# Next steps in Supported Employment: consultation on the way forward

**Discussion Paper** 

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# Acknowledgement of Country

The Department of Social Services acknowledges Aboriginal and Torres Strait Islander peoples throughout Australia and their continuing connection to land, water, culture and community. We pay our respects to the Elders both past and present.

# Introduction

In September 2023, the Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability (the Royal Commission) handed down its final report, which included 222 recommendations, a number of which related to employment for people with disability.

In July 2024, the Australian Government published its <u>response to the Disability Royal</u> <u>Commission</u>. The response to recommendations 7.31 - Raise subminimum wages and 7.32 – End segregated employment by 2034 noted that the Australian Government required further consultation before determining next steps.

This purpose of this discussion paper is to:

- outline the range of work already underway to improve employment outcomes for people with disability, particularly those with high support needs; and
- seek views on the way forward.

This paper will predominantly seek views on the Government response to recommendations related to supported employment (7.30, 7.31 and 7.32). Recognising the interconnected disability employment ecosystem, the paper will also outline work underway to respond to other recommendations.

You can respond to the questions in this paper by providing a submission to the Department of Social Services by **5pm on Sunday the 22<sup>nd</sup> June 2025**.

You can provide a submission by:

- using the *Make a submission* form at <u>engage.dss.gov.au/next-steps-in-supported-employment</u>, or
- emailing **SEpolicy@dss.gov.au**.

If you experience any issues with the *Make a submission* form, such as uploading large files, we recommend you submit a response or contact the team by emailing SEPolicy@dss.gov.au.

Please direct any queries to **SEpolicy@dss.gov.au**.

# **Australian Government Direction**

There is a diversity of views regarding supported employment, which is evident in the Royal Commission's recommendations. Over the past few years, the Australian Government has been engaging with the sector on the future of supported employment to consider these broad views and collectively design a path for reform.

Through consultation undertaken in August and September 2023, we heard:

- about the need for increased and clearer pathways to open employment for people with disability
- strong views that supported employment settings should continue to be an employment option for people with disability with high support needs
- that people with disability and their families would benefit from information and capacity building around different employment options
- that supported employees should not be worse off as a result of any initiatives
- the benefits of the customised employment model; and
- the need for co-design with supported employees and families.

That consultation process informed the design of initiatives currently underway to ensure that people with disability with high support needs can achieve their employment goals in a range of settings.

The department has also heard about barriers to employment that include employer attitudes, and how income support and access to the Disability Support Pension can affect decisions around employment.

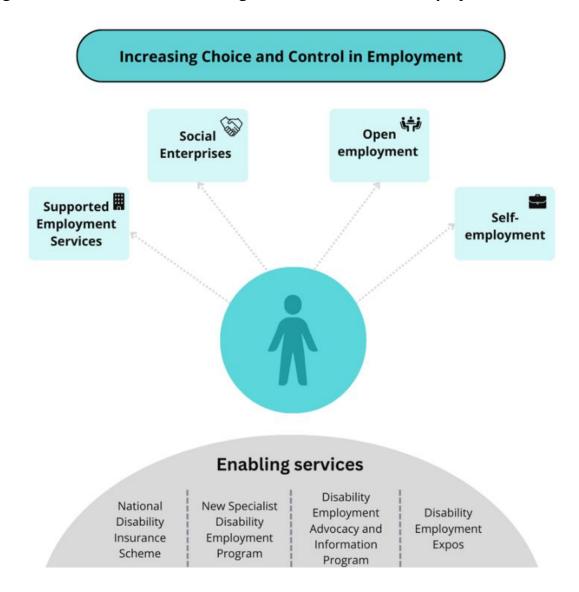
We are seeking to further consult on the future of supported employment following the completion of the Royal Commission. It is critical that we consider the broader context of recent consultation and existing reform within the sector when determining next steps.

The Australian Government is committed to ensuring people with high support needs are supported to exercise genuine choice and control over where, how and with whom they work.

The following section details the work underway to increase choice and control for people with disability in employment and respond to the Royal Commission recommendations, with **Appendix 3** mapping existing work to the recommendations.



Figure. 1. The model for increasing choice and control in employment



# The Guiding Principles for the Future of Supported Employment

In October 2022, Disability Ministers convened a supported employment roundtable with people with disability, family representatives, supported employment service representatives, peak bodies and other sector experts. Attendees developed a set of guiding principles which are focused on ensuring people with disability have genuine choice and control in their employment, and support which meets their individual needs.

The full set of principles are at **Appendix 2** and <u>online</u> at the Department of Social Services website.

# Commonwealth, State and Territory Supported Employment Plan

To ensure the Guiding Principles resulted in practical action, the Commonwealth, States and Territories worked together to create the <u>Commonwealth, State and Territory Supported</u>
<u>Employment Plan</u> (the Supported Employment Plan) in 2023.

The Supported Employment Plan has been endorsed by all Commonwealth, State and Territory Disability Ministers. It includes practical initiatives focused on providing people with informed choice and control about their employment, as well as genuine opportunities to work in a wider range of settings. These settings include supported employment services, social enterprises, open employment and self-employment. The Supported Employment Plan was updated in late 2024 to reflect new work underway, including work to respond to the Royal Commission recommendations.

### The 2023-24 Budget Initiatives

As part of the 2023-24 Budget, the Australian Government announced a commitment of \$52.7 million for supported employment measures so the sector can support people with disability with high support needs to have genuine opportunities to work in a wide range of settings. Information is available in the factsheet: <a href="Improving Support for People with Disability: Key measures in Australia's 2023-24 May Budget | Department of Social Services">Department of Social Services</a>

The Department of Social Services (the department) consulted on the design of these initiatives with the disability sector. You can learn about <a href="https://doi.org/10.2013/ncent.2023/">The Future of Supported Employment 2023</a> consultation here, including accessing the consultation report.

### The Structural Adjustment Fund

The purpose of the Structural Adjustment Fund (the Fund) is to create more employment pathways for people with high support needs; and support the evolution of the supported employment sector in line with the guiding principles. The Fund is supporting projects that introduce innovative approaches to:

- create pathways to open employment
- allow supported employment workplaces to better meet community expectations, and
- create sustainable employment opportunities for people with disability.

The Fund is being delivered over two grant rounds. Round one projects are underway. Successful applicants for Round two were announced on 5 March 2025. You can read about funded activities of Round one here and Round two here.

# **Disability Employment Advocacy and Information Program**

The Disability Employment Advocacy and Information program (Advocacy program) will support people with high support needs, their families and carers, with access to advocacy support and information to build their confidence and understanding about their rights and options at work. The Advocacy program will provide:

 case based advocacy support, where people with high support needs and their families would have the opportunity to access short term, one-on-one assistance to solve a particular employment issue, and  group based workshops, events or information sessions both online and in person, with specific sessions for people with high support needs and for families and carers.

You can find information about the Advocacy program at <u>Supported employment | Department</u> of Social Services.

### **Disability Employment Expos (WorkAbility Expos)**

The WorkAbility Expos will provide people with high support needs, and their families and carers, with information on a range of employment supports and services, and provide an opportunity to connect with new employers. Expos will be held in locations across the country, as well as a virtual expo in April 2025. You can <u>read more about the expos on the Impact Institute website</u>.

# Inclusive Employment Australia

The Australian Government has announced an additional \$227.6 million to implement a new specialist disability employment program, Inclusive Employment Australia, set to commence on 1 July 2025. Information about this reform is at <u>Inclusive Employment Australia | Department of Social Services</u>.

Inclusive Employment Australia is focused on improving the quality of services provided and removing barriers for people with high support needs in accessing the program. This includes expanded eligibility to include voluntary participation in the program for those with less than 8 hours per week work capacity and people who are not in receipt of an income support payment. The Government has not 'locked-in' the proposed expanded eligibility arrangements, but rather proposed an initial 3-year period with an evaluation to assess if the new program is working effectively for these cohorts, responding to their needs and achieving employment outcomes.

Recognising that everyone's journey to finding employment is different, Inclusive Employment Australia providers will work in partnership with each participant to develop a plan that is tailored to their circumstances, goals and aspirations. Participants will receive customised and tailored support that reflect individuals' diverse pathways to find and retain employment. This will include a range of pre-employment, job search and in-employment supports.

## The Centre for Inclusive Employment

The Centre for Inclusive Employment (the Centre), previously known as the Disability Employment Centre of Excellence, will develop best practice, evidence-based information to help providers deliver high quality, effective employment services and supports to improve disability employment outcomes, including for those with high support needs.

The Centre will improve the quality of services by providers in the new Inclusive Employment Australia program, Workforce Australia, the Community Development Program (CDP), and the National Disability Insurance Scheme (NDIS), including supported employment services.

The Centre has commenced in March 2025 and will improve outcomes by ensuring 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.

In October 2023, the department consulted on the design of the centre, and the options paper, consultation report and public submissions can be found on <u>DSS Engage</u>.

More information about the Centre is at <u>Centre for Inclusive Employment | Department of Social Services</u>.

# Supported Employment Evaluation

The department will be undertaking an evaluation to look at the employment supports available for people with high support needs. This will include:

- Structural Adjustment Fund projects
- the Disability Employment Advocacy and Information Program
- supports being provided as part of the Inclusive Employment Australia program.

The evaluation is intended to focus on:

- the appropriateness, effectiveness and sustainability of approaches being undertaken and consider how successful models of support could be replicated by others in the sector,
- which models best support transitions from supported to open employment, and how these transitions are best maintained long-term, and
- informing the government's view on the longer-term policy settings required to ensure people with high support needs can meet their employment goals.

The evaluation will also consider the impact of approaches against key metrics aligned to the principles, including perceptions amongst supported employees of their choice and control at work, wages and diversity of work options and available career progression opportunities (including sustained opportunities in open employment).

This evaluation will form an evidence base which will be made available through the Centre for Inclusive Employment. This will allow employment service providers, supported employment services, social enterprises, employers and others to learn about, and replicate, proven approaches which achieve positive employment outcomes for people with high support needs. This evaluation is also critical to informing future supported employment policy design and the next steps in responding to the Royal Commission recommendations.

# NDIS Participant Employment Strategy and Action Plan 2024 to 2026

The NDIA has released their <u>NDIS Participant Employment Strategy 2024-26</u> which includes new actions to help more NDIS participants find and keep a job.

Through the Strategy's Action Plan, the NDIA has:

- developed and implemented best practice guidance for Local Area Coordinators (LAC)
  and NDIA staff on planning for employment across life stages, with a focus on supporting
  participants into open and integrated employment settings;
- refreshed staff training, guidance, and resources and will establish further capability and quality measures for LAC and planning staff around employment conversations, planning decisions and support for plan implementation; and
- provided targeted information for employers on customised employment, how to tap into the NDIS talent pool and what support NDIS participants can use at work.

# **Employer Pilots**

Work is also underway to improve the capability and confidence of mainstream employers to employ people with disability. The Tourism Local Navigators Pilot (TLNP) commenced in July 2023 and ceased on 30 September 2024. The purpose of the TLNP was to trial ways to help small and medium sized tourism businesses address barriers they have previously identified in recruiting, retaining and progressing employees and jobseekers with disability, including:

- lack of time or capability to recruit people with disability
- confusion on how or where to seek support
- preference to use local networks to source employees

The Career Pathways Pilot (CPP) commenced in August 2023 and ceased in February 2025. The purpose of the CPP is to promote the career pathways and leadership potential of employees with disability by providing opportunities for advancement and fostering a disability-inclusive workplace culture. The department has partnered with the Business Council of Australia, four of their largest employer members (Woolworths, Coles, Target and Kmart, and Compass Group) and has funded the Australian Disability Network to design and implement this pilot.

Independent evaluation reports for both pilots are expected by mid-2025.

# Building the Social Enterprise Sector

More broadly, there is work underway to grow the Social Enterprise Sector in Australia. The Social Enterprise Development Initiative (SEDI) was announced in the 2023-24 Budget and aims to support growth in the social enterprise sector. Further information is available about <u>SEDI</u> and other <u>social impacting investing initiatives</u> on the DSS website.

# Bringing it all together

**Appendix 3** maps out the existing work undertaken by the Commonwealth Government to respond to the Royal Commission's recommendations regarding employment. It details much of the work which has been discussed in this section.

There is also philanthropic and state and territory investment supporting sector reform.

The key existing initiatives which are looking to improve inclusive employment for people with disability are highlighted in Figure 2.

Figure. 2. Timeframe of major initiatives



#### Question

1. Is there any other existing work that is missing from the table at Appendix 3? Nothing else to contribute.

# Discussion and Next Steps

As outlined in Section 2 and **Appendix 3**, work is underway to respond to many of the Royal Commission's employment recommendations. The following sections pose questions for you to consider what the priorities are for the future.

### Increasing inclusive employment – Recommendation 7.30

Section 2 outlines the significant amount of work underway to increase choice and control and to ensure people with high support needs have genuine opportunities to work in a wide range of settings.

### **Questions**

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

we envision a future where supported employment is recognised as a critical and important part of Australia's inclusive employment ecosystem. Our ideal state ensures that people with high support needs are empowered with genuine choice and control over their employment pathways, including access to supported employment as a valued and viable option, not a lesser alternative.

In this future, supported employment settings are not segregated. Rather, they are Work Integrated Social Enterprises that are blended and integrated with broader communities and industries, offering meaningful, skill-building work that mirrors open employment environments while retaining the tailored support that some individuals require on an ongoing basis due to the complexities of their disabilities. These workplaces operate as inclusive and commercially viable social enterprises, delivering economic outcomes for both the person with disability and the broader community.

We see supported employment as a foundation for skill development, confidence building, and structured workplace participation. Some individuals may choose to transition into open employment, while others may prefer to remain in supported roles. It is our view that both outcomes are valid and valuable.

Mainstream employers should, and will increasingly collaborate with supported enterprises, but the responsibility for employing people with high support needs cannot rest solely on the open market. This solution would place many people with complex needs at great risk of unemployment. Our ideal state ensures financial sustainability of supported employment through targeted government procurement, long-term policy commitment, and wage subsidy models that incentivise participation without risking job loss.

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

Increasing employment of people with high support needs in open settings requires a multi-layered strategy that addresses systemic barriers, builds employer confidence, and supports sustainable transitions. While current initiatives such as Job Access, Inclusive Employment Australia and the Structural Adjustment Funding Grants are positive steps, further action is essential.

advocates for the continuation and expansion of tailored employer engagement initiatives. Many mainstream employers lack the tools, confidence, or resources to support workers with high support needs. Employer capability-building programs including coaching, mentoring, and on-the-job support must be scaled up, with government incentives for businesses that commit to inclusive hiring. Employers would need to have the awareness and support to be able to carve and modify roles within their businesses to cater for the diverse abilities of people with disability.

Systemic disincentives within income support and the Disability Support Pension must be clarified and reduced. Fear of losing much needed benefits can be a deterrent to participation in open employment. Continued rollout of clear, accessible financial literacy resources as planned under the Disability Employment Advocacy and Information Program is vital to empower informed decision-making.

Government procurement policy should reward organisations that demonstrate inclusive employment practices, including hiring people with high support needs. Government contracts can be a powerful lever to incentivise inclusive hiring at scale.

Government support for supported employment businesses would facilitate appropriate and meaningful job counselling and coaching to supported employees so they understand their employment choices and have supports to work towards those goals over time. These transition pathways must be carefully supported. Not all individuals who choose to, will succeed in open employment without sustained, wraparound support. Employment programs should allow for hybrid models such as a blend of open and supported roles reflecting the reality that employment is not a linear journey for everyone.

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?

supports the development of a roadmap and clear operational / implementation plan that ensures the supported employment sector evolves without leaving people with high support needs behind. The roadmap must be inclusive, balanced, and practical, acknowledging that supported employment remains a legitimate choice for many. People with disability need to be provided with appropriate information and supported decision making so they can make informed choices over their employment and career journey.

We recommend the roadmap include:

- An approach that promotes both increased inclusive employment and the continued viability
  of supported employment for those requiring ongoing, high-level support.
- Clear recognition of blended models such as Work Integrated Social Enterprises and integrated/blended workplaces, that reduce segregation while still offering specialised support.
- Funded transition supports for individuals seeking to move from supported to open employment, including job coaching, mentoring, and wage subsidies, backed by funding certainty.
- Workforce development and capacity building across the supported and open employment sectors, ensuring frontline staff are equipped to support diverse needs, as outlined in the Centre for Inclusive Employment strategy.
- Procurement and policy levers that channel government contracts to inclusive employers, enabling the financial sustainability of supported employment.
- Strong monitoring and co-design mechanisms that include people with disability and their families, to track implementation, measure outcomes, and allow for course corrections.

# Raise subminimum wages – Recommendation 7.31

The Royal Commission recommended Government introduce a scheme to ensure that employees with disability are paid at least half the minimum wage, and then conduct a review of the scheme which will inform a model and pathway to lift wages to 100 per cent of the national minimum wage by 2034.

Subminimum wages are currently authorised through the Supported Wage System (in both open and supported employment settings), and through special classifications under the *Supported Employment Services Award*. The independent industrial relations tribunal, the Fair Work Commission (FWC) is responsible for making, reviewing, and varying modern awards, including setting wage rates and classifications, through consultation with affected parties. The <u>most recent review of the Supported Employment Services Award 2020</u> was handed down in December 2022 following extensive consultation over several years.

The Royal Commission commissioned research and modelling by Taylor Fry into the impacts and costs of the proposed wage increase, with modelling indicating there could be significant job losses for people with disability currently paid a supported wage under a full minimum wage option. Taylor Fry note that the assumption of the extent to which minimum wage increases affect employment is quite uncertain, making it difficult to estimate potential job losses.<sup>1</sup>

Taylor Fry's modelling indicated that people with disability with the highest support needs would be particularly impacted by job losses.<sup>2</sup> The Royal Commissioner's noted that job losses could impact a person's self-worth and their social connections.<sup>3</sup>

The Royal Commission recommended a three-stage approach to lifting wages, which includes;

- a Government-funded wage subsidy to lift supported wages to half the minimum wage;
- a review of the half minimum wage option; and
- the development and implementation of a model and pathway to lift wages to 100 per cent of the minimum wage by 2034.

Government's current approach is to strengthen the sector to increase the range of high quality, well-paid employment opportunities for people with disability, and to create more pathways into open employment at full Award wages. Findings from Taylor Fry's costings regarding potential job losses indicate the need to apply caution with regard to lifting wages. It is critical to balance any consideration of a model to lift wages to safeguard ongoing employment for people with disability.

The Disability Employment Services (DES) program currently offers three wage subsidy programs: the Wage Subsidy Scheme, Wage Start and Restart wage subsidies. These subsidies give DES providers a tool to encourage new open employment opportunities, by offsetting the initial cost to employers of offering the employment placement.

<sup>&</sup>lt;sup>1</sup> Taylor Fry, Costing a Transition Away from subminimum wages, page 4, <u>Costing a transition away from subminimum wages</u> (royalcommission.gov.au)

<sup>&</sup>lt;sup>2</sup> Taylor Fry, Costing a Transition Away from subminimum wages, page 30, <u>Costing a transition away from subminimum wages</u> (royalcommission.gov.au)

<sup>&</sup>lt;sup>3</sup> Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability, Final Report Volume 7: Inclusive Education, Employment and Housing Part B, page 503,

https://disability.royalcommission.gov.au/system/files/2023-09/Final%20Report%20-

<sup>%20</sup>Volume%207%2C%20Inclusive%20education%2C%20employment%20and%20housing%20-%20Part%20B.pdf

DES wage subsidies cannot be used to uplift the wages of supported employees because the subsidies:

- are designed to encourage open employment, and are available only for positions that are consistent with conditions specified by an applicable national award (or the national minimum wage, where there is no award),
- are intended to encourage new placements, and are not available for existing employment arrangements, and
- cannot exceed the wages actually paid to the participant.

This will also apply to any wage subsidy in the new specialist disability employment program.

#### Questions

- 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?

Raising wages must be done with a deep understanding of the economic realities of supported enterprises. strongly supports lifting wages for people with disability alongside government supports to ensure financial sustainability for commercial operations of the businesses.

We believe the most effective approach is a phased model with targeted government subsidies, as recommended by the Royal Commission. This would gradually increase wages while allowing enterprises time to adjust business and operating models. Financial modelling must include sustainability assessments to ensure that businesses can remain viable and people with disability do not lose their employment due to businesses being unable to sustain.

Key to this approach is:

- Government investment in commercial transformation, helping supported enterprises move into higher-value industries and diversify income sources.
- Procurement reform, where government prioritises organisations that pay fair wages and employ people with disability, giving these businesses a competitive market advantage.

## Ending segregated employment - Recommendation 7.32

The Commissioners were split on recommendation 7.32, which called for the development of a roadmap to end segregated employment and eliminate subminimum wages by 2034. As the department has heard through consultation over the past few years, this variance is reflective of the views within the broader community.

Some people consider there may be a continued role for supported employment settings in the future, while others have called for their cessation. The Royal Commission Chair and Commissioner Ryan considered that workplaces exclusively for people with disability may have a continuing, albeit diminishing, role in providing employment opportunities, especially for people with intellectual or cognitive disability.

When considering this issue, it is important to note that there may also be varied views on the meaning of segregation.

The Australian Government response to the Royal Commission defined segregation as "when people with disability are separated and excluded from the places where the community lives, works, socialises, or learns because of the person's disability", but noted that "Segregation does not occur in spaces where people with disability choose to come together, share culture and values, seek support for their individual needs, or are encouraged and supported to engage with the broader community. These are the same choices available to people without disability."

Often the conversation about supported employment can become polarised, focused on negatives and extremes. Moving forward, we are seeking to understand the benefits and opportunities of the various employment options, and how these can be best levered in the future.

#### Questions

- 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, specialised employment settings remain critical, particularly for people with high support needs who may not be able to thrive in mainstream environments without significant risk or distress. we believe these workplaces should not be viewed as 'segregated', but as purpose-built, inclusive environments that prioritise support, community, and dignity.

Future specialised workplaces should:

- Be integrated, not isolated and located in community precincts or co-located with other services and businesses to foster inclusion. Have a well balance workforce of people with and without disability.
- Operate commercially, with viable business models that ensure long-term financial sustainability and meaningful job tasks.
- Offer upward mobility and training pathways, enabling supported employees to increase their skills and progress into other roles if desired, including the opportunity to build leadership capacity and capability
- Foster inclusive culture, with a mix of staff of all abilities and support models tailored to individual needs.

These workplaces can act as both transitional and permanent employment options, reflecting the reality that 'success' looks different for everyone. Rather than phasing them out, government policy should seek to reform and resource them to deliver best-practice employment models.

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

Open employment can and should draw on the best aspects of supported employment, particularly its focus on individualised support, inclusive culture, and structured skill development we believe the following elements from supported employment can be effectively integrated into open settings:

- Job coaching and in-work support: Providing on-the-job support tailored to an individual's
  needs can significantly improve retention and performance. This support should be flexible,
  portable, and available across open employment sectors.
- Workplace adjustments and inclusive design: Supported workplaces often lead in accessibility
  and universal design. These features should be embedded in all open workplaces, guided by
  tools and standards developed by the Centre for Inclusive Employment.
- Mentorship and peer networks: Supported settings often offer strong internal networks. Open workplaces could replicate this through peer support programs, disability employee networks, and inclusive leadership initiatives.
- Customised employment approaches: Roles should be shaped around the individual's strengths and goals, rather than trying to fit them into rigid structures. This benefits both employee and employer as well as the sector

Embedding these principles across sectors requires strong partnerships, investment in training, and recognition that inclusion is an ongoing process, not a one-off initiative. Supported employment can serve as a model and resource for building truly inclusive open workplaces.

# Next steps

This paper is the continuation of the conversation regarding the future of supported employment, and the conversation doesn't end here. Further consultation with stakeholders will take place, which may include workshops to further explore issues raised in, and in response to, this paper. The department will consider next steps after reviewing feedback to this paper.

# Appendix 1 – Definitions

### Full minimum wage

The minimum adult wage payable under an award or agreement to employees in classifications covered by that award or agreement, or the national minimum wage for employees who are not covered by an award or agreement.

### **High support needs**

Refers to those who, because of their disabilities, need substantial ongoing support to obtain and/or keep paid employment.

### **Open employment**

'Open' or 'mainstream' employment settings refer to work settings where people with and without disability are employed.

### Segregation

Circumstances where people with disability live, learn, work, or socialise in environments designed specifically to cater for people with disability, separate from people without disability. Segregation occurs when people with disability are separated and excluded from the places where the community lives, works, socialises, or learns because of the person's disability. Segregation does not occur in spaces where people with disability choose to come together, share culture and values, seek support for their individual needs, or are encouraged and supported to engage with the broader community. These are the same choices available to people without disability.

### Subminimum wage/supported wage

A wage paid to a person with disability that is below the national minimum wage and is determined by a wage assessment tool or by reference to the special national minimum wage.

### **Supported employment**

Ongoing assistance provided by support workers and managers for employees working in supported employment services (historically known as Australian Disability Enterprises (ADEs)) or other settings to complete work tasks.



# Appendix 2 – Guiding Principles for the Future of Supported Employment

- People with disability have genuine choice and control, which meets their individual needs
- 2. People with disability have real options for employment, and a range of support options available to meet their employment goals
- 3. There is an expansion in the number and variety of workplaces that employ people with disability
- 4. People with disability have support to make informed decisions about their employment options
- 5. People with disability have the right to equal remuneration and associated conditions for work of equal value
- 6. People with disability are supported to regularly review their employment options, pathways, goals and outcomes
- 7. People with disability have the opportunity to develop their career by learning new skills and undertaking training on an ongoing basis
- 8. NDIS participants and providers, including ADEs, are supported to make full use of NDIS employment support funding to achieve their employment goals
- All systems work together to support options and choice for employment (e.g. Disability Support Pension, DES, NDIS)
- 10. Encourage all levels of government to support the supported employment sector to deliver on these principles
- 11. Seek wider community buy-in to support innovation, change attitudes and grow employment opportunities for people with high support needs
- 12. The human rights of people with disability are respected and treated with dignity and respect.



# Appendix 3 - Mapping existing work to Disability Royal Commission recommendations

Recommendation element	Government response	Summary of Government action underway
7.16 - Priorities for inclusion in the new Disability Employment Services model		
<ul> <li>The Australian Government Department of Social Services should ensure that the design of the new Disability Employment Services model:         <ul> <li>is developed using inclusive design principles, and co-designed by people with disability who are employed as paid members of the design team</li> <li>adopts customised employment models as a core component of service provision</li> <li>ensures funding arrangements facilitate flexible employment supports, such as customised employment, and support the progress of Disability Employment Services participants in achieving employment goals and long-term employment outcomes</li> <li>considers options to remove the requirement for a person to have a minimum future work capacity of eight hours a week in order to access the Disability Employment Services program, to facilitate access for all people with disability to the new model.</li> </ul> </li> </ul>	Accept	<ul> <li>The new specialist disability employment program, Inclusive Employment Australia, commencing 1 July 2025 will focus on improving the quality of services and provide personalised supports to people with disability.</li> <li>The program will also be opened to include voluntary participation for those with less than 8 hours per week work capacity and people who are not in receipt of an income support payment.</li> </ul>
7.17 - Develop education and training resources for Disability Employment Services staff		
The Australian Government Department of Social Services should develop a suite of accessible education and training resources for providers of Disability Employment Services to upskill their staff. Resources should be co-designed by people with disability and involve consultation with advocates, employers and Disability Employment Services providers. Resources should address the gaps we have identified, including in:  • disability awareness • cultural competence • human rights • customised employment • employer engagement • Disability Employment Services guidelines and procedure	Accept	The Centre for Inclusive Employment will develop best practice, evidence-based information to help providers deliver high quality, effective employment services and supports to improve disability employment outcomes
7.23 - Strengthen disability employment procurement policies		
The Australian Government and state and territory governments should adopt procurement policies that:  a) favour businesses and entities able to demonstrate, in accordance with published criteria, they are providing employment opportunities for people with disability in open, inclusive and accessible settings, including people with intellectual disability or cognitive impairments.  b) require all information and communication technology purchases to comply with the current Australian information and communication technology (ICT) accessibility standard (AS EN 301 549:2020 – Accessibility requirements for ICT products and services).	Accept in principle	As noted in the Royal Commission response, governments will individually consider opportunities and approaches that most appropriately work with respective government procurement frameworks.

Recommendation element	Government response	Summary of Government action underway
7.24 - Disability Employment Rights Council	·	
The Australian Government should convene a Disability Employment Rights Council to improve coordination, consistency and clarity across regulatory bodies and frameworks to improve outcomes for people with disability in employment.	Note	The benefits of bringing together key disability stakeholders to discuss how legal and regulatory frameworks can be used or clarified to improve employment outcomes for people with disability are recognised. Existing forums can be leveraged for this collaboration as required.
7.28 - Improve information about wages and the Disability Support Pension		
The Australian Government should fund Disability Representative Organisations to deliver an information campaign for employees with disability in Australian Disability Enterprises. This campaign should provide information about:  • open employment, including wage conditions • how receipt of the Disability Support Pension (DSP) interacts with a person's wages, including • assistance with financial literacy materials • supports for individuals to calculate how changes to their DSP or wages impact their overall income and financial situation • options for a person to suspend their DSP if they are earning above the threshold • who to contact to ask questions or obtain further information.  This information should be available in a range of accessible formats.	Accept	The new Disability Employment Advocacy and Information Program will provide people with high support needs and their families and carers with advocacy supports and information to build their confidence and understanding about their rights and options at work.
7.29 - Embed an 'open employment first' approach in the NDIS Participant Employment Strategy		
Following the conclusion of the NDIS Participant Employment Strategy in 2023, the National Disability Insurance Scheme (NDIS) should adopt an 'open employment first' approach in the next iteration of the strategy. The strategy should:  • ensure the development of employment goals in participants' NDIS plans considers employment in open and integrated employment settings as a first option • provide training for Local Area Coordinators, National Disability Insurance Agency planners and support coordinators to build knowledge, resources and capacity to encourage participants to—  • develop employment goals in open and integrated employment settings as a first option • identify appropriate supports available to achieve open employment goals • establish a target to increase the proportion of participants in open employment settings • build the knowledge and capacity of NDIS employment support providers to assist participants to —  • transition from Australian Disability Enterprises to open and integrated employment settings • provide ongoing support in open and integrated employment settings.	Accept	<ul> <li>The NDIS Participant Employment Strategy 2024-26 and Action Plan outlines the NDIA's commitment to deliver quality planning for employment and provide support to employers engaging with NDIS participants.</li> <li>The new specialist disability employment program also addresses this action through the expansion of eligibility to include voluntary participation for those with less than 8 hours per week work capacity and people who are not in receipt of an income support payment</li> </ul>
7.30 - Support the transition to inclusive employment		

Recommendation element	Government response	Summary of Government action underway	
The Australian Government Department of Social Services should develop a plan to support people with disability working in Australian Disability Enterprises (ADEs) to move to inclusive, open employment options in a range of settings.  The plan should incorporate:	Accept in		The Supported Employment Plan outlines actions and initiatives being taken by governments to provide people with disability with informed choice and control about their employment, as well as genuine opportunities to work in a wider range of settings.
<ul> <li>the option for people with disability to continue working in ADEs, with strong and appropriate safeguards, if that is their free and informed choice. Commissioners Bennett, Galbally, Mason and McEwin provide a recommendation to phase out ADEs by 2034 (Recommendation 7.32). They support this element of Recommendation 7.30 until ADEs are phased out</li> </ul>		The Guiding Principles for the Future of Supported Employment have a focus on informed choice and control in their employment, real options for employment and a range of support to meet their employment goals.	
action to increase employment opportunities in open and inclusive settings for people with disability (linking with Recommendation 7.29)		<ul> <li>The Structural Adjustment Fund will fund projects which increase the range of employment opportunities and pathways available to people with high support needs.</li> <li>The new specialist disability employment program is focused on improving the quality of services provided and removing barriers for people with high support needs in accessing the program.</li> <li>Career Pathways Pilot is assisting to identify and remove barriers to career progression for employees with disability.</li> <li>The Tourism Local Navigators Pilot is assisting to improve the connections, confidence and capability of tourism small and medium-sized enterprises.</li> </ul>	
<ul> <li>improved information for people with disability about employment supports, opportunities in other settings, wages and the Disability Support Pension (linking with Recommendation 7.28)</li> </ul>		The new Disability Employment Advocacy and Information Program will provide people with high support needs, their families, and carers, with advocacy and information supports to advocate for their rights and options at work.	
<ul> <li>active consultation with people with disability, Disability Representative Organisations and Disabled People's Organisations Australia, and the adoption of inclusive design principles in developing and implementing the plan</li> </ul>		<ul> <li>Commonwealth initiatives outlined in the Supported Employment Plan, and the new specialist disability employment program, have been developed in consultation with the sector.</li> <li>Consultation will continue regarding next steps for supported employment, including through this paper.</li> </ul>	
the Australian Government working with industry to support people with disability to access more inclusive, open employment options and to transform their segregated employment services to a more comprehensive service offering		<ul> <li>The Structural Adjustment Fund will fund projects to enable supported employment services to evolve their business models to better meet community expectations, and create sustainable employment opportunities for people with disability.</li> <li>The Australian Government is engaging with industry through a number of employer pilots including the Tourism Local Navigators Pilot and the Career Pathways Pilot.</li> </ul>	
<ul> <li>improved collaboration between the National Disability Insurance Scheme and Disability Employment Services to ensure different employment services work cohesively to deliver supports for people with intellectual disability and others.</li> </ul>		The department and NDIA have been running the NDIS/DES Pathways Pilot to learn more about the interface between NDIS and the DES program and what opportunities there are for improvements.	
7.31 - Raise subminimum wages			

Recommendation element	Government response	Summary of Government action underway
<ul> <li>a) The Australian Government should introduce a scheme to ensure that employees with disability are paid at least half the minimum wage. The scheme should include: <ul> <li>revision of the productivity-based wages calculation to accommodate the move to a new minimum amount of 50 per cent of the current minimum wage</li> <li>a provision for the Australian Government to subsidise employers for the difference between the wages payable under the relevant award or enterprise agreement and the new minimum wage until 2034.</li> </ul> </li> <li>b) A review of the scheme should be undertaken by the Disability Reform Ministerial Council after five years of operation.</li> <li>c) The Australian Government should use the results of the review to develop a model and pathway to lift minimum wages payable to employees with disability to 100 per cent of the minimum wage by 2034.</li> </ul>	Subject to further consideration	Work is underway to strengthen the supported employment sector (as outlined in this paper). One of the goals of this work is to increase the range of high quality, well-paid employment opportunities available for people with disability. Questions on any further reform to wages are posed in Section 4 below.
7.32 End segregated employment by 2034		
<ul> <li>a) Commissioners Bennett, Galbally, Mason and McEwin recommend the Australian Government Department of Social Services should develop and implement a National Inclusive Employment Roadmap to transform Australian Disability Enterprises (ADEs) and eliminate subminimum wages for people with disability by 2034.</li> <li>b) The National Inclusive Employment Roadmap should be centred on the following principles:</li> </ul>	es consideration	The Supported Employment Plan outlines actions and initiatives being taken by governments to evolve the supported employment sector. The Plan does not include actions to eliminate subminimum wages.
<ul> <li>equal access for people with disability to all opportunities for employment, starting with the Australian Public Service and state and territory public services</li> <li>increased availability of jobs for people with disability, especially in:         <ul> <li>Australian and state and territory public services supported by the payment of full minimum wages to all employees, consistent with the public sector acting as a model employer. This recommendation would operate in advance of Recommendation 7.31 to raise all subminimum wages to the full minimum wage by 2034</li> <li>non-government organisations that receive government grants</li> <li>private companies that receive government procurement contracts</li> </ul> </li> </ul>		<ul> <li>Through the Australian Public Service Disability Employment Strategy (2020–2025), the Government is also supporting the recruitment of people with disability across Commonwealth departments and agencies, including in leadership positions</li> <li>The Australian Government and state and territory governments also support continued and increased focus on ensuring public sector workplaces are accessible and inclusive for people with disability, including through workplace adjustments. Public service commissioners will work together to share best practice on improving public sector employment outcomes for people with disability.</li> </ul>
availability of evidence-based supports to facilitate job readiness, participation and ongoing development, particularly for people with intellectual disability		<ul> <li>The Centre for Inclusive Employment will improve the quality of employment service providers, and NDIS providers, allowing them to better support people with intellectual disability to become job ready, participate and develop in their roles.</li> <li>The new Disability Employment Advocacy and Information Program will provide people with high support needs, their families, and carers, with information and resources to support their career development</li> <li>The IncludeAbility project has created resources for people with disability seeking employment, progressing their career or considering selfemployment.</li> </ul>
better pathways to work for people with disability		<ul> <li>The Structural Adjustment Fund will fund projects which increase the range of employment opportunities and pathways available to people with high support needs.</li> <li>The Disability Employment Advocacy and Information Program will provide people with high support needs, their families, and carers, with advocacy and information supports to advocate for their rights and options at work.</li> </ul>

Recommendation element	Government response	Summary of Government action underway
		<ul> <li>Career Pathways Pilot is assisting to identify and remove barriers to career progression for employees with disability.</li> <li>The Tourism Local Navigators Pilot is assisting to improve the connections, confidence and capability of tourism small and medium-sized enterprises.</li> <li>Inclusive Employment Australia will focus on improving the quality of services and provide personalised supports to people with disability.         <ul> <li>The program will also be opened to include voluntary participation for those with less than 8 hours per week work capacity and people volunteers who are not in receipt of an income support payment.</li> </ul> </li> </ul>
<ul> <li>as set out in Recommendation 7.31, lifting wages to 50 per cent of the minimum wage, with all people with disability moving to the full minimum wage by 2034 (noting our expectation that the public sector, as a model employer, will pay full minimum wages to employees with disability before that time)</li> </ul>		See response to 7.31
<ul> <li>governance and accountability for system change</li> <li>The National Inclusive Employment Roadmap should address:</li> <li>the reform of ADEs to operate in accordance with the social firm model, providing open workplaces in which employees with disability can receive support in an integrated setting to undertake work tasks, develop skills and transition to further open employment</li> </ul>		See response to recommendation e below.     The Supported Employment Plan outlines actions and initiatives being taken by governments to provide people with disability with informed choice and control about their employment, as well as genuine opportunities to work in a wider range of settings.
the establishment of a grant-based Structural Adjustment Fund to support increases in the minimum wage and achieve transformation targets in ADEs		The Structural Adjustment Fund (2024 to 2026), funds projects to enable supported employment services to evolve their business models to better meet community expectations and create sustainable employment opportunities for people with disability.
support for people with disability to transition to open employment through programs such as the School Leaver Employment Supports program.		School Leaver Employment Support delivered through the NDIA, helps participants who have difficulties in the areas of learning, social interaction and self-management to move from school to work and are available in the final years of school and directly after leaving school. Providers who deliver school leaver employment supports help young people prepare, look for and gain employment, through meaningful, individualised capacity building.
d) To support the National Inclusive Employment Roadmap as ADEs transform into social firms, government procurement rules should also be amended to give preference to enterprises that can demonstrate they provide employment opportunities to people with disability in open, inclusive and accessible settings and pay employees with disability at least the full minimum wage at the time of the procurement process (this recommendation would operate in advance of the general recommendation to raise all subminimum wages to the full minimum wage by 2034).	Subject to further consideration	See response to 7.23
e) The implementation of the National Inclusive Employment Roadmap should be monitored by the Disability Reform Ministerial Council.		<ul> <li>Implementation of the Supported Employment Plan is monitored by the Disability Reform Ministerial Council (DRMC), with progress on initiatives reported to DRMC every 12 months. A high-level overview of the progress update is also included in the DRMC Communique, which is published on the Department of Social Services website.</li> <li>Should any additional plan be created, similar arrangements could take place.</li> </ul>