



Australian Government  
Department of Social Services



# Disability Employment Reforms

National Employment Services Australia (NESA)  
Conference – Better Together - Connecting for First  
Nations Employment

Disability Employment Reform

**Wednesday, 19 June 2024**

**Cairns**

**Delivered by Ms Kellie Spence**

**Group Manager, Disability Employment Group**

**Department of Social Services**

## Slide 2 - Acknowledgement of Country

I would like to start by acknowledging the Traditional Custodians of the land on which we meet today and their connections to land, water, culture and community.

I pay respects to the Elders past and present and extend that respect to all Aboriginal and Torres Strait Islander peoples here today.

## Slide 3- Property statement

The Department of Social Services (DSS/the department) 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.

## Slide 4 - Overview and objectives

I am really pleased that I can be part of this conference on Connecting for First Nations Employment.

On 23 May, Minister Rishworth presented her vision for reform to disability employment. Robyn Shannon and I then presented further details about the reforms and the new specialist disability employment program.

I will cover some of this content again today, to provide an overview for those who have not yet heard about the reforms.

More importantly I am keen to hear from you on your views of the reforms and how we can better connect so that these reforms will work effectively for First Nations people with a disability, including attracting more First Nations people specialists to participate in the program.

To start, I will provide some background about the participation and outcomes of First Nations people in the current Disability Employment Service (DES) program.

I will outline some key changes in the new specialist disability employment program design (the new program) and the rationale for these changes.

I will cover some of the proposed changes proposed in our recently released information on the Market Structure which is available on the DSS Engage website and our approach to sharing information and consultation on reform moving forward – whilst maintaining probity.

My presentation today is around 20 minutes, with 10 minutes for you to consider questions at your tables and provide us some feedback.

We are keen to hear your views and hope this session encourages First Nations people organisations to think about applying to deliver services under the new program.

### Slide 5 - First Nations people

Around 3.8 per cent of the Australian population are First Nations people, yet First Nations people account for 8.1 per cent of the total caseload in the current DES program.

We also know people with disability have lower employment outcomes than those without. For First Nations people with disability these outcomes are even worse. This tells us that the current DES program is not meeting the needs of First Nations people with lower outcomes across all categories:

For First Nations people with a disability, only 35 percent remain in employment after 13 weeks compared to 39 per cent of all DES participants.

This falls to 28 per cent after 26 weeks and 18 per cent after 52 weeks, in comparison to 34 per cent and 22 per cent for all DES participants.

In the current DES program we have three first nations specialist providers, servicing around 107 participants.

### Slide 6 - First Nations people proportion mapping

This slide simply demonstrates where our First Nations people participants are located across the country. There is currently 111 Employment Service Areas in non-remote Australia and this will continue in the new program. We are looking for to increase the diversity and range of providers to assist people with disability: Increasing the number of First Nations specialist providers will:

- enable better support for First Nations participants,
- support better placement of First Nations people with a disability in employment in organisations that are also culturally safe, and
- lead to better and longer lasting employment for First Nations people with a disability.

We have designed the new program to make it easier for small and specialist providers to enter the market, reduced administrative burden, and simplified the program to focus on delivering quality services and achieving tailored outcomes for people with disability.

I'll step through the key program design and then create an opportunity for key questions and a chance to get some feedback.

### Slide 7 - Simplified program design

The new program will commence from 1 July next year with the aim of improving the employment and career outcomes for people with disability.

We are combining the existing DES Disability Management Service (DMS) and Employment Support Service (ESS) into one single program to reduce complexity and enable providers to dedicate more time and energy into building relationships and better understanding the needs of participants and employers – the things that really matter.

Providers will be expected to design services to meet the unique needs of their participants and will have greater flexibility to do so.

You will be able to leverage evidence from your other services and practice as well as the new Disability Employment Centre of Excellence to inform your service model. Or your participants and employers may provide input to a new approach that you would like to trial. You will not need to split your caseload into DMS and ESS with different services, contracts and performance monitoring.

In addition, the need for Ongoing Support will be assessed once in employment, rather than upfront, and better reflect an individual's need at a point in time.

This is the flexibility and focus on participant need we are offering and aiming for - to deliver high quality tailored services.

This approach will allow for greater input from participants and employers in what services will meet their needs, in their location;

- it will allow providers to leverage their service delivery expertise,
- It will support continuous improvement and innovation, and
- it will simplify program complexity and reduce administration.

## Slide 8- Participant eligibility for the new program

A key change to the new program is the expansion of eligibility to help more people with disability, injury and/or a health condition to prepare for and find sustainable employment.

This expansion will mean:

People with an assessed future work capacity of less than 8 hours per week will be able to volunteer; and

People will not need to receive an income support payment to be eligible for the new program.

The expansion of eligibility responds to recommendations of the Disability Royal Commission – as well as stakeholder feedback through consultations on DES reforms that more people with disability who need or want employment should have access to the program.

These changes in eligibility are coupled with the 2-year service limit being removed. This means that participants will no longer experience breaks in support when looking for work and will be able to stay in the program for as long as they need support. Early feedback from stakeholders indicates that the two changes to eligibility and program length are really welcomed.

## Slide 9 - New approach to employment assistance

One way that the new program increases flexibility and customisation is by having two new service offers – an intensive service and a flexible service. The intensive service is the core service, targeting all participants who are able – with the right help – to engage intensively in services and activities that will help them prepare for, find and keep a job.

The flexible service is for participants who are unable to participate more intensively at a point in time. This includes participants who:

- are engaged in activities that substantially meet their requirements  
AND/OR
- have complex and/or multiple barriers to employment that limit their capacity to engage.

Examples of people who would be assisted through the flexible service could include people who are employed part-time or currently studying, caring or volunteering. Or a mixture of these activities.

The flexible service will also benefit people who need to undertake non-vocational activities that address significant personal issues, so they are better placed to participate in the intensive service in the future.

Participants who have a temporary suspension may also volunteer to participate in flexible servicing to remain connected while their temporary exemption runs its course.

Another key difference is that the provider will consult with the participant before making a decision about whether the flexible service is appropriate and for how long. Service fees for participants in the flexible service are lower than the intensive service reflecting the service intensity expected. There is flexibility in how the services will be delivered in each stream however there will be monitoring and assurance on those service levels and the suitability of the stream decision. It will also be considered within the future performance framework.

## Slide 10 - Meaningful engagement

The new program will focus on meaningful engagement of participants to help both providers and participants build positive relationships and take a partnership-based approach to goal setting and participation in activities.

A simple statement, but a crucial one. All stakeholders – participants, employers and providers have called for a shift in how mutual obligations works to enable a focus on meaningful engagement and better outcomes – this is an area of ongoing work for Government. In the meantime, the new program is taking steps

within the existing legislative framework to strike a better balance between flexibility and making sure that participants can meet their mandatory obligations under social security.

This is why we need First Nations people specialist providers to consider applying – you have an understanding and links to community that would be vital for building meaningful relationships with First Nations people participants and assisting them into employment.

### **What are we aiming for?**

A culture where understanding individual participants goals and needs, informs services and an employment pathway that is valued by participants and employers. Where the majority of participants are engaging meaningfully towards these goals and meeting their mutual obligations without relying on compliance as the primary tool.

Currently 20 per cent of the caseload are ‘volunteers’ and this will increase with changes in eligibility. Maintaining engagement will require offering services that they value. This ethos should be the same for all participants.

The option of shifting the Job Plan to detailed requirements if a participant is not engaging will remain. This new approach is expected to contribute to the new service culture, where participants are at the centre of service delivery and more involved in their program of supports.

A participant’s Job Plan will continue to be the primary agreement for mutual obligation requirements. On commencement in the program, the mandatory requirement will be “participating meaningfully in the program by engaging with the provider to prepare for, seek or maintain employment”.

A provider will decide if a participant is meeting the requirement to meaningfully engage by considering their overall participation and willingness to work towards achieving their employment goals. Providers will work constructively with the participant to encourage and support engagement, rather than monitoring individual engagements and activities and managing associated compliance processes.

## **Arrangements for those who don't meaningfully engage**

Participants who aren't engaging meaningfully with the program will have their obligations to participate managed more traditionally. Job Plans will include mandatory items for all key activities, such as appointments, job search and other activities. The Targeted Compliance Framework will apply. And if a participant continues to be non-compliant, they will be subject to compliance action.

## **Slide 11 - Support once in employment**

The Government recognises the crucial role that post-placement support and ongoing support plays in supporting people with disability to achieve sustainable long-term employment.

Under the new program, participants will continue to receive support once they find a job, to create the best chance of sustaining employment. The key changes for 'in employment' support are:

- merging and simplifying ongoing support and the Work Assist program,
- identifying eligibility for ongoing support after placement in employment, not as part of the program eligibility and Employment Services Assessment' and
- allowing the National Panel of Assessors to set the timing of support reviews, based on the stability and permanency of the participant's disability – avoiding unnecessary re-assessment.

## **Slide 12 - Employer engagement**

Employers will be able to tap into the expertise of providers in order to build confidence and capability to employ people with disability within their business. Providers will need to build relationships with employers and get regular feedback on their services.

Providers will also need to work closely with employers to identify job opportunities and assist employers to design jobs that are suitable for individual participants. This may include assistance with job design or job customisation. It's important that participants are given the best chance to have the skills and training needed in their local communities.



The Government will continue to offer a range of employer support services and resources through JobAccess and the Employment Assistance Fund which funds workplace modifications. JobAccess includes access to free, confidential and accessible workplace and employment information and support to help remove barriers to employing people with disability. It is available to support any person with a disability who needs assistance in the workplace. Providers will be well positioned to help participants and employers access support.

### Slide 13 - Market Strategy

The Government is seeking to procure a diverse network of providers who offer high quality expert services to participants and employers. This will include attracting providers with deep expertise in working with a specific cohort of participants. This is proposed to include specific disability types such as vision or hearing impairments as well as cultural diversity such as First Nations people.

There will be an expectation of providers to demonstrate leadership in employing people with a disability. They are expected to have staff and leadership that reflects the diversity of the communities they are working with. They are also expected to engage participants and employers in the design of their services and for ongoing feedback. In addition, there will be changes to support market viability and increase the diversity of choice for participants.

The market settings introduced in the 2018 DES reforms produced an oversaturation in some locations at the detriment of smaller providers. We also know from previous consultations with stakeholders that smaller community organisations, including specialists, find it difficult to engage and compete in a complex market with a highly competitive process.

To address these market imbalances, the new program's market structure will prioritise diversification to further support participant choice and will build a more viable and attractive market to a wider range of small and specialist providers. A significant change is that organisations must choose to deliver one type of service and will not be able to apply for a mix of cohort specialist and generalist business. That is, applicants will **only** be able to nominate for specialist services, or for generalist services, at a national and ESA level. So, a provider delivering services to all participants in an ESA may not also be a cohort specialist provider.

## **Generalist providers**

Generalist providers are specialists in providing disability employment services themselves – and we may need to consider an alternative name, they will:

- have market shares allocated. Although a participant will be able to exercise choice of provider at the point of referral or at any time and not be hindered by market share,
- proposed to be limited to 25 per cent in metropolitan regions, and
- generalist providers will also be required to support full market coverage for an ESA.

## **Cohort Specialist providers**

Cohort specialist providers will demonstrate a deep and historical expertise in supporting their nominated cohorts – for instance, a strong understanding of the needs of First Nations people with disability, strong community links, and experience in supporting First Nations people into employment.

Specialist providers will not be limited to operating within ESA boundaries. Instead, they can operate using a ‘hub and spoke’ model. This would involve nominating a primary ESA with a physical full-time site or sites, and demonstrating how services can be delivered to other ESA ‘spokes’ through outreach sites. It will be important to demonstrate how they will connect to local stakeholders, services and employment opportunities. This will be one tender application and one contract to be managed, minimising administrative overheads.

Cohort specialist providers would also be promoted to new participants who match their specialisation at the point of referral and would be excluded from market share arrangements. This will allow First Nations people with disability to be matched with a cohort specialist provider who is culturally safe and has a deep understanding of the needs of First Nations people. Participants who do not choose a service would be referred to a specialist provider if they match the cohort characteristics and a service is available within their ESA.

## Slide 14 - National Panel of Assessors and Disability Centre for Excellence

The National Panel of Assessors and Disability Employment Centre of Excellence are two important complementary programs.

### **National Panel of Assessors (NPA)**

The is a standing panel of assessment service providers who undertake independent assessment services for Ongoing Support, Workplace Modifications Services and the Supported Wage System.

The role of the NPA continues under the new model, however, as mentioned, NPA providers will now determine whether Ongoing Support is required for any participant in the new program.

A new panel will be established for 1 July 2025.

### **Centre for Excellence**

The Centre of Excellence will be an evidence-informed, best-practice hub that provides resources, tools and training to help providers deliver quality employment services and supports to participants with disability and employers to improve disability employment outcomes.

Specifically, the Centre of Excellence will collect, translate, and disseminate disability employment related research and evidence of what works into best practice resources, bringing together and using existing resources available both nationally and internationally.

The Centre of Excellence will support all providers who help deliver employment outcomes for people with a disability. This includes providers of the new specialist disability employment program, Workforce Australia, remote employment services, the National Disability Insurance Scheme and supported employment, including Australian Disability Enterprises.

Disability employment outcomes will be improved by ensuring that providers have:

- Higher levels of disability awareness to support participants more effectively.
- Knowledge of evidence-based models and approaches, including customised employment, job coaching and career planning; and

- An improved understanding of employer needs, and the skills and knowledge to help employers to hire and support employees with disability.
- We expect the Centre to commence in March 2025, to support the introduction of the new specialist disability employment program from 1 July 2025. A dedicated online hub will be available from September 2025.

## Slide 15 - Questions

I have a few questions for you today to discuss and answer at your tables and then I will wrap up with the plan moving forward. Now, my questions for you include:

- Will the proposed changes for Specialist providers be beneficial to encourage new First Nations people specialist disability employment providers?
- Are there aspects of the proposed program that might stop a First Nations provider or First Nations people organisation from applying to be a specialist provider?
- What else might encourage specialist providers to enter the market?
- Please discuss these questions at your table and I'd appreciate you providing written responses on the paper provided and we will collect them at the end of the session.

## Slide 16 - Feedback and information

A more detailed overview of the reforms with some questions and answers DSS Engage. The Department will also be releasing information papers, the first being the Market Structure paper which has just been published, and an Exposure Draft of the Request for Tender (RFT) mid-year to support understanding of the new model and to provide an opportunity for feedback.

The RFT is planned for the final quarter of 2024.

If you have any further questions and feedback, please email

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