakeholders have told us that greater flexibility is required to deliver supports that meet individual and employer needs. An option we are exploring is if the new program had two streams of service offering. A more flexible service offer for those already engaging in other activities or with circumstances that limited their engagement and their capacity at a particular time. And an intensive service offer for those who are able to engage intensively with their provider.

Providers are currently expected to tailor requirements to the circumstances of the individual. The idea is that the flexible service could support both the requirements and servicing through the recognition of those individual circumstances. For participants in the flexible service, it may involve less frequent provider engagement.

Would a more flexible service offer encourage participants to maintain connection with their DES provider to cater to short term sporadic conditions, and or allow for greater recognition of other activities, such as participating in non-vocational or other programs? Would a flexible service offer benefit particular groups of participants? Are there benefits for providers in maintaining a connection with participants that would otherwise not engage? And would there be any unintended consequences?

The Select Committee on Workforce Australia recommended that mutual obligation requirements be broadened and better tailored to individual circumstances. They also identified that mutual obligations should focus on participating meaningfully in services. Stakeholder feedback often indicates that the current mutual obligation framework makes it difficult to build trust and creates an administrative burden that impedes service delivery.

The Government will respond to the Select Committee on Workforce Australia in due course and that will consider mutual obligations more broadly. In the meantime we've explored ideas to encourage a focus on meaningful engagement under the existing system.

If a broad engagement requirement was in the job plan was introduced would this help to build the relationship between participants and providers? And then if a participant is not engaging effectively under a general requirement to participate would the option to move to specific requirements, for example, defined appointments, job numbers of job search or other specified activities, as is the case in the current job plans, be a reasonable response? Do you think this approach could be beneficial to participants and providers? Would it improve the participant service and reduce administration? Are there risks or unintended consequences from this approach?

The Disability Royal Commission made recommendations that focus on support for those in employment. In particular, funding arrangements should facilitate flexible employment supports, such as customised employment, and support the progress of DES participants in achieving employment goals and long term employment outcomes.

Stakeholder consultations indicated that in the new program, administration of ongoing support should be streamlined to reduce the burden on providers, people with disability and employers. Work Assist currently operates as a mini program with different service and outcome fees.

If Work Assist and ongoing support was merged to reflect a stream of support for people in employment, and support fees were available from the start of servicing, how would this benefit the service offer for participants? And would it help address issues related to administrative burden for providers, people with disability, and or employers? Is there any unintended consequences?

I think that's all we've got time for today. I thank you for coming at such short notice. I do, I really appreciate your time. We will post this recording and the transcript and a series of questions and answers on the DSS engage website. I encourage you to give us some feedback on the questions and ideas we've raised today. On the web page, there is a feedback page for submissions that you can use to comment online or email to the email address provided. Alternatively, you can email directly to DESReforms@dss.gov.au. Any feedback is requested by 4 p.m. Tuesday, the 27 February.

Remember, we're particularly keen to hear about any unintended consequences or other sensitivities we need to be considering. At the end of the day, we all want to improve the way we can assist people with disabilities to get ready for a job and get meaningful, rewarding employment to enhance their lives. Thank you again for participating in this webinar.