



Reimagining Disability Employment: A Path Toward Inclusion, Innovation and Equity.

**Response to Department of Social Services (DSS)
Discussion Paper dated March 2025.**

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1 Acknowledgements

Yooralla acknowledges Aboriginal and Torres Strait Islander peoples as the Traditional Custodians of the lands, skies and waterway across Australia. We recognise that sovereignty was never ceded and pay respect to Elders past and present.

Yooralla also acknowledges the lived and living experience of the people we serve. We respect and honour their right to pursue the lives they choose and value their input and contributions which enables our work.

Yooralla welcomes the opportunity to contribute to the Department of Social Service (DSS) discussion paper and hopes our insights help to advance the sector towards a more inclusive future.

2 Ideal future state for employment of people with high support needs

Yooralla is strongly committed to creating a future where people with disability, regardless of the level of support they require, have access to meaningful, inclusive and sustainable employment in open settings. We are at a pivotal moment in reshaping how we support the economic participation of people with disability, including those with high support needs. The ideal future state of the supported employment sector is one where all people with disability, regardless of the level of support they require, can access meaningful and inclusive employment. Employment opportunities which enable the end of segregation and subminimum wages and instead, promote equal participation in society and the workforce.

Yooralla recognises that the current model of segregated employment, delivered through Australian Disability Enterprises (ADEs), does not align with the aspirations and rights of people with disability as outlined in the United Nations Convention on the Rights of Persons with Disabilities (CRPD), or the Disability Royal Commission into Violence, Abuse, Neglect and Exploitation (DRC). As such, Yooralla has made a clear and deliberate decision to transition away from these traditional, segregated models.

As part of this commitment, Yooralla is working to convert our ADE operations into transitional skills development facilities that act as stepping stones toward open employment. These are being designed to provide interest-led, individualised training and support that build the skills, confidence and work readiness of participants. The goal is to prepare people with disability for meaningful participation in the open labour market, where their contributions are recognised and valued equally.

A key part of this transition is our commitment to phasing out the use of the Supported Wage System entirely by 1 July 2028. Yooralla believes that all workers, including those with disability, deserve to be paid fair, award-based wages for their work. The transition to award wages will be gradual, supported and designed to ensure that no one is left behind, balancing our principles of equity with the practical need to provide stability and choice for those currently employed under ADE models while balancing commercial viability.

To further support this transition, Yooralla is investing in the establishment of new social enterprises that reflect contemporary, inclusive employment models. These enterprises are being developed to offer real work opportunities and build viable pathways into mainstream employment at award wages. In parallel, Yooralla has launched a dedicated Customised Employment division, which works with individuals, including those with higher support needs, to tailor open employment pathways that are aligned with their interests, goals and capabilities. This approach is underpinned by the belief that open employment should be accessible to everyone and that with the right support, all individuals can thrive in inclusive workplaces.

As we have progressed on this reform journey, we have actively engaged with and received endorsement from the Community Partnership and Advisory Committee (CPAC), as well as our Board. Importantly, the Board has been clear and unwavering in its position that no current supported employee will lose their job or be

forced out of work as a result of these changes. This principle of stability and respect for individual choice remains at the heart of our transition strategy - one that is fair, dignified and truly reflective of the rights and aspirations of people with disability.

Yooralla's progress to date

Since beginning our reform journey, Yooralla has:

- Employed 28 people in Gardening and Grounds Maintenance social enterprises, all on award wages.
- Transitioned approximately 25% of our supported employees to award wages, with all remaining staff lifted to at least 25% of the minimum award and a full transition planned by 1 July 2028.
- Supported 5 of these individuals into open employment.
- Commenced engagement of 28 people in Customised Employment, with 4 transitioning to open employment to date.

This transition has required significant time and effort to prepare the organisation, supported employees, and their families. To support wage increases, Yooralla has sought incremental pricing adjustments from contractors. However, financial constraints among contractors and resistance to higher prices have posed challenges. Future contract decisions will need to balance financial viability with the commitment to award wages.

Additionally, establishing employer partnerships and equipping workplaces to confidently support employees with disability has been resource-intensive, with much of this work currently unfunded.

Evan's story

Evan is 47 years old and has been a supported employee at Yooralla's Footscray ADE for the past eight years. Over the past 12 months, he has transitioned into a role within Yooralla's 'Your Garden' social enterprise. Since starting with just one day a week, Evan has gradually increased his involvement and now works four days per week, all at full award wages.

Evan's support network is thrilled with the progress he has made. They've seen a marked increase in his confidence, wellbeing and financial independence. When asked about his experience, they shared, "Evan comes home happy every day. He loves being outside and is passionate about the meaningful work he does."

Financially, Evan is significantly better off. Earning award wages means he now takes home \$400 more per fortnight than he did previously. This boost in income has allowed him to engage in social activities and hobbies he couldn't afford before, enriching his life both at work and beyond.

Louise's story

Following support through Yooralla's Customised Employment program to secure open employment, Louise has been working as a cleaner at her local Neighbourhood Community Centre for nearly 18 months. When she first started, she was employed for just two hours per week and required intensive support. Over time,

her skills and confidence have grown and she now works six hours per week independently, with only occasional check-ins as needed.

Louise is paid award wages, which has greatly improved her financial stability. This income has allowed her to cover essential expenses, such as repairs to her car, giving her greater independence and freedom.

She is optimistic about the future and is focused on building her capacity to take on additional work hours. Reflecting on her experience in open employment, Louise shared, "I am really enjoying my work. I'm earning good money and I'm still able to do the other things I love, like volunteering and learning musical instruments."

Yooralla is proud to be leading this important shift toward a more inclusive employment future

3 Recognising existing work to date

As we consider the future of supported employment reform, it is vital that government analysis and planning fully reflect the breadth of innovative, community driven work already occurring across the sector. While the DSS Discussion Paper outlines several important initiatives, there are notable gaps in its recognition of emerging models and programs that are successfully supporting people with disability, particularly those with high support needs, into open, inclusive employment.

Social enterprise and transitional employment models

The omission of co-designed social enterprise and microbusiness models is a missed opportunity. These flexible, innovative models provide meaningful, supported work experiences for people with high support needs, helping build skills and confidence as pathways to open employment. They reflect best practice by promoting person-centred, interest-led approaches rather than one-size-fits-all solutions.

Examples include micro-credentialing initiatives like the Human Services Skills Organisation and inclusive employment frameworks trialled through the NDIS Jobs and Market Fund. Additionally, pilot projects funded by Information, Linkages and Capacity Building (ILC) grants and the Structural Adjustment Fund (SAF) offer valuable insights into scalable, inclusive employment approaches that should be included in the government's analysis.

Intersectional employment programs

There should also be a stronger focus on people with disability who face multiple barriers, including those from culturally and linguistically diverse (CALD) backgrounds and Aboriginal and Torres Strait Islander communities. Intersectionality recognises that people experience overlapping forms of discrimination, disadvantage and trauma. CALD and First Nations people with disability often encounter compounded barriers such as language differences, cultural norms, systemic racism, intergenerational trauma and historical marginalisation, in addition to disability-related challenges.

Tailored programs incorporating cultural competency, trauma-informed practices, language support, and meaningful community engagement are essential to improving employment outcomes. Such programs are most effective when built through strong community partnerships and delivered through Indigenous-led or culturally sensitive approaches that acknowledge and respond to the lived experience of trauma and marginalisation.

State and Territory level pilots

Pilots such as Victoria's "Jobs Victoria Advocates" and New South Wales' "Disability Employment Hubs," which trial community embedded employment supports should also be considered. State and territory pilots are critical because they can be more tailored to local contexts and community needs.

Current work within the sector

It is important also to recognise existing work being done by organisations within the sector. Outlook Australia, White Box Enterprises, WISE Employment, Jobsupport and others across Australia have played a critical role in advancing employment outcomes for people with disability, particularly in supporting individuals to transition from traditional supported employment models into more inclusive open employment or social enterprise environments. Their collective efforts have helped to challenge long-standing assumptions about the capabilities of people with disability, while also demonstrating the potential of more innovative and rights-based employment approaches.

Outlook Australia has been a leader in developing inclusive employment pathways through its commitment to social enterprise. By embedding person-centred practices and building inclusive workplaces, Outlook has created sustainable jobs for people with disability that go beyond traditional models, placing emphasis on skill development, choice and long-term opportunity. Similarly, White Box Enterprises has made a significant contribution by creating impact-driven employment models designed to bridge the gap between disability employment services and mainstream employers. Their work has been instrumental in designing new forms of employment that prioritise both economic participation and social inclusion.

WISE Employment and Jobsupport have also contributed significantly through their targeted support services and tailored job placement strategies. Jobsupport, in particular, has long been recognised for its evidence-based approach to placing people with moderate to severe intellectual disability into open employment roles, with ongoing support that promotes retention and progression.

These organisations, among others, are demonstrating that with the right support and structure, individuals with disability can and do succeed in open and socially inclusive employment settings. Their work should continue to inform national thinking and policy on the future of supported employment and offers tangible examples of what a more inclusive and equitable employment landscape can look like in practice.

This work demonstrates that inclusive, rights-based employment is not only possible but already happening and it must form the foundation of any national strategy moving forward.

While the DSS Discussion Paper outlines important directions, it overlooks a range of innovative and impactful work already underway across the sector. Recognising and building upon these existing initiatives, including social enterprise models, intersectional employment programs, state-led pilots and the contributions of leading organisations is essential to ensuring future reforms are grounded in practical experience, lived expertise and scalable, inclusive solutions.

4 Actions needed to increase employment in inclusive settings

To achieve a future where all people with disability, including those with high support needs, can access fair, inclusive and meaningful employment, bold and coordinated action is required. Incremental change will not be sufficient. We need a comprehensive,

rights-based reform agenda that addresses the structural barriers embedded in current systems and supports a sector-wide transition away from segregated employment and subminimum wages.

The following proposals outline the key actions and elements necessary to drive this transformation and ensure long-term, sustainable employment outcomes for people with disability.

Phasing out the supported wage: The current model institutionalises economic disadvantage. Significant work and investment should be a focus to ensure there are clear timeframes and a transition plan to award wages. A shift to minimum award wages could be coupled with government wage subsidies and workplace accommodations to ensure sustainability for employers.

Strengthening employer capability: Mainstream employers often lack the knowledge, tools or confidence to employ people with high support needs. A national training initiative co-designed with people with disability, alongside inclusive recruitment toolkits, are essential.

Job customisation and role redesign: Government investment of funds to scale up proven models of customised employment and discovery processes to identify and match individual skills to meaningful roles should be considered.

Investment in innovation: Expand grants and procurement incentives for employers (particularly social enterprises and small businesses) trialling novel employment structures, such as job-sharing, remote work or cooperative models.

Together, these actions lay the foundation for a more inclusive and equitable employment system that recognises the value of all workers, upholds human rights and delivers real opportunities for people with disability to thrive in open employment. With leadership, investment and a shared commitment across government, providers, and employers, this transformation is not only achievable but essential.

5 Elements of an effective roadmap for reform

To deliver meaningful and lasting reform in disability employment, a clear and comprehensive roadmap is essential. This roadmap must be grounded in human rights, co-designed with people with disability and focused on outcomes that promote inclusion, fairness and genuine opportunity. It should provide a structured framework for transitioning away from outdated, segregated models and ensure all stakeholders are supported to play their part in building a more equitable and inclusive employment system.

Key inclusions such as the following should be considered:

- Clear timelines and accountability measures for phasing out subminimum wage models and transitioning to fully award-based or enterprise agreement wages;
- A staged phase-out of segregated employment models, which may be coupled with incentives for Australian Disability Enterprises (ADEs) to diversify and evolve.

- Clear targets and accountability measures for government, employers and service providers;
- A strong emphasis on choice and control, ensuring people with disability have true agency in their employment decisions;
- Funded co-design mechanisms ensuring people with disability drive the reform process at all stages;
- Workforce transition plans to support current supported employment participants and staff to move into inclusive employment;
- Investments in workforce development, including peer support workers and job coaches with disability expertise;
- National infrastructure investment to enable workplace modifications, accessible transport and digital tools that support inclusion;
- Data and evaluation frameworks to monitor employment outcomes disaggregated by support need, age, gender, and location;
- A national strategy for engaging mainstream employers, backed by industry partnerships and recognition programs, and;
- Investment in sector-wide culture change through campaigns, leadership initiatives, and recognition of inclusive employment excellence.

The Australian Government's reform of the Disability Employment Services (DES) program, now evolving into the Integrated Employment Assistance (IEA) model, also has significant relevance in supporting the national transition from supported employment towards open, inclusive employment for people with disability. These reforms signal a critical shift in policy intent, moving away from a system primarily focused on job placement metrics to one that prioritises sustainable, meaningful employment outcomes tailored to the individual needs and aspirations of people with disability.

The IEA model presents an opportunity to reimagine employment support so that it better aligns with the principles of choice, inclusion and human rights. In the context of transitioning from supported employment, this is particularly important. Many individuals currently employed through ADEs require intensive, ongoing support to successfully move into open employment. A reformed employment assistance system, with integrated support, continuity of service and genuine collaboration between providers and employers, can bridge the gap between segregated work environments and the open labour market. The IEA model has the potential to embed these supports in a more person-centred, flexible and outcomes focused way.

As ADEs explore new business models that support transitions into open employment or operate as inclusive social enterprises, the IEA can play a pivotal role in facilitating these pathways. By aligning IEA funding and performance

measures with the goal of long term, award wage employment, the Government can directly incentivise the types of support that are needed during the transition period such as workplace modifications, job coaching, training and post-placement support.

Crucially, for the IEA reforms to fully support this transition, they must be explicitly connected to the broader reform agenda around supported employment. This includes coordination with NDIA funded supports, workforce development initiatives and employer engagement strategies. If designed and implemented cohesively, the IEA reforms can act as a central mechanism through which individuals, providers, and employers are all supported to shift from traditional models of disability employment to ones that are inclusive, fair and grounded in open employment principles.

6 Increasing wages without job losses

ADEs that currently provide supported employment face significant challenges in transitioning their service models to ones that promote open employment and deliver fair and equitable wages. Many of these providers operate within tight financial constraints and have limited capacity to absorb the additional costs associated with restructuring operations, increasing wages and investing in new training, support, and infrastructure. The shift from a model underpinned by the Supported Wage System to one that aligns with open employment principles represents not only a philosophical and operational shift but also a substantial financial and systemic transformation.

For providers that are already financially stressed, this transition can appear insurmountable without clear, coordinated and sustained support. Developing new business models that enable higher wages and open employment pathways requires time, resources and capacity building. Providers need the space to consult with their staff, clients, families and Boards, to reimagine their purpose and to test and refine new employment approaches that are viable in the long term. Without adequate transition funding, expert support and time to plan, many providers simply will not be able to undertake this work at the scale, speed and depth required.

Importantly, while some providers may have the will to change, in the current policy and funding environment there is little incentive, or even ability, for them to do so voluntarily. As a result, unless there is a clear sector wide mandate for reform, backed by national leadership and funding support, many providers will continue to maintain the status quo out of necessity. A mandated shift, alongside a structured and well supported transition strategy, is essential to enable all providers to move toward models that uphold the rights of people with disability to work in fair, inclusive and equitable employment environments. Without such a mandate, only a small number of well resourced or mission driven organisations will be able to lead the way and the broader sector will risk being left behind.

Despite this, reducing dependence on supported wages remains critical in ensuring equitable employment conditions. Fair wages should be provided without risking job retention. With appropriate supports in place, higher wages and inclusive employment can coexist. To raise wages while maintaining employment levels, several strategies can be implemented:

- Consideration of ADE transformation funds, including the provision of grant funding to enable the re-skilling of staff, redesign of business models and the

ability to become inclusive employment intermediaries. Through this, ADEs can be supported to pivot their operations towards models with diversified income streams, thereby reducing reliance on ongoing government subsidies;

- Implementation of inclusive procurement policies, implementing government procurement mandates pertaining to supplier diversity and disability-inclusive hiring at award wages;
- Encouragement of cross-sector partnerships with businesses to co-employ individuals with disability and share employment responsibility; and,
- Implementation of employment cooperatives where people with disability co-own businesses and share in profits and decision making.

A nationally coordinated, well-resourced transition strategy is essential to ensure all providers can evolve toward inclusive, fair-wage employment models—without leaving any workers or organisations behind.

7 The future of specialised disability workplaces

There are some within the sector that argue there can be peaceful coexistence between supported employment (as delivered by ADEs) and open employment models. They contend that this in fact promotes choice and self-determination. However, closer examination, both from evidence and experience, shows that the ongoing existence of segregated employment options often has the opposite effect. Rather than expanding choice, it limits it by entrenching individuals in a system that makes future transitions into open employment far more difficult. Once individuals are placed into the traditional ADE model, their exposure to inclusive employment settings, access to skills development opportunities and ability to build career pathways are often restricted. The longer someone remains in a segregated setting, the harder it becomes, both practically and psychologically, to move out of it.

There is a growing body of evidence, including findings from the DSS discussion paper, that highlights how self-determination and autonomy are significantly improved in open employment settings. Open employment fosters independence, self-confidence and a greater sense of agency. These benefits are not incidental; they are foundational to inclusion and full participation. As individuals gain experience in mainstream employment, their self-determination increases, leading to a virtuous cycle of greater control over one's life, increased skills and enhanced social and economic participation.

Yooralla's own experience reinforces these findings. We have seen firsthand that while ADEs may be able to offer lower price rates to commercial clients, thus creating short-term price advantages, the long-term viability of such models is problematic. ADEs that seek to transition to fair wage, rights-based models often find themselves competing at a disadvantage because they are no longer relying on underpaid labour. This creates a market distortion. In any other part of the economy, we do not allow employers to undercut one another by paying below-award wages. It is a fundamental principle of workplace fairness. Yet in the case of supported

employment, this inequity is tolerated and even subsidised, despite its clear inconsistency with human rights and equality.

Therefore, while the notion of “coexistence” may sound appealing, it risks entrenching a two-tier system that denies people with disability the same rights and expectations as other workers. True choice and self-determination cannot exist in a system where some people are only offered work options that are lower paid, less visible and more difficult to exit. The future must be one in which all employment for people with disability is designed to be inclusive, equitable and a pathway, not a barrier, to full participation in society.

If specialised disability workplaces are to continue into the future, they should only be to serve as a time limited, transitional platform for skill development, offering clear pathways to mainstream employment rather than being viewed as permanent workplaces. They should act as innovation hubs, testing and refining new employment models and interest-led opportunities to share across sectors.

They must be co-designed with people with disability, emphasising mainstream working conditions and integration with non-disabled colleagues. Crucially, they should provide award wages at a minimum and opportunities for diverse work and career advancement.

8 Translating supported employment benefits to open employment

Supported employment settings offer a range of valuable features that contribute significantly to the success and wellbeing of employees with disability, particularly those with high support needs. These environments are often characterised by structured routines, tailored supervision, predictable support, strong peer networks and sensory-friendly workspaces. While traditionally associated with segregated employment models, these strengths must be carried through and embedded into open employment to create inclusive, equitable workplaces that uphold the rights of people with disability.

To ensure a successful transition into open employment, workplaces should incorporate elements such as on-site job coaches or mentors, particularly during the early stages of job placement. Flexible work arrangements that reflect fluctuating support needs are essential, as is the design of inclusive physical and social environments. This includes sensory-friendly spaces, universally accessible communication tools, and the use of assistive technologies such as visual schedules and task-prompting devices. Furthermore, peer support programs within mainstream settings are crucial to fostering connection, resilience and a sense of belonging among employees with disability.

Some ADEs already deliver valuable features including tailored supervision, low-sensory environments and strong social connections through peer support. These components can be replicated in open employment through the availability of ongoing on-the-job support funding, whether delivered through the NDIS or other avenues, and through programs that recognise and incentivise disability-confident employers. Peer mentoring and leadership opportunities led by people with disability are also vital to shaping inclusive workplace cultures.

Ultimately, the goal is to replicate the best aspects of supported employment such as routine, structure, safety, community and flexibility, within open employment contexts. By embedding inclusive team structures, flexible role design, universal workplace accessibility and values-driven leadership, open employment can deliver



not only fair and equitable work opportunities but also meaningful participation and belonging for people with disability.

Now is a defining moment. An opportunity for us to lead in transforming employment systems to be truly inclusive. We can create a future grounded in human rights, economic equity and genuine inclusion, where every person with disability, regardless of the level of support they require, is recognised as a valued contributor, included in the workforce and paid fairly for their work.

Achieving this vision will demand more than incremental change. It will require bold action, structural reform and unwavering collaboration between government, service providers and employers. It calls for innovation and a shared commitment to dismantling barriers and building systems that work for everyone.

Yooralla is prepared to lead with conviction and partner with others who are equally committed to this vision. We urge the Department of Social Services and our sector colleagues to join us not just in conversation, but in co-designing and delivering the future of inclusive employment that people with disability deserve.