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Dear Secretary,

Re: Establishing a Disability Employment Centre of Excellence

Thank you for the opportunity to provide feedback in response to the Options Paper regarding establishing a Disability Employment Centre of Excellence or similar body.

We fully support endeavours to address the significant shortfalls in employment outcomes for Australians living with disability compared to non-disabled people, which are clearly set out in the Options Paper. Establishing a Disability Employment Centre of Excellence or similar body is likely to make a positive contribution if it forms part of a broader comprehensive plan to drive change. Below, we provide input regarding core functions for the proposed Centre (per the Options Paper, we will refer to the proposed body as a Centre although it could take another form), who it should assist, its design, and steps toward implementation.

We also take this opportunity to emphasise that a Centre alone will not fix the entrenched problems in the Disability Employment Services (DES) system, the failure to date of the National Disability Insurance Scheme (NDIS) to deliver meaningful employment outcomes for the vast majority of participants, or the ongoing exploitation of workers living with disability in so-called supported employment services. These matters require urgent focused attention from DSS and governments. Notwithstanding this, we first emphasise the importance of co-designing the proposed Centre.

Implementing co-design processes

Implementing a co-design process that involves people living with disability, employers, industry bodies, and other stakeholders will provide the best chance of establishing a Centre that delivers what people need and ensures genuine change is achieved. Co-design will encourage greater shared 'ownership' of the Centre and its goals into the future. Adopting a co-design process will also ensure the Centre benefits from the insights, ideas, and experiences of a broad range of stakeholders who are genuinely engaged in the development and decision-making processes. It is through stakeholder input that a Centre will achieve its greatest impact on employment outcomes. While running a consultation to enable people to have a voice is important, a greater emphasis

on active participation, leadership, and decision-making by people living with disability, employers, and other stakeholders is needed.

Indeed, ministers and government departments should proactively consider how genuine co-design processes can enhance policy development across all areas of their work. We are concerned many of the processes that governments are currently referring to as co-design fall well short of best practice and do not include active involvement in decision-making. We encourage DSS to access our Guide to Co-Design with People Living with Disability, which was itself co-designed, via our [website](#).

Recommendation 1: The Department of Social Services (DSS) should implement genuine best-practice co-design processes throughout the design, establishment, ongoing operations, and periodic review and evaluation of the proposed Disability Employment Centre of Excellence.

Noting the many benefits that co-designing the Centre will bring, we provide our further feedback as a starting point only for considerations about several essential elements, as identified in the Options Paper.

Driving sustainable mainstream Award-waged employment outcomes

The core functions of the proposed Centre should be to drive sustainable mainstream Award-waged employment outcomes for Australians living with disability and to end segregation, congregation, discrimination, and exploitation. As the proposal is for a Centre *of Excellence*, the core functions should set higher standards and be far more ambitious in their objectives than what is set out in the ‘Guiding principles for the future of supported employment’. While we acknowledge change will not happen overnight, we are extremely disappointed that the recently endorsed guiding principles do not envisage a future without segregation, congregation, discrimination, and exploitation of workers living with disability. We strongly believe the proposed Centre should have among its core functions a timebound program of work to undertake a full transition from so-called supported employment to sustainable mainstream Award-waged employment outcomes, enabling the cancellation of the Supported Employment Services Award within no more than five years. Without this, the commitment to *excellence* will have been an empty one.

Importantly, we reiterate we are not proposing to just shut down Australian Disability Enterprises (ADEs) and leave workers unemployed, bored, and more isolated. Rather, we are arguing for a transition to a new business model that would abolish the practice of segregation, the Supported Wage System, and the Supported Employment Services Award that underpin the current ADE approach, while supporting the organisations and their employees to thrive in new ways. Many who oppose change assume that all ADE workplaces would be shut down and people would lose their employment, the opportunity to contribute, and the relationships that they hold dear within these settings. This is not what we want either. The key to successful change is an effective transition that brings workplace practices into the 21st century while maintaining the positive attributes of employment, including contribution and social connection. The proposed Centre should lead this transition as one of its initial core functions in line with its commitment to achieving *excellence*.

Furthermore, the full transition must address circumstances where mainstream for-profit employers are allowed to exploit a pool of low-cost labour through so-called supported

employment arrangements. These businesses, which are often supermarkets, retailers, or fast-food outlets, employ workers living with disability on wages that are lower than their peers within the same workplace doing the same work. Like ADEs, this is based on an assessment of productivity, which does not apply to their colleagues. This clearly contravenes the Federal Government's stated commitment to the principle of 'same work, same pay'. Indeed, it is particularly galling that Coles, one of the highest profile businesses exploiting the Supported Wage System, recently posted a \$1.1 billion annual profit.¹ This demonstrates a clear capacity to pay all their employees in line with mainstream Award rates and to support career development opportunities without the recently announced taxpayer funded incentives while remaining highly profitable. We envisage a core function of the proposed Centre should be to urgently engage with these employers to ensure all affected workers are transitioned to mainstream Award wages and conditions, with any necessary adjustments and supports in place, to enable them to thrive and progress as other employees do.

To be clear, the proposed Centre's core functions should not include any elements designed to continue or provide funding to any form of supported employment services approach because these do not constitute *excellence* in employment outcomes for people living with disability. We note recent suggestions, reflected in the guiding principles, that segregated or exploitative employment is acceptable if it reflects a person's choice. Not only does this contradict the commitment, also in the guiding principles, to ensure the 'human rights of people with disability are respected and [they are] treated with dignity and respect,' it fails to recognise the impact of entrenched low expectations² and the 'polished pathway'³ that often sees people living with disability directed from segregated 'special' schools into segregated 'sheltered workshops.' Hence, the 'choice' is never a genuine choice, but an artificial restricted 'choice' based on limited horizons and imposed low expectations.

We agree a key role of the Centre should be to draw together and expand on the evidence base for good practices in achieving sustainable mainstream Award-waged employment outcomes, as well as providing accessible information and resources. It should undertake programs to increase the capacity of employers to provide employment opportunities to Australians living with disability on the same basis as non-disabled people, which we will expand on below. We also believe the Centre should have a core function to establish, monitor, and report on progress toward employment targets. A national target to achieve parity in employment outcomes between workers living with disability and non-disabled workers during the term of the current *Australia's Disability Strategy 2021-2031* should be adopted, alongside interim milestones to ensure ongoing progress. Additionally, employers with 100 or more employees should be required to report on disability employment equality in line with their existing gender equality reporting obligations.

Recommendation 2: The Disability Employment Centre of Excellence should have core functions that deliver sustainable mainstream Award-waged employment outcomes for Australians living with disability.

Recommendation 3: The Disability Employment Centre of Excellence should not support the continuation of any form of supported employment service or similar approaches that segregate, congregate, or exploit workers living with disability. This should be explicitly excluded from the Centre's objectives and functions in

any legislation that is developed or amended in order to establish the proposed Centre.

Recommendation 4: The Disability Employment Centre of Excellence should have among its core functions a timebound program of work to facilitate a full transition of workers living with disability from supported employment to sustainable mainstream Award-waged employment and to cancel the Supported Employment Services Award within no more than five years. This should include transitioning Australian Disability Enterprises (ADEs) to a new business model based on inclusive employment practices and mainstream Award wages and conditions.

Recommendation 5: The Disability Employment Centre of Excellence should have among its core functions a program of work to establish, monitor, and report on progress toward a national disability employment target and to implement a transparent disability employment reporting program for employers in line with that already in place regarding workplace gender equality.

Reforming DES system is a prerequisite for change

The DES system is broken and will not be fixed by establishing this Centre. Instead, the Federal Government and DSS should move with greater urgency to comprehensively reform the current approach to employment support for people living with disability. The current reform timeline of 2025, delayed for two years from 1 July 2023, is too long for people living with disability seeking employment to be forced to wait for effective supports. There has already been extensive consultation and identification of the problems and perverse incentives within the current system. Once comprehensive reform is implemented, then it is essential the proposed Centre works to support and enable the new model to achieve genuine sustainable mainstream Award-waged employment outcomes including through developing the capacity of those delivering the new approach. Utilising the Centre to conduct ongoing quality and performance monitoring of a new approach is also likely to have many benefits especially regarding accountability for outcomes, something that is largely missing from the current DES approach.

We are concerned the explanation under the theme heading 'Enhance collaborative competition' (p.4), which appears to relate to a proposed new approach for DES providers, only offers a brief, vague, and unclear description of what this means or how it would be implemented. Certainly, there may be merit in increasing collaboration, but 'collaborative competition' appears to create a paradox that may render any proposal based on it ineffective in practice. Given the scant details, it is difficult to provide any further meaningful feedback about this theme, except to suggest much more work is required to develop and explain the idea. As emphasised above, we urge DSS to undertake genuine co-design processes so ideas and proposals can be thoroughly examined and tested with stakeholders, especially the intended beneficiaries.

Recommendation 6: The Federal Government and Department of Social Services (DSS) should immediately prioritise comprehensive reform of the Disability Employment Services (DES) system, recognising that this reform is essential to maximising the opportunities and benefits of the proposed Disability Employment Centre of Excellence.

Improving employment supports under NDIS another prerequisite for change

In its landmark 2011 report on ‘Disability Care and Support’, the Productivity Commission predicted that the creation of a new national disability scheme would improve employment outcomes and concluded that ‘even conservative assumptions lead to significant economic and employment effects’ for Australians living with disability.⁴ Unfortunately, so far these effects have fallen well short of expectations. As of 30 September 2023, just 22 per cent of NDIS participants aged 15 to 64 were employed,⁵ which is unacceptably low. The Scheme’s ‘Participant Employment Strategy’ aims to ‘ensure at least 40 per cent of working age NDIS participants have employment or pre-vocational goals in their NDIS plan,’⁶ with data from December 2022 showing progress toward this result stood at 38 per cent.⁷ Both the aspiration and the outcome remain far too low. Given the impact of entrenched low expectations, the default approach should be that all plans for participants not in mainstream employment include a work-related goal. Without a step up in NDIS employment supports, participants are less likely to be able to access the opportunities that the proposed Centre could activate.

Recommendation 7: The Federal Government, Department of Social Services (DSS), and National Disability Insurance Agency (NDIA) should immediately adopt a default approach whereby all NDIS plans for participants of working age not currently in sustainable mainstream Award-waged employment include a work-related goal, recognising that this reform is essential to maximising the opportunities and benefits of the Disability Employment Centre of Excellence.

Focusing on employers and industries

The proposed Centre should take a strong leadership role in building the capacity of employers to employ people living with disability. There is a tendency for policy initiatives and programs to focus solely on what people living with disability should do rather than addressing the many barriers to workforce access and inclusion. People living with disability have told us about their frustrations at continually being told they need to do ever more programs to prepare for work when in fact they are shut out of opportunities or unable to find suitable work in an accessible workplace. While the Options Paper does identify employers as a group that the proposed Centre should assist, this seems secondary to people living with disability and DES providers. Building the capacity of employers and industries, as well as addressing barriers to access and inclusion in the workforce, should be among the Centre’s highest priorities. The Centre must drive the creation of opportunities, not just prepare people for opportunities that do not currently exist.

There are a range of endeavours across Australia and overseas that are successfully supporting people living with disability into sustainable mainstream Award-waged employment. The Centre should showcase proven pathways into mainstream employment, including presenting information about how these have worked, so they can be replicated and scaled up. For example, JFA Purple Orange is currently undertaking the Road to Employment (R2E) project funded by an Information, Linkages, and Capacity Building (ILC) grant from DSS. This project has demonstrated success through an industry-based approach in the aged care, finance, and local government sectors. It provides a range of initiatives to build employer confidence and capacity to employ people living with disability, including mentoring, sector-based communities of

practice, and disability inclusion training. Each industry working group has designed a tailored approach suitable for its circumstances. For instance, in the aged care sector, a traineeship program has so far supported six people living with disability to enter ongoing mainstream employment and complete a Certificate III level qualification at the same time.

The Centre's role in showcasing pathways should include a focus on ways people living with complex disability can be assisted into employment, such as through leveraging methodologies like customised employment⁸ and microenterprises.⁹ It must never be assumed that a person living with complex disability is not capable of entering paid employment. When we imagine the possibility of employment for a person of working age, it creates a future for that person that includes employment in it. Conversely, when we do not consider this possible for the person, then that person's future has been decided for them and is bleaker as a consequence. The proposed Centre must hold true to the possibility of meaningful paid employment for all working age people living with disability and defend this principle always.

Recommendation 8: The Disability Employment Centre of Excellence should provide strong leadership and investment in building the capacity of employers and industries to employ Australians living with disability in sustainable mainstream Award-waged roles. It should also have a strong mandate to address barriers to access and inclusion in the workforce and in workplaces, including recruitment processes, as well as to identify and showcase proven pathways that can be replicated and scaled up.

Adopting individualised planning and lifecycle approaches

The proposed Centre should prioritise approaches that support people living with disability to access work opportunities through individualised tailored planning and, for young people, a lifecycle approach. Individual planning should focus on strengths, not deficits, and enable people living with disability to have the same opportunities to choose their career path based on their individual skills, interests, and goals as all other workers. Too often we hear stories of people living with disability being placed in any available job or short-term placement, often below their qualifications and experience. Further, a worker's current employment situation should never be treated as static, unchangeable, or indefinite, in the same way that most people undertake a range of roles with various employers and seek advancement in position, responsibilities, and income throughout their working life.

We have noted with interest that a key feature of plans for a 'just transition' away from carbon-intensive energy production is government investments in individualised plans for impacted workers to move into alternative employment that suits their skills, interests, and goals. For example, the Colliers Just Transition Plan of the Western Australian government invests in individualised tailored plans that are described as meeting workers' own individual and family needs and ensuring they are 'treated with justice and dignity.' We strongly believe this approach merits much broader application for unemployed people. In particular, it should be part of a comprehensive transition plan to end supported employment arrangements, as mentioned above, and to ensure workers living with disability can access pathways into suitable long-term Award-waged employment outcomes.

Employment conversations should not be left until a person reaches working age. We believe the Centre can also play a role in developing good practice approaches for pathways that set up young people for employment success in the future. Individualised post-school planning for students living with disability needs to start early as part of a lifecycle approach to avoid perpetuating the supported employment model and the entrenchment of poverty for further generations. Indeed, experiences at school have a long-lasting influence on the future trajectory of a person's life. Inclusion at school is the start of inclusion in life and students who have access to inclusive education are more likely to progress to further education and mainstream employment as adults.

Children living with disability need to grow up expecting to join the workforce and should be no less likely to be asked what they want to be when they grow up than non-disabled children. This requires attitude change among those who have the strongest influence on children, including parents and teachers, and the Centre could play a positive role in supporting programs that achieve this outcome. As such, a comprehensive lifecycle approach to education, skills development, career goals and plans, and good practice transition support is the best way to ensure successful employment outcomes will be achieved by young people when they complete their education. The expectation of a future that includes sustainable mainstream Award-waged employment should be a feature of every child's learning and development throughout their schooling.

Recommendation 9: The Disability Employment Centre of Excellence should prioritise research and development that supports strengths-based, individualised, tailored career planning and lifecycle approaches that involve students from primary school age. The Centre should also support programs to drive attitude change among parents, teachers, and others in positions of influence in children's lives to ensure all children can reach their potential.

Avoiding duplication and focusing on workforce diversity

The proposed Centre should develop strong links with employers, industries, and communities at a grassroots level in order to achieve meaningful change. While research, information dissemination, and training should be functions of the Centre, adopting a high-level research centre, information repository/clearinghouse, or training hub/website model is unlikely to maximise connections at the level where employment decisions are made, and genuine change can be proactively nurtured and supported. This is likely to be true irrespective of whether the Centre follows a model of direct engagement with employers or uses a grants-based approach to fund existing grassroots organisations to implement initiatives at a local level. We also believe there is merit in the Centre having data gathering, public reporting, targets monitoring, quality control, independent evaluation, and other regulatory-type functions. Therefore, adopting a statutory authority model is likely to offer the best prospects for success.

We note the Options Paper refers to the Workplace Gender Equality Agency (WGEA). We concur that there are likely to be synergies in many of the objectives and functions of the proposed Centre. Workforce diversity is important and highly beneficial in all its forms and galvanising momentum and allyship across all groups that are currently underserved and underrepresented could serve to compound positive results. This is not to lessen the urgency of focusing significant dedicated investment and attention on addressing the specific barriers encountered by Australians living with disability in employment. Rather, we suggest a model that can leverage the impacts of both targeted

investment in employment outcomes for people living with disability and broader collaborative initiatives to drive greater workforce diversity and equality will be most effective and avoid duplication.

We also note the Options Paper points to a likely lengthy delay in establishing a Centre based on the model of a standalone statutory body including to develop the necessary legislation. Past governments have determined that addressing gender inequality should receive elevated focus and investment without recognising the similar, or, indeed, often worse, inequalities that exist for other cohorts or the compounding intersectionality of barriers that some people encounter. This discrepancy could be addressed by using the WGEA as the foundation of an expanded comprehensive workforce diversity strategy whereby existing legislation could be amended to give a renamed Workplace Equality Agency a broader remit. We urge DSS to explore how existing legislation, structures, synergies, and goal alignments can be utilised in this endeavour, allowing for quicker implementation.

Recommendation 10: The Federal Government and Department of Social Services (DSS) should explore ways to leverage the work already undertaken regarding workplace gender equality including consideration of how a renamed Workplace Equality Agency could evolve the work of the existing Workplace Gender Equality Agency (WGEA) to drive outcomes in all facets of workforce diversity. Such an approach should include targeted investment in addressing the specific barriers that prevent Australians living with disability from accessing employment opportunities on the same basis as non-disabled people, as well as capitalising on synergies, allyships, and existing momentum regarding other aspects of diversity, especially the efforts already undertaken regarding gender equality.

Demonstrating leadership through the Centre

The proposed Centre itself should be designed and set up to model good approaches to access and inclusion in the employment of people living with disability. Through a genuine co-design process, a framework should be created to ensure the Centre leads in every aspect of good practice employment from staff recruitment to accessible building design, to supports and modifications for employees, and more. The Centre should have an ambitious target for the percentage of its employees who live with disability.

Recommendation 11: The Disability Employment Centre of Excellence itself should be designed to model good practices in access and inclusion regarding disability employment. A co-design process should create a Centre design and operations framework to ensure the Centre demonstrates leadership in all aspects of its work.



Increasing and improving data collection

In describing the reasons for establishing the proposed Centre, the Options Paper cites statistics from the Australian Bureau of Statistics' (ABS) Survey of Disability, Ageing, and Carers (SDAC) conducted in 2018, which are five years old. As DSS would be aware, the next data release for the 2022 survey is scheduled for June 2024. Such infrequent collection of relevant data – in this case, with the substantial upheaval of a global pandemic in the intervening period – adds to the challenge of designing effective policy solutions. We envisage the Centre could play a central role in increasing and improving

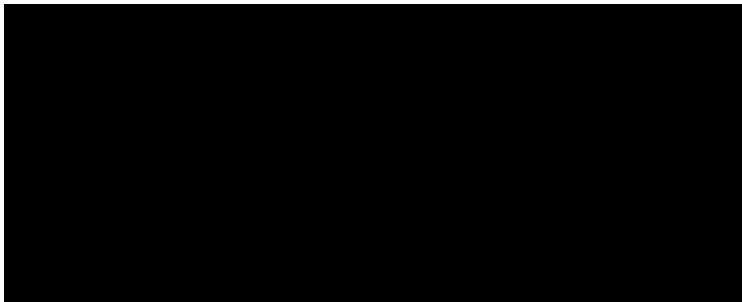
data collection and reporting, as well as collaborating with other government agencies to ensure equality in data collection is achieved.

For example, the Centre could work with the ABS to ensure the methodology for the Labour Force Survey (LFS) is evolved to include the variable of disability as soon as possible. Governments typically cite the infrequent SDAC data, most recently from 2018 as mentioned above, as the best available information regarding employment outcomes for Australians living with disability. Yet, they can use regular monthly and/or quarterly LFS data for a range of other groups. Variables currently included in the LFS include age, sex, social marital status, relationship in household, family type, birthplace, year of arrival in Australia, education, and location, but not disability. We believe that the importance of understanding the labour force experiences and outcomes of Australians living with disability at least matches, if not exceeds, the relevance of some of these variables in modern Australia.

Recommendation 12: The Federal Government, Department of Social Services (DSS), and, once established, the Disability Employment Centre of Excellence should proactively pursue and fund the collection of more frequent high-quality data about the employment experiences and outcomes of Australians living with disability, recognising that increased and improved data collection is essential to maximising the opportunities and benefits of the proposed Centre.

Thank you again for the opportunity to provide feedback to this important consultation about the establishment of a Disability Employment Centre of Excellence or similar body. We are available to discuss the ideas raised in this submission further. To arrange this, please contact 


Yours sincerely



¹ Jonathan Barrett, 'Coles posts \$1.1bn profit amid grocery price surge and cost-of-living crisis', The Guardian, 22 August 2023, available at <https://www.theguardian.com/business/2023/aug/22/coles-supermarket-annual-profit-rise-grocery-price-rise>.

² See, for example, Productivity Commission, 'Disability Care and Support,' Report no.54, 2011, p.283, available at <https://www.pc.gov.au/inquiries/completed/disability-support/report>.

³ See Catherine McAlpine's speech to the NDIS Jobs and Skills Summit on 17 August 2022, at <https://www.inclusionaustralia.org.au/wp-content/uploads/2022/10/The-Polished-Pathway-Final.pdf>.

⁴ See, for example, page 960, Productivity Commission, 'Disability Care and Support,' Report no.54, 2011, available at <https://www.pc.gov.au/inquiries/completed/disability-support/report>.

⁵ National Disability Insurance Agency (NDIA), National - Quarterly Performance Dashboard, 31 December 2022, available at <https://www.ndis.gov.au/about-us/publications/quarterly-reports>.

⁶ National Disability Insurance Agency (NDIA), 'NDIS Participant Employment Strategy 2019 – 2022', p.13, available at <https://www.ndis.gov.au/about-us/strategies/participant-employment-strategy>.

⁷ National Disability Insurance Agency (NDIA), 'NDIS Participant Employment Strategy: Final Update on Action Plan for 2021-22', December 2022, p.10, available at <https://www.ndis.gov.au/about-us/strategies/participant-employment-strategy#ourprogress>.

⁸ For more information, see for example, <https://www.everyonecanwork.org.au/employment-support/ndis/customised-employment/>; <https://includeability.gov.au/resources-employers/customising-job-person-disability>; or <https://www.scopeaust.org.au/services-for-individuals/customised-employment/>.

⁹ For more information, see for example, <https://www.everyonecanwork.org.au/employment-support/ndis/microenterprise/>; <https://www.ndis.gov.au/stories/5996-micro-enterprise-meaningful-employment-alternative>; or <https://imaginemore.org.au/resources/employment-and-microenterprise/>.