

Next steps in Supported Employment: consultation on the way forward, Discussion Paper March 2025

Endeavour Foundation Response, June 2025

About Endeavour Foundation

Endeavour Foundation is an independent, for-purpose organisation established in 1951 with a vision to partner with people with disability to live their best life. We support more than 500 people to live independently and more than 890 people are empowered through learning and life skills programs across Queensland, NSW and Victoria. Additionally, we employ more than 1,780 people with disability at 25 Disability Social Enterprises.

For many years we have been committed to providing employment for people with a disability across Australia, particularly those with high support needs. We continue to believe in the value and importance of employment for people with a disability who want to work.

Like many NDIS providers, Endeavour Foundation's finances are stretched and the commercial viability of some of our Disability Social Enterprises is under review. Financial pressures are most severe in rural and regional locations, and the challenges to increase wages and expand employment offerings are particularly difficult in these thin markets. Without policy and funding changes, the supported jobs in many Disability Social Enterprises are at risk, and without mainstream job opportunities, the employees who require the most support are at the greatest risk of unemployment for the long term.

Despite these pressures, Endeavour Foundation, like many other supported employment providers, is developing new models and business partnerships to create many different job opportunities for supported employees. These new models emphasise pathways to mainstream employment while recognising the important role that Disability Social Enterprises can play in the employment journey. We also recognise that for some employees, remaining in supported employment in a Disability Social Enterprise is their preferred choice for the time being, and sometimes for the long-term.

What Our Employees Tell Us

Over recent months, Endeavour Foundation has commissioned research among our employees with disability to understand their perspective and help us shape our Work division to meet their expectations.

The researchers identified four key themes in what employees value most about working in our Disability Social Enterprises:

1. **It's not charity, it's a real job.** Employees value the routine and structure of work, as well as the real work experience they gain. They also value the income they earn and the skills and qualifications they gain.

"I love working here. It makes me happy, and I get more money, and it keeps me busy," employee, Barracks.

2. **Contribute and bring your best.** Employees report they are valued for their unique contribution and recognised for the work they contribute. They take genuine pride in a job well done and find fulfilment in know their efforts help the businesses we partner with.

"I like working in the mail room. When I do that, I feel really proud of myself."
Supported Employee, Geebung

3. **Find true connection and acceptance.** A main motivator for many employees is the friendships they have formed at work with employees and managers. They report these friendships are built on care, teamwork, laughter and respect.

"Having people that understand and want to help you makes you feel welcome."
Supported Employee, Wacol

4. **Learn, grow and achieve your goals.** Employees report the many ways their work has impacted their lives, including building confidence and independence, upskilling and qualifications, reaching personal milestones and transitioning to mainstream employment.

"Since I have my licence, I'm able to drive the vehicle on the base and I've gotten better at driving the van." Supported Employee, Barracks

The Role of Supported Employment Providers

In its review of the Supported Employment Services Award, the Fair Work Commission¹ recognised that Supported Employment providers do not simply act as employers of people with disability, but also provide "a range of additional support services which an

¹ 2019 FWCFB 8179

ordinary employer does not, including training in life skills as well as vocational training, counselling and behavioural support and transport assistance.”

The Fair Work Commission also found that “the employment opportunities which the supported employment sector provides to disabled persons is of immense value to Australian society” and that there was “uncontradicted evidence... [from] numerous disabled persons and their carers/family members concerning the personal importance to them of employment in ADEs” including the “companionship, stimulation, independence. Learning opportunity and the sense of dignity, achievement and self-worth which supported employment provides them.”

The Commission heard considerable evidence from a range of witnesses and organisations and concluded that “jobs in ADEs represent for [severely disabled persons (sic)] the only realistic opportunity for employment they will ever have.” Critically, the FWC also concluded that “arising from the low productivity nature of ADE operations... they cannot financially be sustained by commercial revenue alone and are dependent to a large degree on government funding.”

There remains a critical and ongoing role for supported employment providers and Disability Social Enterprises as part of an ecosystem of businesses and supports for people with disability with high support needs. These businesses can also play a central role in growing the number of mainstream employers who provide inclusive workplaces for those with high support needs.

Focus on Mainstream Jobs

In April 2025 the Australian Institute of Health and Welfare reported that only 24% of working-age NDIS participants are currently in mainstream employment on full award wages², or just 21% in some regional areas. We believe this will only change if the Australian Government prioritises more disability-employment-friendly policies and labour market incentives to attract and support more employers to create job opportunities for people with employment support needs.

At Endeavour Foundation we focus on the range of services that will support individuals to take up or transition to mainstream employment, and those that will build the workplace readiness of mainstream employers. This means we pay attention to both the workplace setting (internal and external) and the level and nature of support for the individual, ranging from learning hubs, Disability Social Enterprises to hosted mainstream employment, supported mainstream employment and self-employment.

The following table provides an overview of our future state service model currently under development. Services are designed for both employees and employers to

² Australian Institute of Health and Welfare website, accessed 15 June 2025 (<https://www.aihw.gov.au/australias-disability-strategy/outcomes/employment-and-financial-security/ndis-participants-in-full-award-wage-employment>)

achieve the best possible, sustainable employment outcomes for people with disability while emphasising development, progression and mainstream employment.

A summary of our employment formats



Component	Disability Social Enterprises (DSE)	Supported Hosted Employment (SHE)	Supported Independent Employment (SIE)
Purpose	Provide inclusive, practical work environments focused on skill-building, certifications, and personal/professional growth. Serve as foundational spaces to prepare individuals for advanced employment.	Bridge the gap between internal and independent employment through hosted environments where individuals receive structured, on-site support.	Empower individuals to achieve independence in open employment while retaining access to guidance and support as needed.
Definition	DSE's are commercially operated inclusive environments integrating structured training, certification, and on-the-job experience. It prioritises safety, inclusivity, and skills aligned with industry needs.	Employment hosted externally by partner organisations whilst being employed by Endeavour and receiving support and oversight to ensure progress and skill development.	Employment in open markets with access to minimal support tailored to achieving workplace success, addressing challenges, and fostering long-term retention.
Key objectives	- Provide practical, safe environments for skill acquisition. - Offer structured certification and progression pathways. - Develop job-ready skills through task-specific training. - Support behavioural escalation management and build confidence. - Prepare individuals for transitions to advanced employment formats.	- Deliver tailored onboarding and orientation to hosted environments. - Ensure steady workflows and practical skill-building through on-site guidance. - Advocate for inclusion and progression to independence. - Partner with external organisations to enable holistic development and opportunities.	- Promote confidence and inclusion in open employment. - Provide tailored consultation and navigation support for individuals and employers. - Facilitate transitions to independence through skills, coaching, and workplace readiness. - Build frameworks for long-term career satisfaction and growth.
Services offered	- Certified training programs integrated with job duties. - Access to vocational qualifications. - On-the-job mentoring and coaching. - Rotational tasks to build a variety of skills. - Structured, inclusive production tasks tailored to capabilities. - Regular goal reviews to measure employability progress.	- Regular skill assessments to align workflows and tasks. - Embedded mentors or coaches at hosted sites. - Customised work plans with achievable milestones. - Focused advocacy and transition strategies. - Practical guidance in navigating hosted environments for employee and employer.	- Minimal-touch guidance for workplace retention. - Ongoing skill updates as needed. - Periodic reviews and workshops to address challenges. - Employment consultations for businesses and individuals. - Integration with social workers or counsellors if required.

The way forward

There is a critical need for government to support Disability Social Enterprises to remain viable while they innovate in job design and settings, and support mainstream employers to welcome employees with disability. This paper draws on recent feedback from employees and families, as well as Endeavour Foundation's internal review of our Work Division and the future of our employment and business offerings. The paper responds to questions in the discussion paper and expands on what we believe are the seven key strategies to improve employment opportunities for people with disability with high support needs.

- A. Transition Funding for Disability Social Enterprises
- B. Introduction of a Wage Subsidy
- C. Removal of DSP Barriers to Employment
- D. Employment first in NDIS plans
- E. More Private Sector Jobs

F. Implementing Social Procurement

G. More Public Service Jobs

A note on terms

ADE – we no longer use this term as it is defined by a defunct funding program and fails to acknowledge the current nature and variety of supported employment settings.

Disability Social Enterprise – our preferred term to describe the range of for-purpose businesses whose focus is providing employment opportunities for people with disability, especially supported employees. These businesses may be a mix of open and closed settings and employees may be paid on SESA and other award levels. The distinction between supported employment services and social enterprises (Figure 1 of the discussion paper) is unclear and, in our view, unhelpful.

Open Employment – we no longer use this term as many Disability Social Enterprises include open and mixed employment settings. We use the term

Mainstream Employment to refer to settings where the goal of employing people with disability is not central to the employer's business model.

Response to Discussion Paper Questions

1. Is there any other existing work that is missing from the table at Appendix 3?

There is a range of reform work occurring across Disability Social Enterprises to transform these businesses and expand the job opportunities for people with disability with high support needs.

2. What is your ideal future state for the supported employment sector and employment of people with disability with high support needs?

The ideal future is a diverse range of employers providing a variety of job opportunities particularly for employees who, because of their disability, need substantial and

ongoing support to obtain and keep paid employment. Features of these job opportunities would include:

- Tailoring of job roles that support all people in their aspiration to be employed.
- The ability of employees to choose a long-term career in the settings and employers of their choice.
- Supportive staffing structures that provide a safe working environment and opportunities for learning and career progression.
- Development opportunities beyond just job training, and include life skills, social skills, self-confidence and communication.
- Positive workplace cultures where work skills are developed and social connections are made.
- The contribution and achievement of all employees is celebrated.
- Human rights for all employees are upheld.
- Pathways to mainstream employment are encouraged and the transition to mainstream employers is supported (and negative impacts are avoided).
- Individual's choices about the preferred work environment are respected and regularly reviewed.

In the ideal future, Disability Social Enterprises play a key role in developing work readiness, providing quality jobs, upskilling and supporting career progression, and supporting mainstream employers to become inclusive workplaces.

3. What additional actions do you consider are necessary to increase employment of people with high support needs in open/inclusive settings?

Demand side:

Significant investment is required to promote, encourage and support mainstream employers to create inclusive workplaces and jobs for people with high support needs. This support includes broad awareness, workplace readiness and cultural capability, as well as connection with workforce supply and assistance with job design. Financial incentives such as tax offsets or wage subsidies may also be

required to create the scale of jobs requires for people with high support needs. Each individual employer and employee will benefit from tailored transition support, navigation and coaching.

Supply side:

Consistent feedback from supported employees and their families and carers identifies that current policy settings for the Disability Support Pension create unintended barriers to commencing work, increasing hours and advancing to higher paid roles. Our view is that pension income rules should encourage employment and career progression. At minimum, DSP recipients should be entitled to the same income allowance as the Aged Pension Work Bonus.

One of the key reasons supported employees value the Disability Support Pension is the health care card and pensioner concessions that are associated with the pension. Access to affordable health, transport and housing are critical for people with disability with high support needs. Government should consider de-linking these associated benefits from the pension income, so that DSP recipients are able to retain their health card and concessions even when their pension income is \$0 for extended periods. To be successful, the process for re-commencing pension payments should be rapid and straightforward.

4. The Royal Commission recommended the development of a Plan or Roadmap to guide further reform in the supported employment sector. What would you like to see included in such a plan?

We recommend seven key features of a Roadmap to improve employment opportunities for people with disability with high support needs:

A. Transition Funding for Disability Social Enterprises

Disability social enterprises are rapidly transforming the way they operate, the opportunities they provide and the wages they pay. This is critical work that is leading the way, but it is necessarily slow and considered. Price settings under the NDIS and wage changes under the Supported Employment Services Award are placing

significant financial pressure on these enterprises, with job losses and closures already occurring.

Taylor Fry economic modelling commissioned by Endeavour Foundation and National Disability Services³ estimated that current wage and policy settings are creating employer stress and “we estimate a 10% reduction in workforce (1,700 jobs) by the end of 2026/27 focussed on the \$3.43 to \$10.05 wage levels” that is, the employees who require the most support. By 2028/29 Taylor Fry estimate job losses will be 2,500 or 15% and could be as high as 30%⁴.

The same report demonstrates that Disability Social Enterprises currently deliver considerable value to employees, government and carers. Government gains an annual benefit of \$225m through reduced benefit payments, increased income tax and GST, and reduced NDIS and housing costs. Supported employees gain an aggregate of \$120m and carers gain \$113m⁵.

Disability Social Enterprises will require funding support to adjust their business models and absorb wage rises, protect jobs for those with the highest support needs, optimise transition of workers to mainstream employment and support mainstream employers to be inclusive of people with disability with high support needs.

B. Introduction of a Wage Subsidy

Endeavour Foundation has advocated moving to the minimum wage for supported employees in Disability Social Enterprises and mainstream settings as soon as possible. This is central to upholding Australia’s commitments under the United Nations Convention on the Rights of Persons with Disability. Disability Social Enterprises cannot achieve this without Government support as outlined in A, above. Additionally, the productivity of the supported workforce prevents Disability Social Enterprises and other employers from competing on a purely commercial basis.

More information about a wage offset and the evidence base to support it is included in our response to Question 5.

C. Removal of DSP Barriers to Employment

As noted under Question 3, the current design of the Disability Support Pension, including the income rules, create barriers to taking up employment, increasing hours and moving to higher paid roles. Endeavour Foundation has many examples of individuals declining employment and career opportunities due to the impact on their DSP entitlement.

³ [Modelling of the Supported Employment Population, Taylor Fry, 2024](#)

⁴ Ibid, p26

⁵ Ibid, p25

Reform of the DSP should seek to incentivise employment and support career progression while protecting the recipients' access to health and other concessions that are critical for people with significant disability.

D. Employment first in NDIS plans

Endeavour Foundation advocates that all NDIS participants should be encouraged to consider employment, and for those who have employment as a goal there should be a primary focus on commencing and maintaining employment. While these principles already exist, we believe they are rarely followed in individual planning meetings for those not currently in employment. Disability Social Enterprises should be included as a legitimate employment opportunity for those with high support needs who cannot yet obtain mainstream employment or who require skills and work readiness development.

Endeavour Foundation supports a mainstream employment first approach for all participants for whom this employment setting is suitable and likely to be sustainable. Considerable employer support will be required to enable this approach, and there will be many people with high support needs for whom a first job in mainstream setting is not appropriate and could be counterproductive. We have a number of examples of where people with disability have been in mainstream employment and it has been a negative experience which has impacted their confidence and capability, so they have come to us for employment.

Employment in Disability Social Enterprises should be recognised in policy as a legitimate setting for building confidence, work readiness and vocational skills, as well as an ongoing employment setting for those who choose it.

E. More Private Sector Jobs

As described in Question 3, above, considerable investment, or a significant effort to achieve a change in social attitudes towards inclusion, is required to target suitable employers, promote employment of supported employees, provide tailored transition support, and ensure inclusive workplaces that promote career progression.

F. Implementing Social Procurement

Governments can leverage their purchasing power by implementing social procurement policies that incentivise employment of people with high support needs as well as incentivising the inclusion of Disability Social Enterprises in supply chains. By creating these incentives, governments can create job opportunities at scale through changing behaviour of commercial businesses thereby creating lasting change. Similar strategies have been implemented to improve employment and career outcomes for women, First Nations and other target groups, and these approaches are likely to deliver results for people with high support needs as well.

As the Disability Royal Commission pointed out, as major purchasers of goods and services, governments (Federal and State) can exert market pressure through procurement policies and tendering arrangements. *“The Australian Government and state and territory governments should leverage this power to encourage inclusive employment practices in the private sector.”*

By adding an affirmative action consideration to existing procurement spending, government would deliver additional value for the community (helping to address the high rates of unemployment faced by people with a disability) at no extra cost. Doing so would also enable governments to fulfil the commitment of signatories to the United Nations Convention on the Rights of Persons with Disabilities, Article 27 Work and employment h) *promote the employment of persons with disabilities in the private sector through appropriate policies and measures which may include affirmative action programs, incentives and other measures.*

G. More Public Service Jobs

Governments should lead the way by becoming truly inclusive employers. As the Disability Royal Commission recommended, Federal, State and Territory governments should take steps to increase the employment of people with disability in the public sector. They should establish clear targets for employment of people with disability including disaggregated targets for people with cognitive and intellectual impairments.

The Defence Assistance Program delivered by Endeavour Foundation provides meaningful supported jobs embedded in Defence sites in every capital city in mainland Australia. This program provides a template for other government agencies to create job opportunities for people with high support needs.

5. How could the sector best increase wages for people with disability while avoiding job losses?

- a. Are there examples that currently exist that can be leveraged?**
- b. Are there new approaches that could be tested?**

In early 2024, Endeavour Foundation and National Disability Services commissioned Taylor Fry actuaries to conduct economic modelling of the supported employment system. Released in July 2024, the modelling showed that Disability Social Enterprises provide considerable value to employees, carers and government, and that the current policy settings will place increasing strain on the sector.

The modelling also showed that a wage offset to achieve the national minimum wage for supported employees is straightforward and has the potential to create 10,000 jobs for

supported employees. The report estimates that the cost to government for implementing a wage offset would be up to \$165M, which is far less than the current \$225M value the sector provides government through income tax and reduced NDIS costs.

We propose the Disability Support Pension be repurposed to provide a wage offset that is paid to employees with significant disability whose current wage falls below the national minimum wage. This would involve:

- Employees paid under existing award provisions for the industry in which they work.
- For employees whose wage income falls below the national minimum wage, the government would pay a subsidy to make up the gap.
- Disability Support Pensioner's income from the pension would be reduced (due to increased wage earnings) in line with existing rules, or improved rules such as the Aged Pension Work Bonus.
- All employees who have been deemed eligible for the Disability Support Pension would retain this eligibility and continue to receive concession and health care cards.

The following are our key findings from the Taylor Fry report:

Disability Social Enterprises (or ADEs) currently deliver considerable value to employees, government and carers.

Government gains an annual benefit of \$225m through reduced benefit payments, increased income tax and GST, and reduced NDIS and housing costs.

In aggregate, supported employees gain \$120m per year and carers gain \$113m.

A wage offset to achieve the national minimum wage is straightforward and has the potential to create 10,000 jobs for supported employees.

The Taylor Fry report models two options for wage reform:

- a wage offset - repurposing the Disability Support Pension as a wage subsidy, and
- a social wage - where the Disability Support Pension is deemed part of the wage.

Endeavour Foundation supports the wage offset model as it delivers greater dignity and will incentivise more mainstream jobs for supported employees.

Government assistance will be required to bring employees' incomes to at least the national minimum wage level.

Increasing supported employee wages adds significant employer costs due to increased superannuation, workers compensation and wage top-ups. Without government support, these costs would not be sustainable for employers in either mainstream or DSE settings.

Required government assistance is far less than the current benefits to government.

If all employer costs were paid by government, then additional annual cost to

government under wage subsidy is \$165m (and under the social wage is \$82m). This is far lower than the current annual benefit to government of \$225m, from the DSE sector.

We have called on Government to establish a clear roadmap to national minimum wages for supported employees.

Endeavour Foundation and National Disability Services have proposed establishment of an interdepartmental committee to develop the model - including Treasury, DSS, supported employees, advocates, supported employment services and NDS.

6. Do you see a role for workplaces which provide specialised employment opportunities for people with disability in the future?

a. If so, what should these workplaces look like?

Yes, they should provide employment, learning and development for people with high support needs, along with support to transition to mainstream roles if and when this is right for the worker. This is an important part of providing choice and control to people to work in a workplace that is right for them and their career objectives.

7. How could the benefits of supported employment settings be reflected in open employment settings?

Employers require significant support to build an inclusive culture for employees with disability with high support needs, and to customise roles and structures that assist these employees to succeed. As organisations with decades of experience in employment of people with high support needs, Disability Social Enterprises can play a central role in building capacity in mainstream businesses.

In our experience, employer support is most effective in the context of real job opportunities and real candidates. Endeavour Foundation builds relationships with individual employers, seeks opportunities for hosted or independent roles within the business, sources and supports selection of suitable candidates and then provides customised training and support for both the employee and employer to create smooth transition and long-term success.

Key services that have proved valuable include:

For mainstream businesses:

- Advice on job design and reasonable adjustments
- Customised work plans with achievable milestones
- Behavioural escalation management training and support
- Orientation and coaching for supervisors
- Support for disability awareness and inclusive culture
- Advocate for ongoing development and career progression
- Periodic reviews and strategies to address workplace challenges.

For individuals:

- Job readiness and task-specific training
- Transition support and practical guidance for mainstream settings
- Tailored onboarding and orientation
- Employment coaching to improve productivity and promote retention
- Promote confidence and ongoing career aspirations
- Transition to independent employment and integration

For employees requiring support to maintain employment, current pricing levels create challenges in transitioning to mainstream settings. Currently, a ratio of one employment coach to four employees is the most economically achievable model for employees with high support needs. While this is achievable in Disability Social Enterprises, it has proved difficult in the early stages of mainstream employment. Most mainstream employers prefer to start with one or a few employees, and may spread new employees across different teams or work sites. NDIS pricing does not adequately fund appropriate levels of employment support in these circumstances.

An important aspect of employment support in Disability Social Enterprises is the flexibility to be applied wherever the individual wishes to enable their training and career goals, including changing roles and employers. Without similar flexibility and continuity of support funding for people working in mainstream settings, people risk becoming stuck in the same job with no opportunity for growth, development, promotion or transition into new roles with the same employer or elsewhere.

The Disability Social Enterprise sector continues to reform our businesses and employment models, and we have much to offer mainstream businesses in the aspiration for a more inclusive employment market for people with disability with high support needs. We look forward to continuing to partner with government and businesses to achieve the best possible future for supported employees.