

# Inquiry into Mental Health Barriers to Education, Training and Employment

NDS Submission





National Disability Services

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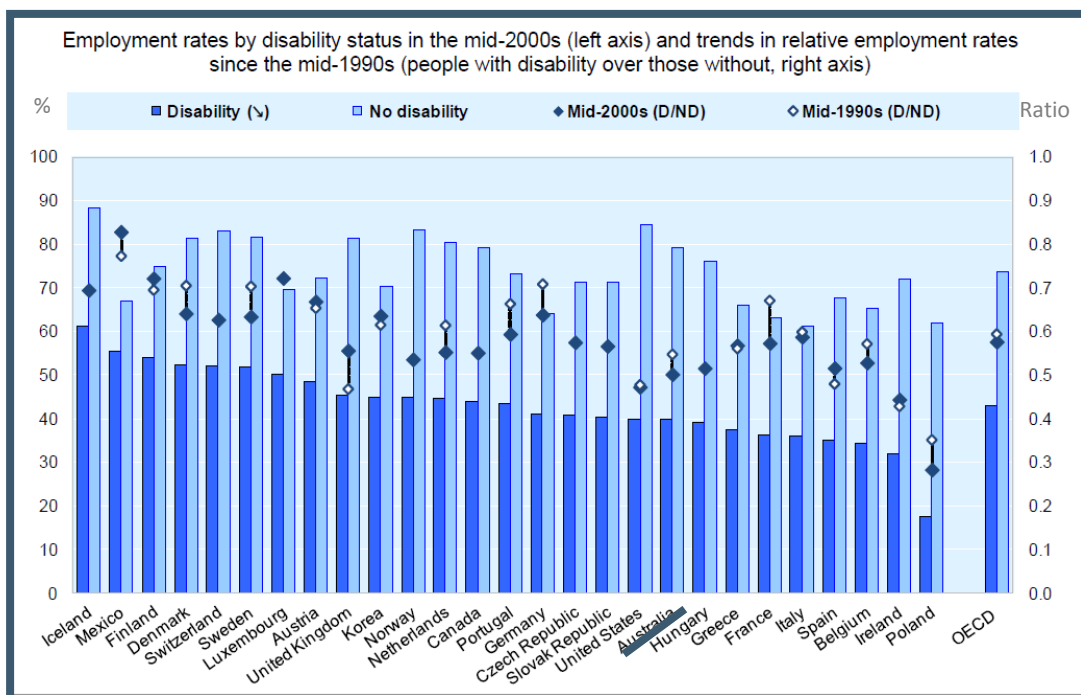
### **About National Disability Services**

National Disability Services is the peak industry body for non-government disability services. Its purpose is to promote and advance services for people with disability. Its Australia-wide membership includes around 700 non-government organisations, which support people with all forms of disability. Its members collectively provide the full range of disability services—from accommodation support, respite and therapy to community access and employment. NDS provides information and networking opportunities to its members and policy advice to State, Territory and Federal governments.

NDS welcomes the opportunity to provide a submission to the Inquiry into Mental Health Barriers to Education, Training and Employment being conducted by the House of Representatives Standing Committee on Education and Employment.

People with mental health conditions report they want to work. Many are able to work and can benefit from working.<sup>1</sup> However, despite Australia experiencing significant economic growth over the past decade and demand for labour increasing, the rate of employment of people with disability dropped between the mid-1990s and mid-2000s and is below the OCED average.<sup>2</sup>

**Chart 1 OECD Analysis of Disability Employment**



Source: OECD Background Paper, *Sickness, Disability and Work: Keeping on Track in the Economic Downturn*, 2009.

Note: The left axis shows the employment rates for people with disability (dark blue column) and people with no disability (light blue column). The right axis is the relative employment rates for people (ie the employment rate of people with disability divided by those without a disability). The white diamond represents the relative employment rate in the mid 1990s and the white diamond is the relative employment rate in the mid 2000s. The table shows Australia's relative employment rate has dropped since the mid 1990s.

People with mental health conditions face lower rates of labour force participation and higher rates of unemployment than people with physical disability.<sup>3</sup> People with mental health conditions have the lowest likelihood of being in the labour force when compared to the other major health conditions of cancer, cardiovascular, minor injury, diabetes and arthritis.<sup>4</sup>

Around 63% of people with mental health conditions are reported to have no post school qualifications.<sup>5</sup> They have a greater drop-out rate and poorer labour market outcomes than other Vocational Education and Training (VET) participants. In Australia, educational attainment provides a foundation for sustainable employment and is closely associated with educational outcomes.<sup>6</sup> As the onset of mental health conditions typically occurs between 10 and 30 years, it can interrupt educational

attainment and vocational training. It can limit future career attainment and can create a barrier to employment.<sup>7</sup>

The number of people relying on the Disability Support Pension (DSP) as an income source rose by 36 per cent between the period 1999 and 2009. In 2009 approximately one third of DSP recipients reported a mental health condition was their primary medical condition and fewer than ten per cent of DSP recipients reported earnings from work.<sup>8</sup> Reliance on the DSP can lead to social and economic marginalisation for the person.

## Barriers to participation in education, training and employment of people with mental health conditions

The barriers to education, training and employment faced by people with mental health conditions are complex and have been well researched and documented.<sup>9</sup> In summary, barriers that have been identified include: the impact of clinical symptoms; side effects of medications; community stigma and resulting 'stigmatic thinking' by the person with mental health conditions; discrimination; low expectations of health professionals; lack of access to services especially in rural and remote locations; lack of collaboration within programs and between agencies; as well as factors associated with social and economic marginalisation such as family breakdown, social isolation, homelessness and drug and alcohol problems. Additional barriers include: the nature of the labour market; availability of suitable employment; and administrative constraints that limit the capacity of disability services and other support organisations to provide suitable ongoing support.

These barriers can negatively impact on a person's sense of identity, mental wellbeing, economic security, social skills, and value in society.<sup>10</sup>

The unpredictable and episodic nature of mental health conditions creates particular challenges in the area of employment. In particular, as discussed below, aspects of the Disability Employment Service (DES) and supported employment system lack flexibility in appropriately responding to these elements of the condition.

"The Arts provides a wonderful opportunity for people with mental health conditions to develop skills and confidence to enter or return to the workforce" explains Kate Larsen CEO of Arts Access Australia.

Kate stressed "Any strategy for employment for people with mental health conditions should be integrated with efforts under the National Arts and Disability Strategy (NADS)".

"The NADS highlights the importance of artists and art/cultural workers with disabilities having greater access to mentoring and professional development opportunities" she said.

"Arts and cultural organisations have the potential to lead the way in terms of inclusive employment practice" she said. "However, we need to strengthen pathways into the creative sector and learn from the great work being undertaken in the United Kingdom. Greater collaboration between arts and cultural organisations, disability employment services and people with mental health conditions is a key step in achieving this goal."

## Enhancing access to, and participation in, education, training and employment of people with mental health conditions and improving the capacity to respond to their needs.

Actions to address the barriers to education, training and employment for people with mental health conditions need to be developed within the comprehensive frameworks of the National Mental Health and Disability Employment Strategy, the Fourth Mental Health Plan, the National Arts and Disability Strategy and the National Disability Strategy.

The recommendations in this submission are arranged so they correspond to the actions of the National Mental Health and Disability Employment Strategy.

### 1. Help engage people with disability

#### *Action One of the National Mental Health and Disability Employment Strategy*

##### **Extend the Work Bonus:**

Disability employment arrangements need to provide an appropriate mix of incentives to support people to secure and maintain employment. Extending the Work Bonus to DSP recipients would provide a greater incentive for people with disability to seek employment. Currently, under the Work Bonus, half of the first \$500 of fortnightly employment income is disregarded from the income test for pensioners over Age Pension age and results in higher effective marginal tax rates for people with disability who seek to gain some employment.<sup>i</sup> This anomaly needs to be corrected as it directly undermines the intent of Government policy of increasing labour force participation for people with disability. There is a strong case on economic and equity grounds for extending the Work Bonus to DSP recipients.

##### **Introduce a Disability Employment Bonus:**

NDS proposes that a tax-free "Disability Employment Bonus" be given to DES clients by Centrelink once DEEWR has been advised of an employment outcome. The bonus would have the benefit of creating an increased incentive for DES clients to remain in the program until key milestone dates are achieved. This

#### **Realising the Benefits of Employment**

Manny had not worked in some years when he made contact with a disability employment provider early last year. In the past Manny had had numerous positions but none of these lasted more than three months. Manny wanted to find work in the engineering field and complete his apprenticeship. After cold calling employers and leaving resumes, he was offered a full time position at a local trailer manufacturing company. Manny has been told that after finishing his three month probation, if he was interested, he could be offered an apprenticeship. Manny recently told his employment officer

*"I don't know how I managed to sit around not working for the past three years. Since I started to work I have been able to save \$800 to buy a brand new bike. I ride it to work each day. The other fantastic thing that has happens is the morning drowsiness I had is now non-existent!"*

<sup>i</sup> An amendment is currently before the Senate to change the income that is exempt under the Work Bonus.



would increase program effectiveness. The bonus could be \$600 for parity with the Carer Bonus. Providing the bonus for the 13 and 26 weeks employment outcomes would have an impact on labour force participation decisions for people with disability but provision of a single bonus payment would still have participation benefits.

### **A strong inter-sectorial approach:**

A strong collaborative approach to service delivery has the opportunity of improving service provision for people with disability.

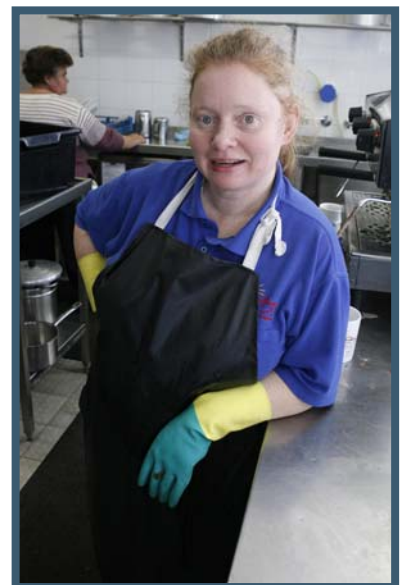
One example of a strong inter-sectorial approach that breaks down the silos between clinical and employment services is the Integrated Employment Project.<sup>ii</sup> The approach incorporates:

- the integration of employment and treatment services;
- eligibility based on consumer choice;
- rapid job search within four weeks;
- a goal of competitive employment; and
- intensive support.<sup>11</sup>

The Integrated Employment Project is demonstrating opportunities to improve outcomes by pooling clinical and vocational services rather than fracturing expertise.<sup>12</sup>

Inter-sectorial coordination is a key issue particularly for people with dual diagnoses involving cognitive impairments (such as intellectual disability). Many people with cognitive impairments have limited verbal communication skills and may present with atypical mental health symptoms. The lack of appropriate access to service provision can severely impinge on this group's ability to engage in education, training and employment. Specific strategies are required to address their needs. Employment outcomes for people with cognitive disability and mental health conditions could be improved by:

- funding intellectual disability mental health psychiatrists, nurses and other professionals to support mainstream mental health services through consultancy, training and research;
- facilitating joint case planning and coordination by disability and mental health services; and
- training front line staff in disability and mental health services.



<sup>ii</sup> See Vocational Rehabilitation Research Program <http://www.qcmhr.uq.edu.au/VR/IEP.htm> Accessed 21 April 2011.

## 2. Improve disability employment services

### *Action Two of the National Mental Health and Disability Employment Strategy*

A strong disability employment sector is central to achieving positive employment outcomes for people with mental health conditions. The Australian Government provides employment support for people with disabilities through two main programs: the DES program and supported employment. In 2008-2009 people reporting mental health conditions as their primary disability were the largest group using DES (34% of users) and the second largest group of supported employment service users (12% of users).<sup>13</sup>

Emerging data shows that the DES program, introduced in March 2009, is delivering improved outcomes. However, aspects of DES policy lack the flexibility to respond to the needs of people with disability. Modifications are required to strengthen the capacity of providers to support job seekers to rapidly commence job search, and achieve and sustain employment. Disability service providers need to be given the flexibility to respond creatively to their client's needs. Their efforts should not be subsumed by red tape and inefficient processes. NDS has consulted with Government in relation to ongoing improvement to the DES contract and provided a detailed submission on how the scheme can be improved. This document can be accessed at the following web address:

[http://www.nds.org.au/asset/view\\_document/979319204](http://www.nds.org.au/asset/view_document/979319204)

Strategies to increase the flexibility and effectiveness of DES include:

#### **Align future work capacity with current capacity and realistic expectations:**

As the course of disability and mental health conditions is difficult to predict for an individual the setting of future work capacity is high speculative. In estimating further work capacity Job Capacity Assessors may inadvertently underestimate the support required to assist a person reach the performance target and the ability of service providers to achieve outcome targets. Job seeker's current assessed capacity should be used for future employment benchmarks. This concern also applies to the 2010-11 Budget measure to 'refer' Disability Support Pension claimants who lack sufficient evidence that their future work capacity is less than 15 hours per week to an alternative income support payment. This measure applies from 1 January 2012.

#### **Take a less rigid approach to employment continuity:**

Current DES program guidelines are too inflexible to take account of episodic conditions that are typically characterised by multiple job placements on the path to achieving sustainable employment. The definition of employment continuity should be eased to allow for multiple job placements and breaks for up to four weeks between jobs. The current continuity rules penalise DES providers that support people with disability who resign from their employment by allowing too little time to secure new employment. The allowable break for workers who resign should be the same as for workers who are dismissed (four weeks). Multiple periods of employment should count cumulatively towards an outcome.

**Allow ongoing support arrangements to be individualised to each person's need:**

The frequency of minimum contract requirements should allow providers to negotiate the most appropriate form of ongoing support with their clients. Requirements for face to face contact can be an intrusion for some workers and employers, may not be the most appropriate way to support a person and places an unnecessarily heavy compliance burden on service providers.

**Support providers to build and maintain relationships with employers:**

The majority of the job placements by DES providers are with employers that have previously employed staff with a disability. The delivery of the DES program is contingent on successful relationship management with key employers. Disability service providers are ideally situated to promote to employers the benefits of employing people with disability. This is of particular importance given evidence that employees report a lack of knowledge about workplace adjustments and information about the services available to support them.<sup>14</sup>

Strategies to improve the supported employment arrangements include:

**Uncap supported employment**

The current cap on funded supported employment hinders job seekers' access to supported employment and exacerbates barriers between transition to work programs and employment. The cap on supported employment not only denies work opportunities to people with disability, it also represents an inefficient use of public funds. Diverting a person who could work to a non-vocational program increases the support bill by at least 50%. The uncapping of the DES program in March 2010 provides an important precedent for this reform that would open pathways to employment and enhance flexibility and choice for employers and job seekers.

**Improve pathways with DES and supported employment:**

Providing the flexibility to move easily between DES and supported employment would increase opportunities for people with disability, particularly those experiencing episodic conditions such as mental health condition, to maintain employment. This flexibility would enable people to move into supported employment to build their capacity or when they are unable to manage to meet the higher demands of competitive employment.

### **3. Providing better access to education and training**

*Action Three of the National Mental Health and Disability Employment Strategy*

**Increase the availability of subsidised training places in rural and remote regions:**

The limited availability of subsidised training services in remote areas of Australia can significantly restrict the vocational options in these areas





## Encourage partnerships between DES and Group Training organisations:

Service providers and group training organisations need to be supported in building close partnerships to open additional training and apprenticeship opportunities to people with disability, to share expertise, and to support employers in providing apprenticeships and on the job training to people with disability.

## 4. Supporting and encouraging employers

*Action Four of the National Mental Health and Disability Employment Strategy*

### Evidence-based marketing:

A sustained evidence-based marketing campaign is required to break down stigma and discrimination and promote the value of employing people with disability. *Mental First Aid* is one example of an evaluated training course that has achieved positive outcomes.

## 5. Improving public sector employment of people with disability

*Action Five of the National Mental Health and Disability Employment Strategy*

### The Government must lead by example:

The Public Service employment rate of people with a disability is 3.1% is the lowest in over a decade. The rate is a significant decrease from the 1994 rate of 5.5%.<sup>15</sup> It is also significantly lower than the proportion of people with disability within the population (20%). In 2010, the APS Commissioner announced rules that permit APS agencies to employ a person with disability without having to conduct a full competitive merit assessment process if the agency uses a disability employment service provider. The compulsory use of a disability employment service provider when employing a person with disability relieves government agencies of the need to develop their own expertise in assessing the capability of a prospective employee, in designing or modifying a position to suit that capability and in providing ongoing support if required. This change should strengthen the APS's engagement with disability employment services.

"A lack of understanding about mental health conditions is often a major barrier for people with this disability finding work." explains Dorothy Dunne of Worklink.

"We have developed a one day workshop to help employers and members of the general public better value people's differences and foster positive attitudes toward those with mental health conditions."

"During our *Managing Diversity* workshop we talk about the myths, misunderstandings and stigma surrounding mental health conditions. We focus on practical ways to create a healthy working environment for all employees."

"Our workshops are really practical. They include a DVD of local employers talking about the things they have done to assist their employees. This helps people understand what they can do to help make their workplaces more open and fair for all employees, not just those with a mental health condition."

"An important part of our workshop is to explain the early warning signs of people who may be struggling with stress and illness and provide ideas about how to approach and support them. Support and assistance at this early stage can often prevent a crisis from occurring. A Human Resources consultant recently contacted us to explain how useful the approach was in helping the managers at her workplace understand and better manage some of the things that were happening in their departments."

"This type of education can be really helpful in changing people's perceptions about mental health conditions. It can help open up employment opportunities, but most importantly it plays a critical role in early intervention."

### **Promote Australian Disability Enterprises:**

More needs to be done to promote government agencies to purchase goods and services from nongovernment organisations that employ people with a disability.

## **6. Pursuing Innovative Strategies**

### *Action Six of the National Mental Health and Disability Employment Strategy*

#### **Establish comprehensive, timely and regular national reporting:**

To achieve real outcomes for people with mental health conditions programs should be evidence-based and outcomes evaluated. Milestones and measures need to be established to evaluate the effectiveness of strategies. But this requires robust measures of progress in relation to outcomes. The labour force participation rate cited in the COAG Reform Council's most recent baseline performance report, for example, derives from the 2003 Survey of Disability Ageing and Carers (SDAC). While data from the 2009 Survey is now available, a six-year gap between collections makes tracking the effectiveness of the initiatives, including employment participation, almost impossible. Action is required to enable meaningful measurement and tracking of performance under the NDA.

#### **Invest in research and innovation:**

Ongoing efforts are required to develop evidence-based practice and innovative approaches to engage and re-engage people with disability in education, training and employment. This work could assist in identifying predictors of success, cutting-edge employment service practices, as well as models to address specific employment barriers.<sup>16</sup> The Innovation Fund is an important strategy in this regard but it is only funded to 30 June 2012. Ongoing funding needs to be secured. Where practices are found to be successful, the sector needs to be made aware of the work and encouraged to apply it to their practice.



## Notes

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- <sup>1</sup> Waghorn G., & Lloyd C., *The Employment of People with Mental Illness: A discussion document prepared for the Mental Illness Fellowship of Australia* (2005) p5  
Mental Illness Fellowship of Australia Inc *Mental illness and employment – challenges for the future* (July 2010) p. 7.  
URBIS *Employment assistance for people with mental illness: Literature review* Department of Education, Employment and Workplace Relations (DEEWR) Commonwealth of Australia (2008) p11
- <sup>2</sup> OECD *Background Paper, Sick, Disabled and Work: Keeping on Track in the Economic Downturn, 2009*.
- <sup>3</sup> *National Mental Health and Disability Employment Strategy* Commonwealth of Australia (2009) p 6
- <sup>4</sup> *Fourth National Mental Health Plan 2010* p.33.
- <sup>5</sup> Mental Illness Fellowship of Australia Inc. p.6.
- <sup>6</sup> Waghorn G., Still M., Chant D. & Whiteford H., 'Specialised supported education for Australians with psychotic disorders'. *Australian Journal of Social Issues*, 2004, 39 (4): 443-458.
- <sup>7</sup> *National Mental Health and Disability Employment Strategy* p. 6.
- <sup>8</sup> Ibid
- <sup>9</sup> Standing Committee on Community Affairs *Towards recovery: Mental Health Services in Australia September 2008* Commonwealth of Australia 2008.  
Mental Illness Fellowship of Australia Inc.  
URBIS pp.12-20.  
Waghorn G., & Lloyd C.,
- <sup>10</sup> URBIS pp.10-13.  
Waghorn G., & Lloyd C., p.6.  
National People with Disabilities and Carer Council *SHUT OUT: The Experience of People with Disabilities and their Families in Australia National Disability Strategy Consultation Report* Commonwealth of Australia (2009) p. 41.
- <sup>11</sup> URBIS p.32, Childs S., and Conroy M., *Working Together to Get Work: The Integrated Employment Project*.  
[http://www.qldalliance.org.au/sites/www.qldalliance.org.au/files/Read%20Working%20Together%20to%20Get%20Work\\_BreakTHRU\\_NEPS\\_RBWH.pdf](http://www.qldalliance.org.au/sites/www.qldalliance.org.au/files/Read%20Working%20Together%20to%20Get%20Work_BreakTHRU_NEPS_RBWH.pdf) Accessed 21 April 2011.
- <sup>12</sup> Waghorn G., & Lloyd C., p. 27.
- <sup>13</sup> Australian Institute of Health and Welfare *Disability Support Services 2008-09 Report on Services provided under the Commonwealth State/Territory Disability Agreement and the National Disability Agreement* (January 2011).
- <sup>14</sup> Social Forms Australia (2008).
- <sup>15</sup> Australian Public Service Commission, *State of the Service Report 2009–10*.
- <sup>16</sup> Waghorn G., & Lloyd C., pp. 22 & 41; URBIS p.40.



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