**Willing to Work: National Inquiry into Employment Discrimination against Older Australians and Australians with Disability**

# Submission No 276

**Name** National Disability Services

**Submission made by**
[x]  Membership based organisation

# Organisation or Government Agency Submission

### **About you**

**What is your role within your organisation?**

[ ]  Owner

[ ]  Manager

[ ]  Human Resources Manager

[x]  Other

**If other, please tell us your role within your organisation**

Chief Executive

**What is your experience of providing work/services/advocacy for older Australians/Australians with disability?**

National Disability Services (NDS) is Australia's peak body for non-government disability service organisations, representing more than 1000 organisations that provide services to people with disability across Australia. They range in size from small support groups to large multi-service organisations and including organisations that assist people with disability to find and maintain employment.

NDS's purpose is to promote quality service provision and life opportunities for Australians with disability. This is achieved by providing advice, information, networking opportunities and business support. This submission will focus on the employment of Australians with disability.

**Do you have any case studies of the experience of older Australians/Australians with disability working or looking for work?**

NDS members providing employment services have numerous positive case studies that demonstrate the benefits for both employers and employees with disability. Some of these case studies have been included with this submission and are provided as Attachments A and B. NDS would like to acknowledge our members Edge Employment and Advance Personnel for providing these case studies.

**What are the impacts of employment discrimination on older Australians/Australians with disability working or looking for work?**

The employment rate of people with disability in Australia is below the OECD average and has been static for two decades. People aged 15 to 64 with disability have a workforce participation rate of 52.8% (compared to 82.5% of people without disability) and an unemployment rate of 9.4% (almost twice that of people without disability). The situation is worse for people with severe or profound disability, with only 29.7% in the labour force. Only 8% of people on Disability Support Pension (DSP) receive any income from paid employment.

Many people with disability do work and many others want the opportunity to work and build careers. Increasing workforce participation would help reduce the long-term fiscal pressure from our aging population, alleviate the high poverty rate among Australians with disability and improve the well-being of people with disability, as well as contributing to Australia’s economy.

The National Disability Insurance Scheme continues to be rolled out nationally, with the full scheme expected to be implemented by 2019-20. The Productivity Commission concluded that over the long-term the economic benefits of the NDIS would outweigh the costs. A core factor in the economic modelling that led to this conclusion was a significant increase in employment for people with disability and carers. The potential economic gains are significant. More recent research commissioned by NDS used updated ABS survey data and found that the NDIS should give 24,000 - 38,000 people with significant disability access to employment. We estimate disability employment gains will increase GDP by between $7 and $11 billion (in current dollars) when the scheme is fully implemented. Taxation revenue will also increase, as will savings to income support, offsetting the costs of the scheme.

The current low participation rate and high unemployment rate of people with disability represent an unacceptable under-utilisation of a potentially large pool of productive labour. If people with disability are unable to obtain work, their ability to achieve positive life outcomes is reduced. In addition, many carers of people with disability may be under or unemployed due to their caring responsibilities, so this is an additional negative impact on another key potential source of labour.

Many workplaces do not meet accessibility requirements for potential employees with disability. This can include lack of access for wheelchairs, accessible formats for information or accessible computer software and documentation. Some workplaces do not accommodate chemical sensitivities. Other workplaces do not provide flexible working arrangements which may suit people with psychosocial disability. Some impairments may require additional modifications to workplace procedures and the workplace itself. These accessibility problems can be overcome and many employers have worked in partnership with Disability Employment Service (DES) providers to do so.

DES providers have noted that evidence has emerged of a shortage of Auslan interpreters. Consequently the cost of these interpreting services has risen and appointments can be difficult to obtain. This lack of availability will impact on a candidate’s job readiness, for example if an interpreter cannot be booked for a candidate’s job interview.

The DES program cannot support young people to work in part-time jobs if they are still at school. This is discriminatory and denies these students valuable work experience and skills.

### **Barriers**

**Do you think older Australians/Australians with disability face barriers when they work or are in a job?**

[x] Yes

[ ] No

[ ] Not sure

**Please tell us more**

People with disability may be ambivalent about gaining employment if they think they are at risk of losing their disability pension security, especially as retaining employment for some people may require ongoing or intermittent support that is difficult to obtain. These barriers to employment, alongside high marginal tax rates, need to be addressed through sensible policy modification. In addition, people with disability who increase their wages or work hours may lose eligibility for (or have reduced) social welfare benefits, such as subsidized housing rates.

An employee with disability may experience a deterioration in their disability or medical condition, which may place their employment at risk. While there are supports available, such as “Job in Jeopardy” assistance through the DES program, many employees and employers are not aware that specialist support is available.

Employers often lack confidence in managing their obligations to support an employee experiencing mental illness. Employer feedback has identified supports they would like to access, including timely, inexpensive advice on their legal rights and obligations.

Co-workers and employers may have low expectations of workers with disability. Workers with disability may not be offered the opportunity to perform certain tasks on the assumption that they may not be able to perform it. This can also hinder the gaining of work experience and new skills, as well as hindering career development.

**Is employment discrimination a barrier (please tick all that are relevant):**

[x] While working in a job

[ ] While looking for work

[ ] While dealing with recruitment companies

**Please tell us more**

Workplace isolation may affect people with disability in mainstream workplaces as they may be perceived as incapable of interacting with workplace peers. This may also hinder the development of social relations with fellow employees. Ultimately, it may lead to the employee leaving their job.

**Are there any practices, attitudes or laws which discourage or prevent equal participation in employment of older Australians/Australians with disability?**

[x] Yes

[ ] No

[ ] Not sure

**Please tell us more**

To deliver an increased number of genuine employment outcomes for people with disability, greater investment is needed in relation to stimulating employer demand for workers with disability and breaking down negative perceptions that may exist. Some of these factors include:

* The interaction between wages and income support;
* The pathways to employment;
* The design of employment support programs; and
* The perceptions, flexibility and responsiveness of employers

The current employment support system discourages DES providers from working with individuals to build their career prospects after they have commenced employment. People with disability should be assisted to build a career rather than to just find and stay in a job. Low expectations and a lack of focus on career development can play a key role in maintaining discriminatory attitudes against people with disability.

In respect of looking for work, some types of selection/interview procedures may disadvantage applicants with disability, for example, the group interview. Online assessments may also be a problem, as it is often assumed everyone has access to computers or the internet. The new Jobactive program is intended to operate as a virtual marketplace. This will lock out people who do not have access to computers and smartphones or who may not be able to use these types of devices.

Access to public transport is an issue for many employees and jobseekers with disability. For example, buses may not run on a useful schedule or a workplace may not be accessible by public transport.

While NDS accepts that some employers may not have considered employing people with disability, these attitudes are not necessarily motivated by active discrimination or a negative view of people with disability. For example, employers may be wary of the perceived cost of employing people with disability, or may feel that they will be unlikely to perform in a job to a required standard. These attitudes may be easily overcome, provided employers are informed of the incentives and supports that may enable the participation of employees with disability in their workplaces.

In addition, employers are often simply looking for the most suitable (and readily available) candidate for a job. In an extremely competitive job market, this may also prove to be an insurmountable barrier for jobseekers with disability, who may not be able to market themselves as effectively as other competitors for a job. Employment service providers need to be in the position to respond to an employer’s need to fill a particular job vacancy or skill gap, even if that means working with them to redesign a job.

Australian Disability Enterprises (ADEs) are not-for-profit organisations established to provide employment for people with severe disability who would otherwise be denied work, enabling them to gain the social, financial and personal benefits of work. This combination of skills, purpose and values is unique and needs to be recognised – however the role of ADEs has come under increasing attack in recent times.

While recent Australian governments of both persuasions endorse ADEs as a legitimate employment option for people with disability, some advocates in Australia and overseas are strong critics of supported employment per se, arguing that it segregates people with disability and provides poor outcomes. This opposition has helped create a climate of uncertainty for ADEs and their supported employees. In response to the question of what would happen to supported employees if ADEs didn’t exist, some critics argue that all supported employees could work in open employment; others simply avoid the question.

Were ADEs to cease operating, the vast majority of their supported employees would be unlikely to gain employment in the open labour market. Day support programs are more costly to provide and are incapable of easing the dependence of people with disability on welfare benefits. People with disability in work report higher levels of good health and personal independence, are less dependent on welfare and often have more extensive social networks.

Widespread ADE closures and vast numbers of supported employees losing their jobs would be a disastrous social policy outcome for Australia, not to mention the devastating effects on people with disabilities, their families and carers and many local communities. Supported employment must continue to remain an option for people with disability, reflecting their right to a choice of support options that best meet their individual needs.

**What are the incentives and disincentives in employing older Australians/Australians with disability?**

**Incentives**

Incentives to employ people with disability exist under the DES program for employers. Access to workplace modifications, work equipment, Auslan services and workplace assistance and support services – currently available through the Employment Assistance Fund – can boost the likelihood of an employee with disability successfully performing in a job.

Wage subsidies can be very important for small to medium size businesses as they can be used to cover initial on-boarding costs when hiring and training staff. Large businesses and corporations are less likely to take advantage of wage subsidies but could benefit from an initiative similar to the CareerTrackers Indigenous Internship Program (but designed for students with disability). This initiative encourages employers to offer internship opportunities for indigenous students. Students transition to full-time employment once they complete their studies.

Following the suspension of the Enhanced Wage Subsidy ($3,000) and the Wage Connect Subsidy ($6,047), the only remaining available subsidy that DES providers can access is the Wage Subsidy Scheme ($1,500). The new jobactive program has a range of different subsidies available, including subsidies for long term unemployed, youth, parents and indigenous people. These subsidies range from $3,250 to up to $6,500. This lack of parity in subsidies for jobseekers that have similar levels of complex support requirements creates an unequal jobseeker marketplace. Employers are more likely to select jobseekers that will attract a higher level of subsidy. NDS recommends that DES providers be able to access a similar range of subsidies to jobactive providers, so that jobseekers with disability are not disadvantaged.

Successful DES providers build and maintain strong relationships with employers. They make significant investments in employer engagement. Some of these successes have been identified by ACCI in its ‘Employ Outside the Box’ publication on disability employment, produced in partnership with NDS. Even so, employers should be more aware of the benefits of partnership with DES.

Employment of people with disability could also be encouraged through Corporate Social Responsibility (CSR) initiatives. It is clear that those employers who place a strong emphasis on their CSR goals tend to be more likely to encourage the recruitment and employment of people with disability in their workforce.

**Disincentives**

A survey conducted in 2011 by DEEWR demonstrated that only two-thirds of employers were aware of disability employment services. Of these, only three percent had used a DES in the previous twelve month period. These supports and assistance available for employers need to be more broadly promoted to ensure their greater use, resulting in increased employment opportunities for people with disability.

Work disincentives exist for people receiving government benefits, for example, the loss of concession cards and high effective marginal tax rates. If a person loses access to the Health Care Card as a consequence of gaining a job, a large proportion of their wages could be spent on medication.

### **Good practice**

**Are there examples of good practice in employing and retaining older Australians/ Australians with disability in work?**

[x] Yes

[ ] No

[ ] Not sure

**Please let us know about practices you are aware of.**

As many employers as possible should have a disability confident culture. Encouraging this culture could be facilitated with an internal disability employment advocate, who can champion the inclusion of people with disability in the workplace e.g. similar to the Special Employment Placement Officer which used to be funded by DEWR.

### **Solutions**

**What action should be taken to address employment discrimination against older Australians/Australians with disability?**

NDS recommends that a partnership approach be adopted in order to encourage employers to diversify their workforce through the employment of people with disability. Partnerships could be developed through the utilisation of existing disability employment programs. Examples of successful disability employment programs utilised by employers should be publicised as well as the many positive examples of people with disability succeeding in the workforce.

**What should be done to enhance workforce participation of older Australians/Australians with disability?**

To enhance the workforce participation of people with disability through a partnership with employers, the following should occur:

* Assistance should be available to help employers to adopt a disability confident culture and to understand concepts such as reasonable adjustment
* Disability employment Services should engage constructively with employers to meet their needs and encourage flexibility in employment practices.
* The employment engagement process should be simple, flexible and easy to navigate.
* Information on assistance measures such as wage subsidies, workplace modifications, specialist advice and personal support should be widely available and easily accessible.
* Governments should procure more goods and services from employers of people with disability, such as Australian Disability Enterprises.

Government agencies should also employ more people with disability. The current rate of disability employment sits at 3.5% in the Australian Public Service. However, the National Disability Insurance Agency provides a far more positive example, with 16.6% of its workforce composed of people with disability.

**What outcomes or recommendations would you like to see from this National Inquiry?**

The government should implement more effective policy design in respect of welfare to work initiatives. There should be more emphasis on the removal of disincentives to employment and stronger investment in strengthening employment support services.

Better marketing of the support systems that are currently available to assist people with disability to obtain jobs.

A more collaborative approach to working with employers to assist them to engage workers with disability.

Assist employers to build a disability confident workplace culture including a more positive emphasis on what people with disability can achieve in the workplace.

A better designed disability employment support framework, including an emphasis on career development for people with disability and transition to employment beginning during a young person’s school years.

Equity in access to employer incentives, such as wage subsidies.

Government departments and agencies should be required to purchase goods and services from organisations that employ people with disability, such as Australian Disability Enterprises.

Government departments and agencies should increase their rate of employment of people with disability and engage Disability Employment Services to provide ongoing support for those employees.

**Attachment A**

Edge Employment Solutions Annual Results 2014/15 ([www.edge.org.au/reports.php](http://www.edge.org.au/reports.php)).

**Attachment B**

Case Studies – Employees with disability finding long term employment through assistance from a Disability Employment Services provider and supportive employers.

Employee A:

The jobseeker registered with DES 4.5 years ago and had numerous barriers to employment, including mental health issues, alcohol dependency and homelessness.

The jobseeker became a parent and stopped drinking and was determined to gain work.

The employer was initially concerned about reliability and attendance due to the jobseeker’s barriers, so the DES negotiated a job trial so the jobseeker could prove themself. This then led to the offer of the apprenticeship, the employer supported the theory and practical components and assisted the employee with transport. The employee has since completed the apprenticeship, has a family and secure housing and will be exiting DES as an independent worker.

Employee B:

The jobseeker had intellectual and physical disabilities with a restricted work capacity. The jobseeker was initially employed on a casual basis on trial before being offered permanent employment after demonstrating they met the requirements of the position. The jobseeker was then offered a traineeship in a hospitality position within a care facility. The training modules were modified, support provided and work hours accommodated. Almost two and a half years later, they are still employed and receiving natural workplace supports as well as DES assistance.

Employee C:

The jobseeker had a significant intellectual disability. The jobseeker then obtained a position working in a large Government owned Corporation mail room. Many strategies were put into place to assist with ensuring the employee’s success in the position. The employee is now working five days a week from 8am – 11am with support from co-workers and DES.

Employee D:

The jobseeker had an intellectual disability and communication difficulties. A position was sought in a large Sports club. The employer and the parents did not think the jobseeker would be able to show the required initiative and attention to detail. However, the workplace was supportive and modified and adjusted duties as required. The employee has now been in work for 10 years and lives independently of family after purchasing their own unit. The employee has recently taken their parents on a holiday.

Case studies kindly provided by Advance Personnel.