2024-25 Budget Disability Employment Reforms

Post-budget briefing – 23 May 2024

This is an accessible copy of the slides.

## 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.

## Minister’s keynote speech

The Minister for Social Services, the Hon. Amanda Rishworth, provided a keynote speech.

## A new specialist disability program presentation

Over 60 minutes, representatives from the Department of Social Services, Robyn Shannon, Deputy Secretary — Disability and Carers and Kellie Spence, Group Manager — Disability Employment Services, shared information on the new specialist disability program.

### 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:

* Program design and access to the new program.
* Participant services.
* Employer engagement and support.
* Payment model.
* Government stewardship and continuous improvement.
* Next steps and consultation.

## Simplified program design

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

Below is a summary of the current DES program:

* **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.

Below is a summary of the 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.

A graph showing the comparision of DMS and ESS outcomes was presented. It shows the employment outcomes for participants in the two program streams – DMS and ESS – are very similar at 4 weeks, 13 weeks, 26-weeks and 52 weeks.

## 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.

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.

The three assessments services:

* **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

This section of the presentation outlines how the program design will support high-quality services for participants.

Providers will:

* work with participants to understand their circumstances, goals and aspirations
* deliver services that reflect the diverse range of pathways to employment
* build participants capacity and skills
* build trust and focus on meaningful engagement, and
* 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** is the default for those who are preparing for work and looking for work.

**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.

The current DES program provides employment assistance.

The new program will provide pre-employment support that includes work preparation and job search support.

Graphic representation comparing current DES program Employment Assistance and the new program pre-employment support.

### Flexible Service

The flexible service provides an option to remain connected to the provider but will 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.

Pre-employment support will enable participants to move between flexible and intensive services as their circumstances change.

Graphic representation of movement between intensive service and flexible service as part of pre‑employment support in new program.

## 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.

### 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.

Graphic representation comparing current DES program and new program in-employment support.

## Key improvements in service quality for employers

This section of the presentation outlines how the new program will offer employers access to high-quality specialist support.

Providers will:

* work with employers to understand their recruitment needs and help find suitable candidates
* work to support employers with inclusive recruitment and workplace practices
* provide support for employees with disability in the workplace, and
* 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.

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.

The current DES program provides:

* 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.

The **new program** will provide:

* 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.

Below is indicative payment amounts of the wage subsidy under the new program:

* 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.

## Payment model

This section of the presentation outlines the payment types for the new program.

### 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).

The current DES program provides:

* DMS 5 funding levels
* ESS 5 funding levels

The new program will provide:

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

Below are indicative payment amounts of the monthly service fee:

**Intensive Service:**

* Funding Level 1 $268
* Funding Level 2 $307
* Funding Level 3 $357
* Funding Level 4 $458
* Funding Level 5 $522.

**Flexible Service:**

* A flat rate of $102.

### Progress Payments

Progress payments will be introduced to recognise the investment made to help participant 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.

The current DES program does not have this payment.

The new program will enable progress payments to be claimed for a range of activities or interventions including 4week job placement, work experience, education or other training outcomes

The indicative payment amounts for progress payments is $1,000 per instance.

### 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.

The current DES program pays outcomes at 4, 13, 26 and 52 weeks, including pathway outcomes.

The new program pays outcomes at 12, 26 and 52 weeks, including partial outcomes

Below are indicative payment amounts of the outcome fee:

**12-Week Full Outcome:**

* Funding Level 1 $1,250
* Funding Level 2 $2,232
* Funding Level 3 $3,255
* Funding Level 4 $4,592
* Funding Level 5 $8,194.

**26-Week Full Outcome:**

* Funding Level 1 $1,797
* Funding Level 2 $3,205
* Funding Level 3 $4,669
* Funding Level 4 $6,596
* Funding Level 5 $11,742.

**52-Week Full Outcome:**

* Funding Level 1 $496
* Funding Level 2 $882
* Funding Level 3 $1,286
* Funding Level 4 $1,817
* Funding Level 5 $3,244.

**12-Week Partial Outcome:**

* Funding Level 1 $401
* Funding Level 2 $718
* Funding Level 3 $1,060
* Funding Level 4 $1,520
* Funding Level 5 $2,696.

**26-Week Partial Outcome:**

* Funding Level 1 $581
* Funding Level 2 $1,037
* Funding Level 3 $1,525
* Funding Level 4 $2,165
* Funding Level 5 $3,888.

**52-Week Partial Outcome:**

* Funding Level 1 $157
* Funding Level 2 $283
* Funding Level 3 $420
* Funding Level 4 $593
* Funding Level 5 $1,070.

### Ongoing Support

Ongoing Support Fees are payable for participants in Ongoing Support.

Direct access to Ongoing Support replaces Work Assist.

The current DES program pays **Ongoing Support Fees** in relation to the level of support (Flexible, Moderate and High). The current DES program also has **Work Assist Fees** – Work Assist Service Fees and Work Assist Outcome Fees.

The new program retains Ongoing Support Fees, which remains the same. However, Work Assist Fees are no longer part of the payment model.

Below are indicative payment amounts of the ongoing support fees:

**Flexible Ongoing Support:**

* Instance $477.

**Moderate Ongoing Support:**

* Quarterly $1,430
* Monthly $440.

**High Ongoing Support:**

* Quarterly $3,576
* Monthly $1,100.

### 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 (MID) Payment.

To claim under the current DES program, 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.

This remains the same in the new program.

Below are indicative payment amounts of the MID Payment per instance:

* 12-Week MID Payment $7,892
* 26-Week MID Payment $16,020
* 52-Week MID Payment $2,913.

## Government stewardship and continuous improvement

This section of the presentation outlines active market stewardship, continous improvement and aspects of the new program that encompass performance, data, quality and assurance.

## 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.

The provider performance framework will:

* be participant centred
* be inclusive and responsive
* be equitable and accessible
* be transparent
* reduce regulatory burden, and
* enable continuous improvement.

The proposed Provider Scorecard focuses on 3 measures:

* Effectiveness
* Efficiency
* Quality.

## 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.

There is a phased approach:

* **Phase 1 - Core elements for new program.** From July 2024 to July 2025: Uplift from existing legacy platform (ESSWeb1.0) onto the Workforce Australia Digital Platform (ESSWeb 2.0).
* **Phase 2 - Release of technical improvements.** From November 2025 to July 2026: Additional ICT changes to further modernise the system.
* **Phase 3 – User led enhancements.** From July 2026: Implementation of user led enhancements and further improvements.

## 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** aims to improve pathways into DES for NDIS participants without mutual obligations.
* **Tourism Local Navigators 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** 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](http://www.dss.gov.au/new-specialist-disability-employment-program)) and DSS Engage: ([www.engage.dss.gov.au](http://www.engage.dss.gov.au)).

If you have any ideas or concerns, you can email: DESConsultations@dss.gov.au

## Questions?

At the conclusion of the update by Robyn Shannon, Deputy Secretary — Disability and Carers and Kellie Spence, Group Manager — Disability Employment Services, questions provided by the Slido tool were answered.

## Closing slide - Thank you!