

2024-25 Budget Disability Employment Reforms

Post-budget briefing

23 May 2024



Acknowledgement of Country



The Department of Social Services acknowledges the traditional owners of country throughout Australia, and their continuing connection to land, water and community.

We pay our respects to them and their cultures, and to Elders both past and present.

How to ask questions or provide feedback



Minister's keynote speech

*The Hon. Amanda Rishworth MP,
Minister for Social Services*



A new specialist disability program



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Probity Statement

The Department of Social Services is committed to conducting a fair, honest, and transparent process for the design and implementation of the new specialist disability employment program and related services.

For today's event, this means that:

- this presentation will be made publicly available on the DSS Engage website*
- any views expressed, or information provided, by attendees to this event will be considered, along with the views expressed and information provided by other stakeholders.*

Objectives

- The new disability employment program commences 1 July 2025.
- The design of the new program will improve overall access to support and improve the quality of services delivered for both participants and employers.
- This briefing will cover:

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Program design and access to the new program

2

Participant services

3

Employer engagement and support

4

Payment model

5

Government stewardship and continuous improvement

6

Next steps and consultation

Simplified program design

- The two current DES programs will be consolidated into one program.

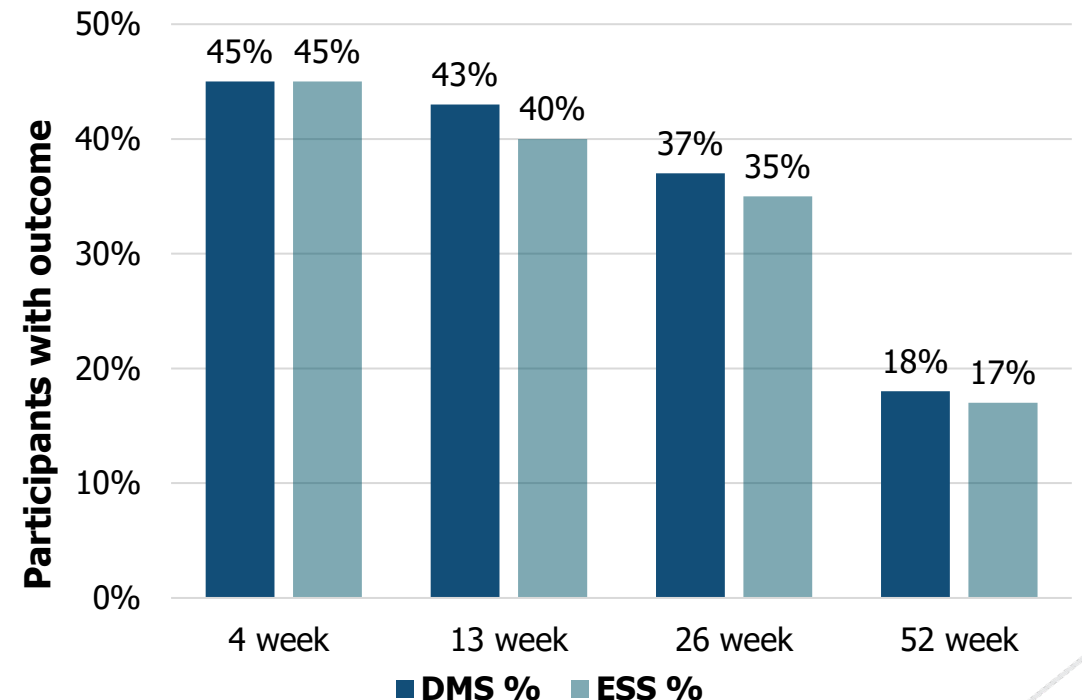
DES

- ▶ **Disability Management Service (DMS)** helps job seekers with disability, injury and/or a health condition who need assistance to find a job and occasional support in the workplace to keep a job.
- ▶ **Employment Support Service (ESS)** helps job seekers with permanent disability who need assistance to find a job and regular, ongoing support in the workplace to keep a job.

New program

- ▶ A diverse network of providers help people with disability, injury and/or a health condition to prepare for, find and maintain sustainable employment.

Comparison of DMS and ESS outcomes



* Data for the 1 July 2018 to 30 April 2024 period

Participant eligibility for the new program



The new program continues to target those who will benefit most from a specialist disability employment program.



Eligibility will be expanded, until June 2028, to support new volunteer cohorts. An additional 15,000 people each year are expected to register including:

- those with a work capacity of less than 8 hours per week, and
 - those not receiving an income support payment.
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Job seekers assessed as being able to work 30 hrs or more per week will continue to be referred to Workforce Australia.



Special eligibility arrangements will be in place for targeted cohorts.

Assessment and referral to the new program



Eligibility will continue to be assessed by specialist staff in Services Australia.



Assessment will focus on work capacity and referral to the most appropriate employment service.



Upon referral, participants will be able to choose from providers who service their Employment Service Area.



Participants will be able to transfer providers at any time and for any reason.



Special eligibility arrangements will allow some cohorts to directly register with a provider.

The role of the National Panel of Assessors

- The National Panel of Assessors (NPA) program is a standing panel of independent assessment service providers contracted to provide assessments to support the needs of people with disability in the workplace.
- The NPA program will continue to provide high-quality assessment services from 1 July 2025.

Ongoing Support Assessments

Ensure disability employment service participants receive the Ongoing Support they need in the workplace to maintain sustainable employment.

Workplace Modification Assessments

Assess the suitability of modifications (such as equipment or assistive technology) that will support people with disability to undertake their employment duties.

Support Wage System Assessments

Determine productivity-based wages for eligible people with disability employed under the Supported Wage System.

Key improvements in service quality for participants

Providers will work with participants to understand their circumstances, goals and aspirations.

Providers will deliver services that reflect the diverse range of pathways to employment.

Providers will build participants' capacity and skills.

Providers will build trust and focus on meaningful engagement.

Providers will put both participants and employers at the centre of their service design.

New approach to employment assistance

- The new program will have **no participation time limit**.
- There will be 2 service offers – intensive and flexible.
- Providers will offer a range of customised supports to participants depending on where they are in their employment journey and their capacity to participate.
- Providers will explore options and pathways to employment with participants under both services.

Intensive Service

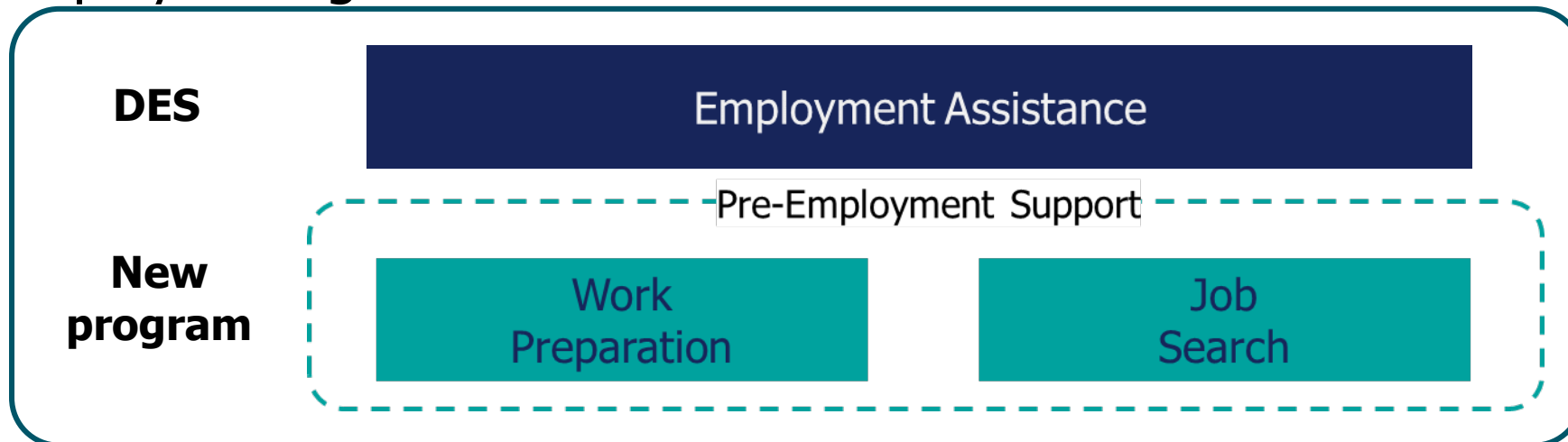
The intensive service is the default for those who are preparing for work and looking for work.

Flexible Service

The flexible service targets participants who are already engaged in other activities (such as work, training or non-vocational supports) or need to build their capacity to fully engage.

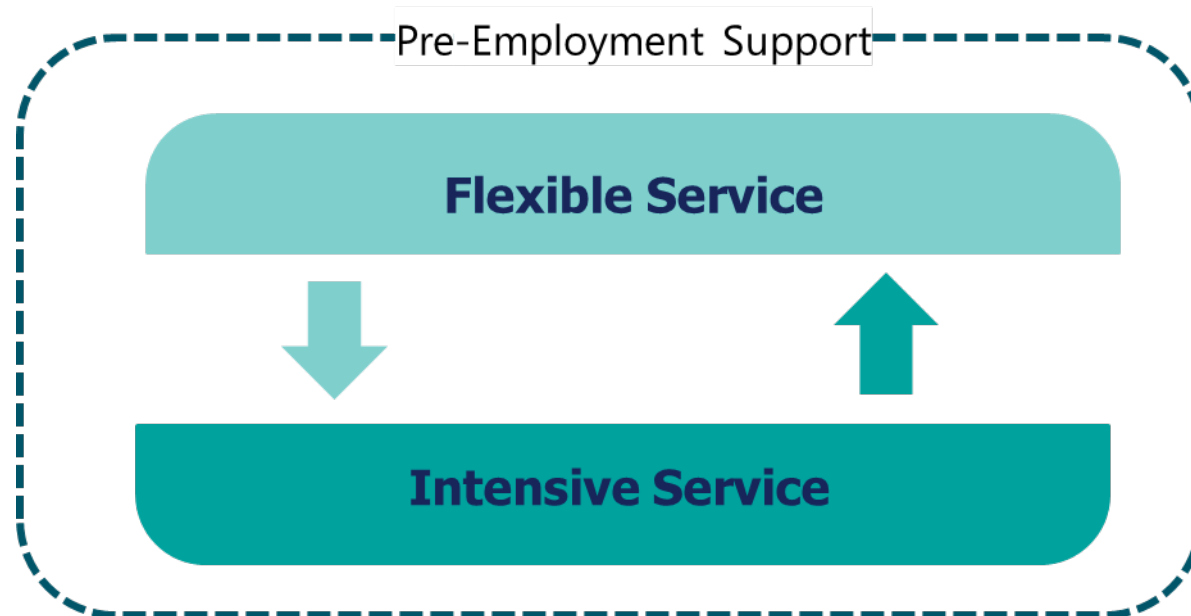
Intensive Service

- In the intensive service, there will be better recognition of where a participant is in their pathway to employment with:
 - **Work Preparation** for participants that need time to address vocational and non-vocational barriers
 - **Job Search** for participants that are ready to look for work.
- Providers will use their judgement to set job search goals and refer participants to and appropriate activities and interventions that align to their employment goals.



Flexible Service

- The flexible service provides an option to remain connected to the provider, but will have less frequent engagement.
- Providers will provide information and guidance to participants so they can step up to more intensive servicing in time and/or to gain employment outcomes.



Meaningful engagement



Providers will work with participants to build meaningful relationships.



Engagement will be through the delivery of a quality service that focuses on **shared employment goals** led by the participant and assisted by the provider.



Less reliance on compliance to drive initial engagement.

- Requirements met through meaningful engagement, with voluntary activities in Job Plan.
 - Option to increase details of requirements in the Job Plan if needed.
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Job Plans



Providers will work in partnership with each participant to develop a personal Job Plan to employment based on strengths, goals and aspiration.



Providers will be responsible for supporting participants to undertake activities that are agreed to in the Job Plan.



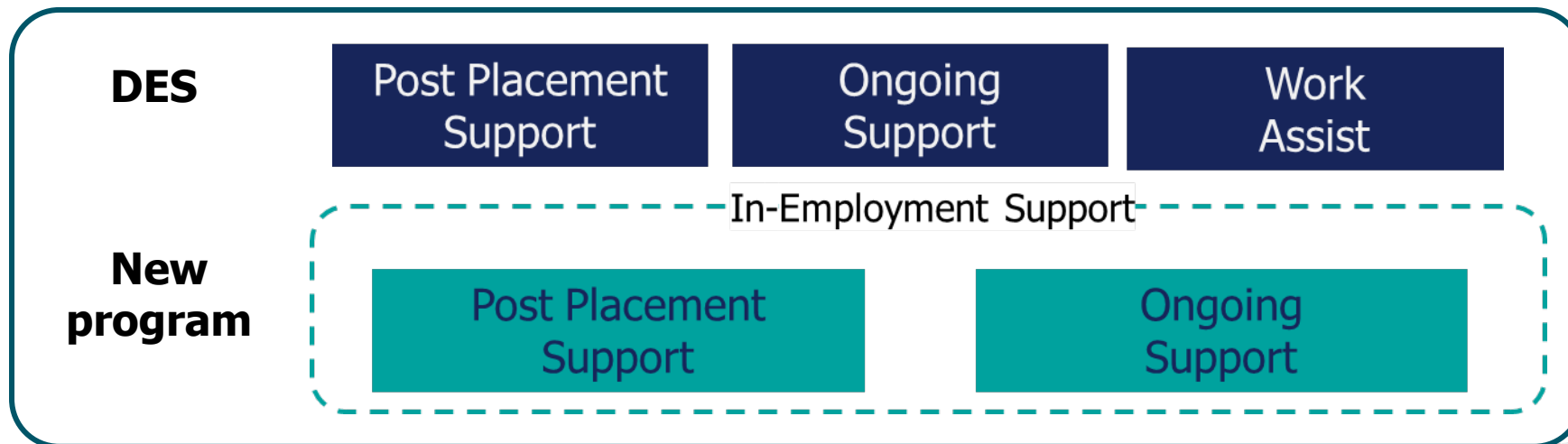
If a participant does not meaningfully engage, they are moved to compulsory Mutual Obligation Requirements in their Job Plan.



Mutual obligations under the new program accord with the current legislative framework.

Support once in employment

- Providers will offer assistance to both their participants and their employers to make sure they have the support needed to succeed.
- In-employment support includes post-placement support for participants who have secured work and ongoing support for those who need longer-term support to keep their job.
- Work Assist will become part of Ongoing Support.



Key improvements in service quality for employers

Providers will work with employers to understand their recruitment needs and help find suitable candidates.

Providers will work to support employers with inclusive recruitment and workplace practices.

Provider will provide support for employees with disability in the workplace.

Providers will help employers to access available financial support, including a new wage subsidy.

Employer engagement and support



Employers will be able to receive advice and guidance on recruitment and workplace practices that build their confidence and capability to employ people with disability.

- This support will help employers improve disability recruitment practices and attract people with disability into their workplace.



Providers will also offer specialised assistance for workplace adjustments, additional training, job customisation and other supports.



Employer support will also continue through the existing JobAccess program.

JobAccess

Free and expert support through JobAccess includes the employer toolkit, workplace adjustments and support through the Employment Assistance Fund, and support and training by a National Disability Recruitment Coordinator.

Wage subsidies

- The new subsidy will simplify arrangements for employers to receive financial support for some of the initial costs of hiring the new employee and settling them into their new role.

DES

- **Wage Subsidy Scheme** – up to \$1,650 available to qualifying businesses to give eligible job seekers an opportunity to demonstrate their suitability for ongoing employment.
- **Wage Start subsidy** – up to \$6,000 for jobs of at least 15 hours per week over 26 weeks.
- **Restart wage subsidy** – up to \$10,000 available to qualifying businesses that employ eligible job seekers who are 50 years of age or older.

New program

- A higher value, single Wage Subsidy that aligns with Workforce Australia's wage subsidy. The new subsidy has 4 different levels that reflect the participant's capacity to work. The highest value amount is up to \$10,000.

Wage subsidies (\$*)	
For a job of at least 8 hours per week	\$3,000
For a job of at least 15 hours per week	\$5,000
For a job of at least 20 hours per week	\$7,500
For a job of at least 30 hours per week	\$10,000

*Indicative payment amounts



Payment model

Payment model – Service Fees

- The new program has a simplified service fee structure that is linked to the level of servicing.
- Payments will be made monthly in arrears (4 weeks).

DES

- DMS 5 funding levels
- ESS 5 funding levels

New program

- 5 funding levels for those in intensive service
- 1 funding level for those in flexible service.

Service Fee (\$* Monthly)	Funding Level				
	1	2	3	4	5
Intensive Service	\$268	\$307	\$357	\$458	\$522
Flexible Service	\$102	\$102	\$102	\$102	\$102

*Indicative payment amounts

Payment model – Progress Payments

- Progress payments will be introduced to recognise the investment made to help clients overcome barriers to employment and secure employment.
- Two progress fees will be claimable over a 12-month period.
- Progress payments are in addition to Service Fees.

DES

N/A

New program

Claimed for a range of activities or interventions including: 4-week job placement, work experience, education or other training outcomes.

Progress Fee (\$*)	Per Instance
	\$1,000

*Indicative payment amounts

Payment model – Outcomes

- Outcomes will be paid in recognition of a participant achieving sustainable and suitable employment
- Outcomes depend upon whether the participant is working below (Partial) or at (Full) their Employment Benchmark.

DES

→ 4, 13, 26 and 52 weeks, including pathway outcomes.

New program

→ 12, 26 and 52 weeks, including partial outcomes.

Outcome Fee (\$*)	Funding Level				
	1	2	3	4	5
12-Week Full Outcome	\$1,250	\$2,232	\$3,255	\$4,592	\$8,194
26-Week Full Outcome	\$1,797	\$3,205	\$4,669	\$6,596	\$11,274
52-Week Full Outcome	\$496	\$882	\$1,286	\$1,817	\$3,244
12-Week Partial Outcome	\$401	\$718	\$1,060	\$1,520	\$2,696
26-Week Partial Outcome	\$581	\$1,037	\$1,525	\$2,165	\$3,888
52-Week Partial Outcome	\$157	\$283	\$420	\$593	\$1,070

*Indicative payment amounts

Payment model – Ongoing Support

- Ongoing Support Fees are payable for participants in Ongoing Support.
- Direct access to Ongoing Support replaces Work Assist.

DES

- **Ongoing Support Fees:** Paid in relation to the level of support (Flex, Mod and High).
- **Work Assist Fees:** Work Assist Service Fees and Work Assist Outcome Fees.

New program

- **Ongoing Support Fees:** Remains the same.
- **Work Assist Fees:** N/A

Ongoing Support Fee (\$*)	Instance	Quarterly	Monthly
Flexible Ongoing Support	\$477	N/A	N/A
Moderate Ongoing Support	N/A	\$1,430	\$440
High Ongoing Support	N/A	\$3,576	\$1,100

*Indicative payment amounts

Payment model – Moderate Intellectual Disability Payment

- Where a DES Provider is assisting a Participant with Moderate Intellectual Disability, and the Participant meets the requirements of a Full Outcome, the Provider is eligible for Moderate Intellectual Disability Payment.

DES

→ To claim, the participant must have an assessed Intelligence Quotient (IQ) of 60 or less, or have been classified by a registered psychologist, using a recognised assessment tool, as having moderate intellectual disability.

New program

→ Remains the same.

MID Payment (\$*)	Instance
12-Week MID Payment	\$7,892
26-Week MID Payment	\$16,020
52-Week MID Payment	\$2,913

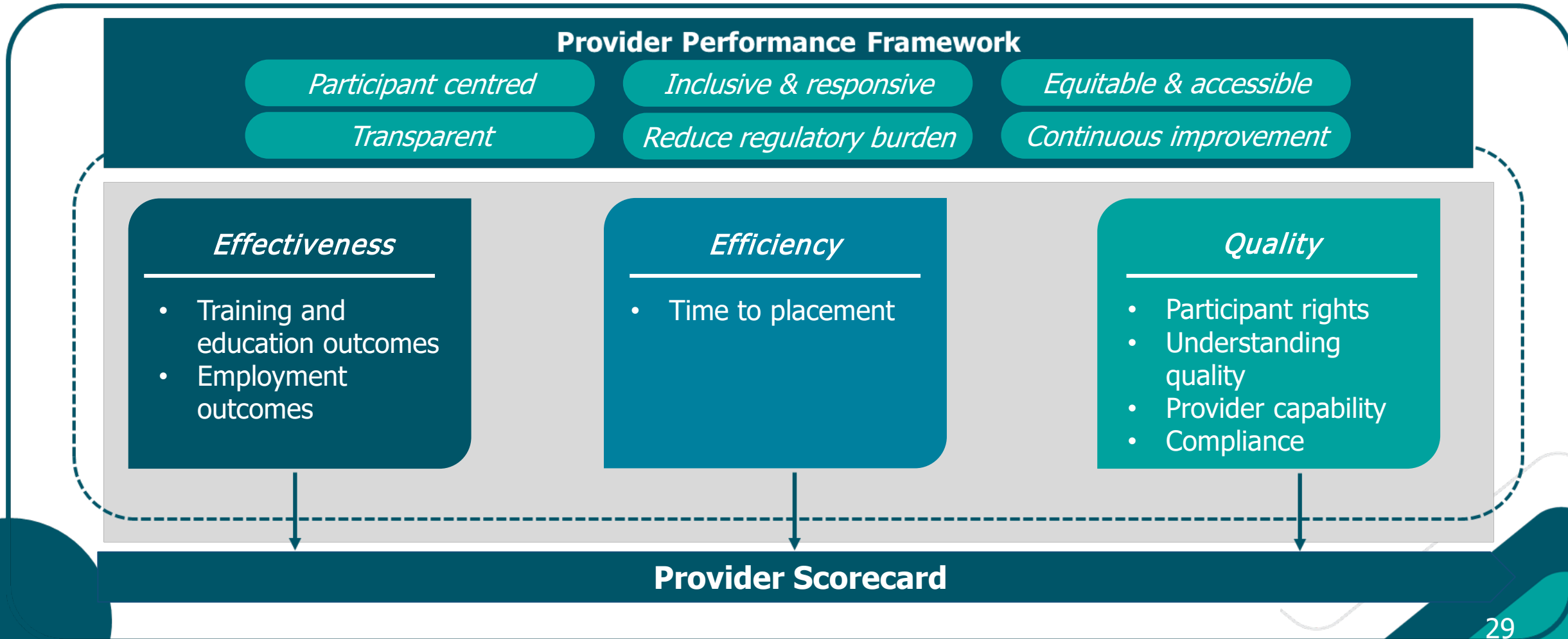
*Indicative payment amounts



Government stewardship and continuous improvement

Measures of quality and performance

- Performance framework and measure of quality have been the focus of the first phase of reforms and will continue to evolve.



Market strategy



The new program aims to strengthen the quality and diversity of providers.



Specialist providers with deep expertise in a participant cohort will be prioritised during procurement.



Providers will demonstrate they have staff and leadership that reflects the communities they are working with.



The market strategy will balance market controls that support the viability of smaller and more specialist providers to enter or re-enter the market while ensuring participant choice and control remains.

Market structure



The number of Employment Service Areas (ESAs) will remain the same, however the number of providers in each ESAs will be limited.



Market share limits will be reintroduced, although a participant's choice will take precedence.



Providers of specialist services to specific cohorts will be able to provide partial coverage of an ESA or coverage of multiple ESAs.



Some providers may want to offer flexible outreach services to meet participant needs.

Planned procurement



Providers for the new program will be selected through a competitive procurement process.



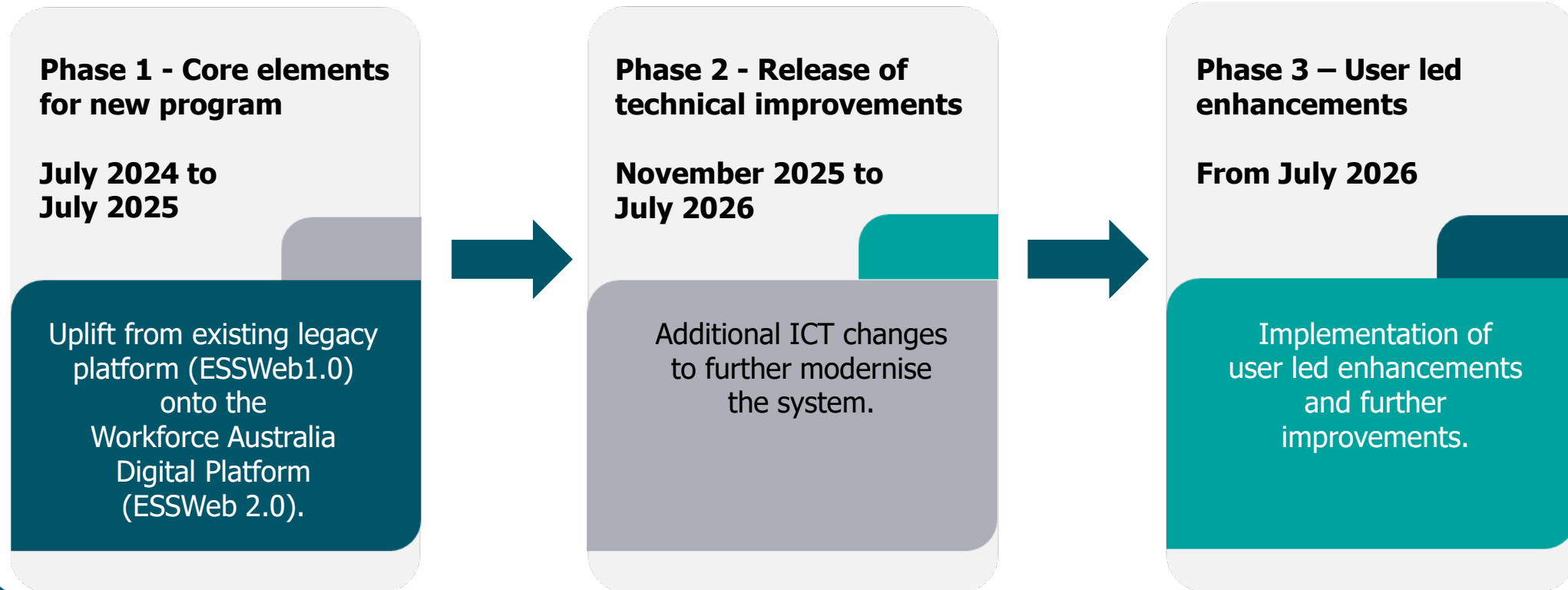
The Department intends to publicly release an Exposure Draft of the Request for Tender mid-2024, with the approach to market planned to commence in the last quarter of 2024.



The Department will release further information regarding the procurement process in the coming months.

Digital uplift and modernisation

- Digital uplift and modernisation of the ICT system will improve administrative processes and support a better user experience.



Implementation and continuous improvement



There are a range of measures that will support continuous improvement, including:

- Formal evaluation of the new program
 - Improved data linkages
 - Training for provider staff to understand the policy settings and associated administration
 - Robust ongoing monitoring.
-

Pilot learnings

- The Department of Social Services also has several pilots underway giving insights for the new program.

NDIS/DES Pathway Pilot

This Pilot aims to improve pathways into DES for NDIS participants without mutual obligations.

Tourism Local Navigators Pilot

This Pilot aims to test new approaches to supporting small and medium sized tourism businesses to connect with employment service providers and/or jobseekers with disability through place-based local Navigators.

Career Pathways Pilot

The Career Pathways Pilot was developed to promote the career pathway and leadership potential of employees with disability by providing opportunities for advancement and fostering a disability-inclusive workplace culture.

Disability Employment Centre of Excellence

We need the Centre to:

- Increase employment outcomes for people with disability.
- Provide training and resources to employment service providers and employers to increase their overall capability.
- Include disability expertise and lived experience.
- Foster collaboration across relevant sectors.

The Centre will:

- Build provider's disability awareness to better support participants.
- Increase awareness and share best practice examples that work, including: customised employment, job coaching and career planning.
- Build provider skills and knowledge to understand employer needs and to help employers hire and support employees with disability.

The Centre will be established by:

- Committing \$23.3 million over four years from 2024-25.
- Conducting an open grant round to find a suitable provider or consortium of providers with strong credentials.
- Commencing activities from March 2025.

Complaints Resolution and Referral Service and Hotline



The National Disability Abuse and Neglect Hotline (Hotline) and the Complaints Resolution and Referral Service (CRRS) will continue to be made available through JobAccess.



Funding was extended to the Hotline and CRRS, allowing people with disability to access fair, impartial and independent advice and to voice their concerns regarding the delivery of supports.

Broader Reform Processes



The disability employment reforms are a phased approach.



The reforms will also have close alignment with other reforms occurring across employment services, including in response to the House of Representatives Select Committee on Workforce Australia Employment Services.



The Government will respond to the Disability Royal Commission in mid-2024.

Next steps

Future consultations



The Government is committed to ongoing consultation during the implementation and transition to the new program.



Information on public consultation will be made available on DSS Engage.



Subsequent phases of the reforms will also allow for further consultation and engagement with stakeholders.

Feedback and more information



New information will be made available through the
Department of Social Services

www.dss.gov.au/new-specialist-disability-employment-program

and

DSS Engage: www.dss.engage.gov.au



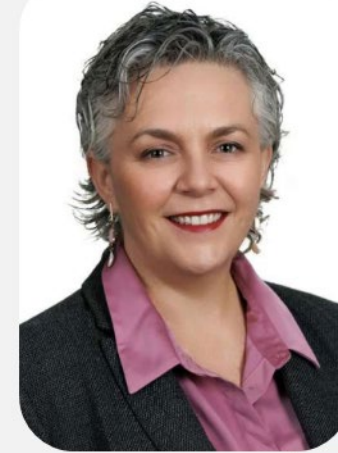
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Questions?



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Get in touch



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Thank you!

