



Submission to the:

**Human Rights & Equal Opportunity  
Commission (HREOC)**

**National Inquiry Into  
Employment and Disability**

by:

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## HREOC National Inquiry into Employment and Disability

### Submission by: National Employment Services Association (NESAs)

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#### Organization Overview

The National Employment Services Association (NESAs) was established in 1997 as an industry response to the government's introduction of employment services reforms, most notably the Job Network.

The National Employment Services Association is the key voice of the employment services industry. As an industry-led association we are dedicated to the development and improvement of the industry across Australia. NESAs is a national organisation with approximately 180 members which encompasses a network consisting of a further 350 organisations. NESAs provides a national perspective on all aspects of the employment services industry, and brings together the full range of community, not for profit, and private sector providers. This diversity is represented on NESAs's Board of Directors which is comprised of CEO's/Directors of small through to large providers, national and local operators, for profit and not for profit, representing geographical and locational diversity across Australia.

NESAs's membership delivers the range of Government contracted employment services in addition to Job Network. Other programs delivered include federal, state, and local government employment assistance programmes such as Community Work Coordinator, Work for the Dole services, the Personal Support Programme (PSP), Transition to Work, Job Placement and Employment Training (JPET), Disability Open Employment and Business Services as well as fee for service activities. Many providers are also Registered Training Organisations.

Member organisations range in size from small agencies operating single sites in local communities to large organisations with multi-site operations throughout Australia. Members also represent a diverse geographical base with operations from major metropolitan and regional centres through to remote and rural communities.

NESAs provides members with policy development and advice, industry services including information, education and training, practice improvement and professional development.

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**Introduction:**

The National Employment Services Association (NESA) is pleased to be able to offer a submission to the HREOC National Inquiry into Employment and Disability in order to assist with its purpose to:

- identify existing systemic barriers to equal employment opportunity for people with disabilities;
- examine data on employment outcomes for people with disabilities including workforce participation, unemployment and income levels; and
- examine policies, practices, services and special measures implemented to advance equal employment opportunities for people with disabilities.

The employment services industry recognizes the social and economic value of workforce participation for the individual and the wider community. The employment services industry is committed to assisting all Australians to fulfil their workforce aspirations and potential.

The employment services industry acknowledges that Australians with a disability are much less likely to be employed than people without a disability. While many job seekers face barriers to fulfilling their workforce participation aspirations the employment services industry is aware of the increased issues and barriers facing job seekers with a disability and supports the Inquiry aims to identify the reasons for the disadvantages faced by people with disabilities in the open workplace and to work towards practical, achievable solutions.

Australia is facing a number of challenges as a result of the changing demographic profile of the population. With an increasingly ageing population there are a number of social and economic imperatives to broaden participation in the labour market and increase the skills of unemployed Australians to meet labour market needs. This current climate provides an opportune environment in which to develop and progress strategies to address the inequities in workforce participation and as a result make important contribution towards improving employment outcomes for people with a disability in Australia.

The Job Network is the predominant delivery agent in Australia's employment services. Established in 1998, the Job Network is a competitively tendered Australian Government service. It is currently made up of 108 private, not for profit and community sector organisations delivering services from over 1000 offices across Australia.

The employment services industry has a pivotal role in achieving increased workforce participation policy objectives. While Australia's overall employment participation rate is above the OECD average it is still below that of leading countries.

To do this, we need to look at a few key issues, including:

- Participation; whether or not people with disabilities decide to join the competitive workforce.
- Employment; whether people with disabilities can get a job once they have decided to enter the workforce.
- Retention, promotion and development for people with disabilities once in a job.

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## Issues Paper 1: Employment and Disability – The Statistics

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What does the data say about the impact of disability on equality of opportunity in employment for people with disabilities?

(a) What other statistics should be collected to better identify the issues affecting people with disabilities and employment?

(b) What other relevant data are you aware of?

Another purpose of this Issues Paper is to seek feedback about:

- what other relevant data is available, and
  - what other data should be collected to better assess the successes and failures of measures designed to improve the opportunities for people with disabilities in the open workplace.
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HREOC Issues 1 Paper through data available from the Australian Bureau of Statistics, the Productivity Commission, the OECD and the Mental Health Council of Australia clearly articulates the current socio-economic situation of people with disabilities.

In examining data for employment and disability NESAs would recommend that HREOC also examine Centrelink income support recipient data. Centrelink can be seen as a central agency having contact with and collecting information from many Australians who are otherwise isolated.

However, it should be noted that while Centrelink data is useful and may add to the overall understanding of issues, publicly available data is lacking in some aspects. For example, detail about income support recipient's disability is limited to the primary condition and little is understood about the extent to which recipients have dual/multiple disability and characteristics. In addition there are income support recipients who have undisclosed and/or undiagnosed disability and that are not included in data collected. Employment Service providers estimate that this may be a significant population.

Data collected tends to be focused on the disability in isolation of ability and workforce participation aspirations. It is recognised that it is challenging to gather such data accurately from income support recipients. In the findings of a recent project "Disability Support Recipients Pilot" which looked at effective engagement strategies of DSP recipients into the Job Network it was noted that participants felt reluctant to report a desire to work to the same agency that they had to prove an inability to work as part of their income support application.

The majority of information reported on income support recipients with disability tends to be focused and is strongest on Disability Support Pension recipients. The Centrelink report on **Characteristics of Disability Support Pension Customers - June 2004** provides some interesting insight. It should be noted however that while there are some 705,000 DSP recipients many other income support recipients have disabilities. Data for other groups of income support recipients with disabilities are very limited.

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The provision of comprehensive data about people with a disability seeking workforce participation is essential to the appropriate planning and development of employment service provision. Employment service providers are consistently being asked to deliver better outcomes for people with a disability. Effective strategies to achieve such outcomes need to be developed at the local level and encompass information which brings together supply and demand characteristics operating in the local labour market. The capacity of providers to develop such strategies is dependent on the availability of accurate and comprehensive data at the local level.

While we know that many of the approximate 705,000 DSP recipients currently participate in paid work we do not know how many are underemployed. We do not have data on the work capacity or skills profile of DSP recipients not currently in work. This type of data would allow us to better understand, monitor and measure service requirements to achieve engagement in the open labour market. Furthermore data would provide a more comprehensive basis for the improved development and evaluation of improvement of opportunities for people with a disability.

Other useful information is areas of labour market participation by people with a disability. The Department of Employment and Workplace Relations have reported various statistics on the areas in which employment services have placed job seekers with a disability. This type of information supports the development of targeted employer engagement initiatives and can assist in overcoming stereotypes and myths.

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#### **Issues Paper 4: Commonwealth Government Assistance**

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**1. What government support is provided to people with disabilities to assist them in seeking, obtaining and retaining open employment?**

- Centrelink Disability Officers – specially trained staff who conduct assessments and provide assistance to people with a disability who are seeking employment
- Job Network – provides assistance to people with disabilities who are seeking employment and have no ongoing support or rehabilitation needs. There are also specialist Job Network providers
- CRS (Commonwealth Rehabilitation Scheme) Australia – provides employment assistance and vocational rehabilitation for people with a disability entering employment
- Disability Open Employment Services – government-funded employment services that provide assistance to people with disabilities who have ongoing support needs to enter and maintain open employment.

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**(a) What are the strengths and weaknesses of the Commonwealth government services listed above?**

There is an array of services available to assist people with a disability access and maintain employment opportunities. Important omissions to the above list are the Personal Support Programme (PSP) and Job Placement and Employment Training Programme (JPET). Both these programs seek to assist job seekers who are not job ready and who have significant non vocational barriers to employment and service high proportion of job seekers with disability particularly mental health issues. JPET is a youth focused programme.

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In the first instance this range of service provision offers a selection of service options to meet job seeker need. There is an opportunity for some consumer choice in the selection of service provider with the range of services and diversity of service providers available. Job Network for example is comprised of 108 organisations delivering services at over 1000 sites across Australia. In most Employment Services Areas across Australia (approx 113) there is a choice of providers available. Job Network is contracted on market share basis. Providers must develop engagement and service strategies to attract job seekers as they are not guaranteed a flow of job seekers.

Department of Employment and Workplace Relations contracted employment services such as Job Network operate with clear and closely measured performance requirements. In addition to regular tender processes (generally 3 yearly) Job Network providers not delivering effective outcomes for job seekers may be subject to a business reallocation process every six months or cancellation of contract. In recent times Disability Open Employment Services have also entered the DEWR framework and are likely to have similar performance measures put in place.

Employment Service providers operate under a range of standards, service guarantees, code of practices, legislative and contractual obligations in the delivery of service. Such measures provide a basis for ensuring quality delivery of service to people with a disability.

Whilst there is an array of assistance available to people with a disability seeking employment they are not delivered in an integrated framework. While with the introduction of the Active Participation Model in 2003 better integration between services was achieved there are still substantial improvements possible. Connections between the various service providers are fragmented. Performance assessment models, funding and eligibility criteria for service provision do not encourage or support an integrated or collaborative service delivery model.

Employment Service providers are often ill informed about other services and what they may offer to job seekers. It is not surprising that job seekers often find it difficult to understand and easily access services. Eligibility criteria for services are often unclear and based on assessment outcomes by Centrelink or other nominated agencies.

A lack of connection between the assessment process and service delivery is considered a major weakness of the current pathways into employment services. The job seeker most commonly participates in an assessment process and then is referred to a provider with no relevant information or recommendations from that assessment process.

While a job seeker may be assessed as requiring a specific level of service there is no guarantee that a place will be available and waiting lists for services can be considerable. Job seekers not wishing to sit on a waiting list or be recommended to a specific service may elect to nominate to attend Job Network instead even though this may not be the most relevant service to their specific needs. In addition services are not offered consistently across Australia.

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In the current framework of Australian employment services there are a lack of connections and true opportunities to appropriately parallel service job seekers. For example a job seeker who is participating in Disability Open Employment Services may have access to only the most basic Job Network service – Job Search Support. This level of service provides them with a single 45 minute interview and ongoing self help facilities within Job Network. Other than basic Job Placement fees (most providers report the fee does not cover the cost of the service) if a job seeker is placed in employment there are no significant performance or financial incentives for the Job Network provider. It will not be surprising that most service providers and job seekers feel that this is an unsatisfactory level of service.

Similarly, if a job seeker is participating in the full suite of Job Network services they are ineligible to receive any DOES services. It is not uncommon when delivering services to people with disabilities particularly those with episodic conditions to find that their support needs also fluctuate considerably. If a job seeker condition changes and the need for ongoing support becomes evident post 26 weeks of placement Job Network are not able to refer them to a DOES service for ongoing support. However such an arrangement for ongoing support referral exists between CRS and DOES.

While each of the services listed have particular strengths and much to offer people with a disability there are also individual shortcomings. In order for people with a disability to receive the most suitable service they must firstly be appropriately assessed and streamed by referring agencies. Access to prompt professional assessment for employment services access is not available across Australia. Providers in some regional, rural and remote areas have reported waits of up to 12 months for Centrelink Special Needs Assessments. In addition to the reliance on the assessor to appropriately assess service needs people with a disability have the right and may not wish to declare their disability.

Once connected to a service it is difficult to refer a job seeker to an alternate service. Supporting performance assessment models often 'penalise' providers for exiting job seekers even where it is to send the job seeker to a more suitable service. The employment services industry recognizes the complexities of delivering assessment services. There are a number of improvements to the assessment process scheduled for implementation with the introduction of the Comprehensive Work Capacity Assessment model. However we also know that no assessment model will be without flaws and conditions will fluctuate and as such the ability to easily refer between programs is essential to the effective servicing of people with a disability.

The Job Network delivers a continuum of services to job seekers. The entry point for the continuum is based on period of unemployment and assessment of need. Intensive Support Customised Assistance (ISCA) is the most individually tailored service within this continuum and usually available to job seekers who have been unemployed for 12 months or classified as Highly Disadvantaged. This is the service entry point which is considered by the industry to be most appropriate for people with a disability.

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While many DSP recipients will have been on income support for many years their period of unemployment is only counted from their referral to employment services. As such most DSP recipients enter Job Network with very short unemployment duration which adds little to their Job Seeker Classification Instrument (JSCI) score and subsequent service eligibility. This may result in DSP recipient's entering Job Network at Job Search Support (as previously described). Until the 1 July 2005 any job seeker who was granted DSP was considered to have met the criteria for Highly Disadvantaged classification and granted immediate access to ISCA. However this provision is no longer available.

A Job Seeker may be assessed as to most benefit from a particular service which is not offered or available in their local area. The Personal Support Program has lengthy waiting lists and is not afforded comprehensively across Australia. Specialist Job Network and Disability Open Employment Services are in limited locations. As such job seekers may by default end up in a less appropriate service but this is viewed as a better outcome than getting lost in the system waiting for a place in alternative programmes.

The Personal Support Programme is considered to be an important service for people who have multiple non vocational barriers to employment. This programme may service a job seeker for up to two years and increases their capacity to benefit from available employment services. The majority of job seekers in this programme are people with a disability, particularly mental health issues, including drug and alcohol related issues. The employment services industry believes this programme is inadequately resourced to deliver the services for which it is contracted. Particularly rural and remote providers find they are consistently under pressure to deliver services that meet the needs of their clients and are not otherwise available in their local community.

Whilst the PSP programme seeks to service those considered with barriers too great for effective servicing through Job Network or Disability Open Employment services its funding base delivers far less. For example if a Highly Disadvantaged job seeker in ISCA in Job Network was serviced and placed in employment for 26 weeks the approximate service and outcome fees would total \$6,430. In PSP (where the service period is four times the duration and with similar contact requirements) for the same outcome the fee claimable would only be \$4,190. The gap between Disability Open Employment and PSP is larger again.

The performance measures, key performance indicators and operating environments for employment services all differ. Basic alignment in these aspects of services would enable a more client focused and efficient employment sector for people with a disability. For example Disability Open Employment, unlike Job Network services operate in a predominant non activity tested environment and do not have to report job seekers failures to comply with Activity Agreements. Disability Open Employment services may be granted an outcome for job seekers placed in employment for 8 hours per week for 13 weeks of an outcome period. In comparison Job Network must meet minimum work capacity assessments in 13 consecutive weeks of employment to secure outcome recognition.



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Differences must exist in services which reflect the nature of the individual programme and client base. However the consideration of such differences is critical to the accurate and in-depth comparison of programme performance, evaluation strategies and development of future strategies.

As such in response to question *a) paper 5 - What additional information should be sought from the Commonwealth agencies mentioned above?* The employment services industry would contend that the list of services with general eligibility criteria does not provide a comprehensive picture of the services framework. We would recommend that the commission seek greater detail on assessment criteria and mechanisms, service entry points including multiple points on the Job Network continuum and the contracted service levels. For example the employment services industry considers that the JSCI which is one tool used to classify job seekers eligibility and stream into services does not contain sufficient sensitivity for disability and in particular for multiple disability. Assessment and referral pathways into services can be complex and time consuming.

In addition to general service description to develop a comprehensive picture of employment services it would be necessary to have detail of the contracted service requirements, funding base, key performance indicators and outcome definitions. While the overall service description may appear comprehensive these must be considered in the context of contracted services and within funding provisions. It is also worth noting the level of administrative requirements on providers in delivering those services.

In addition to fully understand service connections it is important to understand the level of parallel service opportunities in detail. While duplication of service provision to job seekers is clearly undesirable opportunities to package unique service elements could be strengthened through improved parallel servicing arrangements. As discussed earlier job seekers in Disability Open Employment Services are able to access Job Search Support in Job Network even though similar services are already provided. In contrast only 26 weeks post placement support is provided in Job Network. While Disability Open Employment Services can provide long term ongoing support there is no opportunity to parallel service or refer job seekers to this service post placement.

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**What other Commonwealth government services are available to assist people with disabilities who are seeking employment?**

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As discussed earlier important omissions to the above list are the Personal Support Programme (PSP) and Job Placement and Employment Training Programme (JPET). The majority of job seekers in this programme are people with a disability, particularly mental health issues, including drug and alcohol related issues.

There are a range of employment services that have a generalist focus who provide services to people with a disability. Similarly, there are also many people with a disability who prefer to focus on their ability and choose to attend generalist rather than disability specialist services. Given this, the diversity of disability and the prevalence of people with a disability in our community it is fair to assume that all employment services deliver to people with a disability to some extent.

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NESA would refer HREOC to the Commonwealth Department of Employment and Workplace Relations publication – **Complementary Programmes 2004** which is a directory of Commonwealth, State and Local Government Services operating in compliment with the Job Network.

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2. **What financial incentives are provided to employers by the Commonwealth government in order to encourage employment of people with disabilities?**

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- **Wage Subsidy Scheme (WSS)** – when an employer hires a person with a disability through a Commonwealth-funded open employment service, the employer may be paid a wage subsidy equivalent to 13 weeks pay)
  - **Supported Wage System (SWS)** – there is provision for employees with a disability to be paid a lower wage, according to their level of productivity
  - **Workplace Modification Scheme (WMS)** – financial assistance up to \$5,000 to help employers make workplace modifications, including the lease, purchase or hire of equipment.
  - **New Apprenticeship Access Programme (NAAP), Disabled New Apprentice Wage Support (DNAWS), Assistance for Tutorial, Interpreter and Mentor Services** - schemes aimed at encouraging employers to train people with disabilities **Disability Recruitment Coordinator** – assists large employers looking to hire people with disabilities
  - **CRS Australia** – offers free recruitment services for employers.
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**Your feedback: Commonwealth government assistance to employers**

- (a) What are the strengths and weaknesses of the initiatives listed above?
- (b) What other Commonwealth government services are available to employers to encourage them to recruit, hire and retain people with disabilities in employment?
- (c) What additional supports and services do employers need from the Commonwealth government to encourage employers to hire and retain people with disabilities in employment?
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The list of available support to employers should also include free recruitment services from Job Network, Disability Open Employment Services and a number of other employment services in addition to CRS.

The range of employer support via wage subsidy should also include potential Job Seeker Account support through Job Network. The Job Seeker Account can be used to provide a range of wage and job accommodation assistance that may not be easily available elsewhere. As with all the other listed wage assistance there are guidelines and eligibility criteria for use. The effectiveness of wage assistance programs is impacted on by the ease and speed or lack of caused by the application process.

A major omission to the support available to employers and people with a disability is the provision of a paid work experience programme. Many people with a disability have a tentative reentry into the workforce as they test their work capacity and gain confidence in their abilities.

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Providers and job seekers with a disability alike report that paid work experience provides a safe and supported entry into the workforce and engages the employer in the development process. However, there is no consistent National approach to the provision of work experience and State regulations vary.

In order to encourage employers to recruit and maintain people with a disability removal of barriers associated with real and perceived Work Cover obligations need to be addressed. Employment service providers regularly cite State Work Cover issues as barrier to employers recruiting people with a disability. A recent survey of State Work Cover authorities' web and telephone services indicated that they provided varied information and tone regarding employing people with a disability. This included inconsistent information about how the Disability Discrimination Act (DDA) governed the gathering of information about disability from prospective candidates. While some authorities provided comprehensive information and guidance others sent questionable messages about the irrelevance of the DDA and focused on the risk assumed in employing someone with a disability.

While financial assistance is appreciated by employers greater barriers lie in their lack of understanding of the abilities of job seekers with a disability. In order to meet the needs of job seekers with a disability there must also be increased awareness and acceptance from industry. Job seekers, particularly mature aged, indigenous, parents and those with a disability continually raise frustration at what they perceive is employer discrimination. Increasing participation of people with disabilities in the labour market can only be achieved by employment service providers if strategies are in place to overcome demand led barriers.

The benefits of workplace diversity need to be promoted to industry in a positive and proactive manner. Such strategies should not solely focus on legislative requirements which seem to increase employer caution and resistance to developing a more diverse workplace. For example strategies to increase employers understanding about current skills and labour shortages as a result of the demographic changes could provide a catalyst to improve willingness of industry to employ diversity groups to meet labour needs as required. It is the industry's experience that through developing relationships with employers and opportunities to identify and overcome objections providers can shift employer perceptions and dispel myths and stereotypes held about diversity groups which is required for sustainable attitudinal change.

A focus on or increased legislative pressure seems to increase employer caution and resistance. Information about the availability and types of assistance to supports such as workplace modifications also need to be broadened and promoted. Currently the workplace modifications scheme cannot be used to support job accommodation requirements such as sign interpreters or additional personal support. Personal support may be most beneficial for example, facilitating the accommodation of an employee with mental health issues in the workplace including working with co-workers and their supervisors where appropriate.

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A better resourced employment services industry could enhance services to employers. A more strongly resourced Job Placement model with post placement support and career advancement programme would also contribute to creating better opportunity for people with a disability and could add to career advancement not just labour market connection. Employers are more likely to employ job seekers from diversity groups when they know that substantial support pre and post placement is available.

## **Conclusion**

NESA wishes to thank HREOC for the opportunity to participate in this Inquiry. Employment and disability are complex issues and will take a comprehensive and whole of government approach to progress. While the current demographic shift resulting from Australia's ageing population presents many challenges it also presents an opportunity to promote improved access to open employment for people with disabilities. It is clear that our need to increase workforce participation has put the issues and barriers faced by people with a disability as a priority on the agenda with high stakeholder investment in the outcome.

NESA looks forward to participating in continued dialogue, and the development of projects and initiatives which will contribute to greater equity in the workforce participation of people with a disability.