

# CHAPTER 6

## EMPLOYMENT – PART 2

### Supported Employment (SE)

6.1 Supported employment has a clear focus on the outcomes for people with disabilities, specifically maximising independence, economic and employment opportunities and community integration. It has a clearly defined target group within the DSA – those for whom open employment is unlikely, and who require substantial support. It is designed to provide or obtain employment for people with disabilities who require continuous support in the workplace whether in integrated employment settings or in semi-segregated services/settings.

6.2 The DSA defines supported employment services as ‘services to support the paid employment of persons with disabilities’<sup>1</sup>; and the persons assisted will be those:

- (a) for whom competitive employment at or above the relevant award wage is unlikely; and
- (b) who because of their disabilities, need substantial ongoing support to obtain or retain employment.<sup>2</sup>

6.3 The key features of supported employment services are perceived by DHH&CS as being:

- **Employment** – the creation of varied opportunities for people with disabilities to work which match their individual needs, production of goods or provision of services which are positively valued by the community and that the employment enterprise operated on the same economic and business principles which apply in the general labour DHH&CS policy clearly distinguishes between the ‘focus on the performance of an actual job, with whatever support the individual requires to do the job’ in supported employment as opposed to preparation to work in open employment, which is the role of the CETP services.
- **Integration** – with an emphasis on maximising contacts and relationships with people who do not have a disability, both through the selection of employment opportunities and in the participation in social activities arising out of work.

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1. DSA, Section 7.

2. *ibid.*

- **Support** – the aim is to provide the necessary ongoing support to **begin and keep** a job. Support is provided on an individual basis and tailored to the needs of each individual worker. Training may also include those work-related skills necessary to take on the role of the worker and maintain it, for example, appropriate behaviour, use of public transport or banking facilities or the skills necessary for social integration.

6.4 The (then) DCSH submission stated that ‘overall it [supported employment] is targeted to people with more severe disabilities than the current client group of sheltered workshops’.<sup>3</sup> It is difficult to assess the success in reaching this goal given the lack of any data at this stage. Certainly, some of the supported employment services visited were catering to people with severe disabilities, for example Vitec Assembly in East Perth, where many of the clients were non-verbal and had behaviour problems in conjunction with other disabling conditions. Some of the services visited had been developed under transition funding from the DSA and some of their employees, while having substantial disabilities or high support needs, had previously worked in sheltered workshops attached to the service provider – for example, the employees of Centre Data in Parramatta and PQ Office Supplies<sup>4</sup> in Brisbane. What was clear was that, at this stage of their working lives, the clients of these services required continuing support at the work site.

6.5 While the Committee accepts that some people with less than a ‘significant’ disability may require considerable support, it is concerned that funding may be used to assist primarily those with other than significant disabilities.

### Recommendation

The Committee RECOMMENDS:

1. That DHH&CS reintroduce random auditing of services to ensure that, in the case of Supported Employment, adequate services are being directed to people with substantial disabilities. Random auditing should also be applied to CETP services to ensure borderline mild disability cases are not being ‘creamed off’ to boost placement rates.

6.6 A common theme amongst those service providers who were concerned about the implementation of the new employment services (as opposed to the objectives of the *Disability Services Act* for which most traditional service providers state their support) is that supported employment is, in fact, no different from the type of services offered by the broad majority of sheltered employment services:

ACROD believes that there are many, relatively exemplary services which (within the limitations of available funding and the present

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3. *Transcript of Evidence*, p. 1500 (DHH&CS).

4. Operated by ParaQuad.

economic climate) do offer meaningful work opportunities in conditions which do reflect the patterns and norms prevailing in open industry.<sup>5</sup>

6.7 However such an argument overlooks the specific goals of supported employment. Employment, integration and ongoing support are the essential features which underpin the supported employment model.

The key features of this area of supported employment are ongoing support and real work for which people are paid in an integrated setting and in a variety of places and opportunities.<sup>6</sup>

Supported employment enables people with disabilities who need some ongoing assistance with their work to be productively employed alongside people without disabilities in a regular work site. This helps to ensure that they are able to enjoy the benefits of working taken for granted by the majority of society.<sup>7</sup>

6.8 Waverley Helpmates enumerated the benefits to employees in their program as being:

1. Ongoing, meaningful and productive employment opportunities;
2. Significant salary benefits;
3. Mechanisms by which further employment options are made available, in line with individual aspirations;
4. Appropriate training and support structures;
5. A working environment conducive to the gaining of self confidence, independence and the capitalisation upon initiative;
6. Participant involvement and equality in decision processes and program management.<sup>8</sup>

6.9 In contrast with other programs for people with disabilities such as time-limited vocational services (for example, labour market programs such as SkillShare or JobTrain) or ongoing non-vocational services (for example, ATCs or sheltered employment), supported employment recognises the capacity of people with

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5. *Transcript of Evidence*, p. 4962 (ACROD Limited).

6. *Transcript of Evidence*, p. 1523 (DHH&CS).

7. Sue Warth, 'Supported Employment: Report of a Successful Enclave Model', *Australia and New Zealand Journal of Developmental Disabilities*, 1990, Vol.16(1) pp. 57-63.

8. Material supplied to Committee on its visit to Waverley Helpmates, Melbourne, 22 November 1990.

disabilities to work when provided with ongoing support. Funding for supported employment services recognises that people with significant disabilities may need further training in addition to work-related skills, such as independent use of public transport, social skills. Such training is not confined to the work-entry stage – the scope of such training will depend on the needs of the clients and may extend to ongoing instructions in communication skills such as that provided by Vitec Assembly.<sup>9</sup>

6.10 DHH&CS policy states that ‘supported employment services may be delivered in a variety of ways consistent with . . .

- the individual needs and aspirations of service users;
- the range of employment and business opportunities available in the local labour market and the entrepreneurial skills of the service organisation’.<sup>10</sup>

6.11 For some employees such support may need to be intensive. In order to fulfil this emphasis on responding to individual needs and aspirations, DHH&CS has indicated that the service responses developed should be as flexible and creative as possible. As a result, the Supported Employment program encompasses a number of approaches or models:

- enclaves
- individual supported jobs
- mobile work crews; and
- small business/benchwork.

6.12 The key difference distinguishing these models is that, whereas in the enclave and individual supported job settings, the host employer does not provide the formal support needed to maintain the person in the job (this is provided by the service making the placement), in the small business and mobile work crew settings the service provider has created the employment opportunity in addition to providing the requisite level of support in that work environment.

6.13 It is not clear to what extent the development of these models reflects the fullest evolution of all the possible service provision models. The evidence and the submissions received from supported employment services have shown that service providers often draw upon elements of several models in developing services to meet the particular needs of their clients. Two further options within the small business model, work co-operatives and cottage industries, were adopted by DHH&CS

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9. See Paragraph 6.58.

10. DCSH, *Supported Employment Services*, p. 4.

following representations by ACROD and Disabled Peoples' International (DPI).<sup>11</sup>

**6.14** During the course of the inquiry the Committee had the opportunity to visit a range of supported employment services which demonstrated the flexibility of the supported employment model and both its capabilities and the extent to which it can be applied to assist people with disabilities. The services visited were involved in a range of industries (for example, clothing manufacture, gardening and grounds maintenance, data entry, wholesaling, electronics assembly and arts and crafts) and demonstrated a range of responses to the objectives of the DSA in areas such as integration, support, and the concepts of valued work and the public image of the employer.

**6.15** Members of the Committee made an informal visit to the 'Food For Thought' coffee shop in Adelaide in the early stages of this inquiry. The coffee shop was established by the Vocational Resource Agency (VRA) with assistance from the South Australian Government. While VRA receives funding from DHH&CS for two other employment initiatives under its auspices, the coffee shop does not receive DHH&CS funding. The Committee believed that the coffee shop illustrated the benefits of an integrated employment environment and the potential for State government support of such enterprises.<sup>12</sup> The coffee shop is situated in the Reference Section of the State Library of South Australia and employs a full-time manager and up to six part-time employees, all of whom have disabilities. All employees are paid award wages and the profits generated by the business are used to support other employment programs run by VRA.<sup>13</sup> A major advantage of employment in such an environment for people with disabilities was perceived to be the scope it provided for community integration – the reference collection is used by a broad cross-section of the community such as students, public servants and the elderly and it provides people with disabilities with an opportunity to mix with non-disabled people in an every-day setting and vice-versa. While the target group for the program was people with a physical, psychiatric or intellectual disability whose disability restricted their opportunities to gain or keep employment and was therefore similar in its scope to supported employment, the coffee shop represented the 'best of both worlds' in providing a supported employment setting in an essentially open environment. There may be potential for DHH&CS to explore further and promote this type of business venture in other States.

### Enclaves

**6.16** An enclave or work station consists of a small group of workers with disabilities who form a production unit within a regular business or industrial

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11. *Transcript of Evidence*, p. 1523 (DHH&CS).

12. See Paragraphs 5.225, 6.78-6.81.

13. *Transcript of Evidence*, p. 171 (Vocational Resource Agency Incorporated).

setting. Ongoing support is focussed on assisting workers with production tasks and facilitating integration with other employees of the host business.

6.17 Westwork in their original submission to the inquiry included a copy of a video produced for the then DCSH early in 1988, *The Enclaves Project*, which had promoted the success of enclave employment in industrial settings. However within a year it was apparent to Westwork that in their region, the western suburbs of Melbourne, 'very few employers are interested in "employing" an enclave and the vacancies do not arise, together, to enable this to happen'.<sup>14</sup>

6.18 The success of the enclave approach may depend upon the industry base of the respective geographic region. In the ACT, JobMatch, a supported employment service in the Koomarri Association, has successfully used the enclave model (in conjunction with individual supported jobs) to deliver good employment outcomes to people with intellectual disabilities (particularly those who have relatively high support needs) who were previously employed in the Koomarri sheltered workshops. It has enabled people who previously had fortnightly incomes of \$70-\$80 to boost their earnings to \$300-400 per fortnight. JobMatch has found that group placements work best within large organisations. At March 1991 JobMatch had 18 people working in permanent positions (either in enclaves or with individual support) in a range of ACT government services (the ACT Housing Trust, Parks and Conservation, Motor Vehicle Registry and the Asbestos Branch Laboratory). In addition two workers were employed by the catering service at Parliament House.

6.19 A further 25 people have had the opportunity to experience short-term integrated positions. One such short-term initiative which was highly successful, and which was also Koomarri's first enclave venture, was in mid-1989 when the organisation entered a 12-week contract with the Royal Australian Mint.<sup>15</sup> The enclave consisted of six people and a full-time support worker - with over 240 workers at the Mint, Koomarri believed that this was an appropriate ratio to maximise integration potential.

6.20 Over the 12 weeks all six workers significantly increased their income.

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14. Letter to the Committee 21 December 1989.

15. The following discussion draws on 'Supported Employment: Report of a Successful Enclave Model', *loc. cit.*, pp. 57-63.

Table 1: Average Hourly Rates of Pay Compared and Productivity Levels Achieved

Person	Average Hourly Wage	Previous Hourly Wage	Productivity (%)
F (44 yr)	\$6.81	72¢	75.3
M (43 yr)	\$6.86	93¢	75.9
M (47 yr)	\$6.43	72¢	71.1
F (26 yr)	\$5.12	83¢	56.6
M (22 yr)	\$5.15	67¢	56.9
F (25 yr)	\$4.58	52¢	50.7

Source: *Supported Employment: Report of a Successful Enclave Model.*

6.21 Following the success of this first enclave Koomarri has had two subsequent enclave contracts with the Mint, each of 10 weeks' duration and involving the packaging of commemorative coins. The second of these involved eighteen people in three groups in separate locations. The Mint enclave project was publicised in the local press and Federal government EEO bulletins as an example to other government departments of how people with disabilities could be employed in the public sector, and also to other employers. In a letter to Koomarri in late 1989 the Hon. Peter Morris, then Minister Assisting the Treasurer, acknowledged the success of the enclave and the benefit to the rest of the workforce who were able to gain an increased understanding of people with disabilities.<sup>16</sup> The Minister also regarded it as an excellent example of what could be achieved in the public sector:

I trust that the enclave arrangements used at the Mint will become a model for wider use within the Australian Public Service.<sup>17</sup>

6.22 This model could be one utilised by the Australian Public Service in order to increase employment opportunities for people with disabilities (see recommendations following Paragraphs 3.98, 3.108).

### Recommendation

The Committee RECOMMENDS:

2. That the Australian Public Service, State and Local Government bodies, consider the use of enclaves as part of a concerted program to increase the employment of people with disabilities.

16. Information supplied to the Committee by Koomarri Association, 9 January 1990.

17. *ibid.*

**6.23** An example of a successful long-term enclave comes from South Australia where the United Trades and Labour Council and in particular, the Vehicle Builders Union (VBU) have been heavily involved in the establishment of an enclave at the Mitsubishi plant.<sup>18</sup> One of the Orana group of sheltered workshops had previously undertaken packaging on a contract basis for Mitsubishi in their workshop. However, the VBU was approached by the management who were interested in introducing an enclave at the plant. All conditions except wages are the same as those for the other employees. As the Mitsubishi works is a closed shop this included the requirement that all members of the enclave join the VBU. While this was initially resisted by the parents of some enclave members, it was successfully argued that, as this was one of the employment conditions applying to all workers in that company, the enclave should not be exempted from this requirement.

**6.24** All those involved in the establishment of the enclave are concerned to ensure full integration, in particular that there not be a situation where the workers with disabilities were dependent on managers. Such a scenario is perceived as reinforcing paternalistic approaches to workers with disabilities.

**6.25** The VBU stressed the importance of careful preparation in the development of such a project as critical to its success. They believed that the long-term success of the project would be best served by careful consolidation at each stage rather than moving to full implementation immediately. Therefore while the level of wages paid was of concern to the VBU, their main priority was to ensure the project was on a secure footing before pursuing this issue. Some problems had been encountered but these had been readily rectified; for example initially the enclave members, who were still involved in packaging of components, had organised their work materials haphazardly, creating what other workers had considered dangerous working conditions, and the enclave had required assistance to create a more orderly workplace.

### **Individual Supported Jobs**

**6.26** Under this model individual workers are placed in regular community-based jobs and receive ongoing support in that placement. While very similar to the CETP program, this type of service accommodates people with more substantial disabilities by providing a higher level of maintenance and support and utilising long-term legally negotiated sub-award wages as necessary. This model recognises that the person requires a significant level of continuing support to enable the person to participate in paid work. Support can be maintained indefinitely. Wages may be based on a level of productivity and this also provides a means of extending community based employment to individuals with more severe disabilities. While the individual supported jobs component extends the range of opportunities for people

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18. Secretariat discussions with representatives of UTLC and VBU in Adelaide on 30 October 1990.



with significant disabilities, people with serious behaviour problems, for obvious reasons<sup>19</sup>, are not generally regarded as suitable for placement.

**6.27** The individual supported jobs component of the DSA is a new component and there are relatively few such services in operation. The Committee received information on two individual supported jobs programs operating under the DSA. These are Jobsupport Inc. in Sydney, and JobMatch in the ACT. In addition, Jobsupport made available a copy of a training video which they produced with (the then) DCSH funding for use by new agencies.<sup>20</sup>

**6.28** In March 1989 the then DCSH described Jobsupport as straddling the competitive and supported employment categories;<sup>21</sup> it is now funded as an individual supported jobs program. It provides placement and support services to people with a significant intellectual disability and, as opposed to CETP services, provides indefinite maintenance support at the work-site. Where clients are unable to achieve required work levels, productivity based sub-award wages are negotiated. Jobsupport is modelled on the 'supported competitive employment' programs developed in the USA. Their maintenance program was developed after viewing a range of such services. They have adopted an intensive maintenance support program (a model which has previously achieved retention rates of 94 per cent in the USA) with weekly on-site visits for most placements. This strategy enables any problems to be identified in the early stages.

A "train, place and forget strategy" is inappropriate as continued employment can be adversely affected by a small change in routine or co-worker turnover . . .

Frequent on-site visits where the client's performance is monitored, on the task analysis . . . is a feature of Jobsupport's service . . .

Jobsupport's clients receive an average of 7 hours follow-up each month (range 2 to 18 hours) and the program retention rate is 90%.<sup>22</sup>

**6.29** The need for such intensive support was explained by Jobsupport during a hearing in 1989 where they discussed the need for competitive supported employment (there is very little difference between this concept and the individual supported jobs program):

Ms Hill – Some of those people on this list are in their sixth year of employment and are still requiring and receiving the ongoing

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19. See above, Paragraphs 5.31-5.33.

20. This video was released during 1991.

21. The history of Jobsupport is discussed below at Paragraph 6.32-6.34.

22. *Transcript of Evidence*, pp. 482-83 (Jobsupport Inc.).

monitoring. Things do crop up. Things change and it is changes that throw our people. That is why they need us.

Chair – What sort of changes; changes in personnel or changes in the work practice?

Ms Hill – Changes in the personnel; changes in what coloured buckets they use now. Anything can throw our people.

Mr Tuckerman – The more severe the level of intellectual disability, the more these little things matter. Some of our clients have made strides that we did not think would be possible in jobs and they can now cope with quite significant changes on what we first thought they could, but others can still be thrown by the smallest thing after a long period.<sup>23</sup>

**6.30** Aids may be developed for clients in the workplace such as photoboards and photobooks showing the tasks to be completed, or beepers to provide reminders of tasks that have to be performed at specific times.

**6.31** Slow worker permits had been negotiated for about one quarter of their placements by April 1989 (and continue to be used in about one quarter of placements in 1991). Jobsupport's objective in all cases was to increase productivity over time, either by increasing wages or reducing working hours for the individual. The Commonwealth Rehabilitation Services (CRS) Work Training scheme is also used to allow for a period of unpaid work during the training period, which covers incentive payment, workers' compensation etc. The JobStart subsidy paid to employers is also used quite extensively by Jobsupport when placing clients in employment.<sup>24</sup>

**6.32** Overall from 1 April 1986 to 30 April 1991 Jobsupport has made 145 job placements, a small number of which were multiple placements for individual clients. Of these 87 were still employed as at 30 April 1991 while 14 were awaiting another placement.<sup>25</sup> The rate of expansion of the service is demonstrated by the growth in the number of clients assisted since Jobsupport gave evidence in April 1989 – at that stage 49 clients were employed or in work training, earning an average of \$173 per week.<sup>26</sup> The Burwood (NSW) office, which has been operating since 1986, has a retention rate in employment of 66 per cent and a retention rate in jobs of 54 per cent, while their Artarmon (NSW) office, which commenced operation in 1989, had a retention rate in employment of 92 per cent and a retention rate in jobs of 72 per

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23. *Transcript of Evidence*, pp. 532-533 (Jobsupport Inc.).

24. Labour market training programs were described above in Chapter 5.

25. Data supplied to Committee Secretariat by Jobsupport, June 1991.

26. *Transcript of Evidence*, p. 525 (Jobsupport Inc.).

cent. Clients employed at 30 April 1991 had an average weekly wage of \$213 and worked an average of 28.4 hours per week.

**6.33** The Burwood NSW office has assisted 80 clients into a total of 98 employment places since 1986. The types of occupations in which these clients were employed were described above.<sup>27</sup> Of the 53 clients either employed or in work training at 30 April 1991:

- 40 per cent had attended school, 26 per cent had been unemployed, 25 per cent had been in a sheltered workshop or ATC, 8 per cent had attended TAFE and 2 per cent had been in a CRS program prior to commencing employment.
- Of those currently working, 13 per cent had been employed for less than 12 months and 15 per cent for 1-2 years, while 61 per cent had been employed for 2-4 years and 19 per cent had been employed for 5 years or more.
- Of those currently working - 23 per cent earned less than \$100 per week, 23 per cent earned \$100-199 per week, 26 per cent earned \$200-299 per week and 28 per cent earned \$300 per week or more. Almost one half (49 per cent) worked 30 hours or more while one quarter worked between 20-29 hours per week and a further one quarter between 10-19 hours per week.

**6.34** In late 1990, members of the Committee visited one of Jobsupport's successful clients in the workplace at Consolidated Optics, in Carlton, NSW. This employee, who was then 40 years old and had previously spent 20 years in sheltered employment, was currently employed as a cleaner/janitor. His employers were pleased with the outcome of the placement and the employee enjoyed his job and took pride in his work. He had increasingly assumed responsibility (beyond his original duties), for the general appearance of the workplace which had previously been somewhat neglected, including the orderly arrangement of work materials and cultivating a garden at the public entrance to the premises.

**6.35** As discussed above, JobMatch (ACT)<sup>28</sup> currently supports 20 people in permanent positions, with a further group participating in temporary placements. While JobMatch prefers positions to be at the award level, where individual output 'is not sufficient to justify this level of payment, a productivity wage linked to the relevant award is used'.<sup>29</sup>

### **Mobile Work Crews**

**6.36** DHH&CS defines mobile work crews as small businesses which undertake contract work for customers in regular settings. In May 1989 there were 16 work

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27. See Paragraph 5.256.

28. See above, Paragraph 6.18.

29. Communication to Committee Secretariat 9 May 1991.

crews in operation. Work is generally of a 'service' type, based on community labour needs, for example gardening and grounds keeping, contract cleaning, washing/ironing, painting, building site cleaning and car detailing.

**6.37** Work crews appear to be particularly suited to non-metropolitan and rural areas where there may not be many opportunities for other forms of supported employment. DHH&CS noted that the 'Integ' work crew in Terang in Western Victoria was 'the best option for supported employment in the Terang district, an isolated country area, where there is a dearth of opportunities for supported jobs or other open employment and the unemployment rate is high'.<sup>30</sup>

### Recommendation

The Committee RECOMMENDS:

3. That local councils in rural areas consider establishing employment options such as work crews to meet the needs of people with disabilities and the needs of the community.

**6.38** Westwork have established work crews to meet the employment needs of people with more substantial disabilities.<sup>31</sup> In November 1990 Westwork had recently established one crew at the Target national distribution centre in North Altona (Victoria) consisting of four people with intellectual disabilities and a support worker/supervisor provided by Westwork.

The people who are on the work crew are people who have fairly high levels of disability, are never ever going to be able to earn award wages. They are only being employed at the moment because, firstly, they work as a work crew – they are mutually reinforcing – and secondly, they have a full time supervisor who assists them to do their tasks.<sup>32</sup>

**6.39** The Wesley Central Mission (Victoria) remains the employer of the work crew members and the payment for the work performed is directed to the Mission by the host company. The work crew was involved in packaging and pricing tasks which were identical to the tasks performed by other workers on-site and the type of work assigned changed daily.

[It is] a form of continuous piecework . . . Target will send us a descriptive statement setting out how much work has been done, what the piece rate is, and therefore what number of dollars are to be paid.

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30. DCSH, *Guide to Employment Services Funded under the DSA*.

31. *Transcript of Evidence*, p. 5642 (Westwork Industries (Wesley Central Mission)).

32. *Transcript of Evidence*, p. 5643 (Westwork Industries (Wesley Central Mission)).

Wesley Central Mission, the employer, will then . . . make the payments and invoice Target.<sup>33</sup>

**6.40** In the four weeks the crew had been at Target their productivity had already exceeded expectations and wages had been raised from \$100 to \$140 per week. While the work crew were fully integrated and had joined the relevant union, they did not have a permanent contract with Target.

#### **Small business or benchwork model**

**6.41** DHH&CS define the small business model as encompassing:

- small groups of workers who are supported to obtain and carry out specialised manufacturing or contract work from an existing industry, such as electronic assembly; or
- specific small business ventures established to provide employment opportunities, including cottage industry and work co-operative approaches.

**6.42** The guidelines state that businesses must be commercially viable and provide opportunities for integration through the employment of non-disabled workers as production staff. These requirements were met to varying degrees by the services visited. Responses to the integration objectives are varied depending on the locale and the nature of the business. While commercial viability is difficult to ascertain, from anecdotal evidence obtained during visits (for example, to Vitex and the Inner Urban Co-operative) and hearings, it appeared that at least in the first years of operation it is often linked to extensive subsidies from DHH&CS for the purchase of equipment.

**6.43** The Committee had the opportunity in Melbourne of seeing a small business, Waverley Helpmates, in operation. Established as a demonstration project, Helpmates has been operating since 1986 and offers community based supported employment and training. It is targeted at those people with disabilities who are unable to obtain open employment without on-going and intensive support mechanisms. Organised on a business model, it provides a garden maintenance service with about 400 clients in the Waverley/Ashwood area and there is a 6 month waiting list for new clients. Most of their clients are pensioners or Housing Ministry tenants, but the service also has contracts to maintain school grounds, church grounds and police stations in the local area.

**6.44** Helpmates has five staff members who are responsible for organising workloads, transporting employees and their equipment and doing regular checks on the standard of work performed. Employees earn between \$42 and \$115 per week and thus continue to receive DSS pensions. Employees undertake two to three jobs per day. Most of the employees are not currently capable of increasing their workload due to health/fitness factors or inability to cope with stress. The employees

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33. *Transcript of Evidence*, p. 5649 (Westwork Industries (Wesley Central Mission)).

appeared to be involved in decision making, for example about their workloads or whether the weather is fit to work in. There is little work in inclement weather and therefore employees are not paid for days when they cannot work. Employees are also introduced to some basic administrative responsibility and office skills. Some former employees have taken up positions in open employment.

**6.45** The supervisors believed the community orientation of the service was a very important aspect of the program and was to the benefit of both the Helpmates and their customers, particularly in changing people's perceptions of the capabilities of people with disabilities. The workers have built up a good rapport with their regular customers and this rapport was obvious to the Committee when it called at a number of homes where Helpmates were working during its visit.

**6.46** Helpmates has also received support from State and local government. They have received funding from the Victorian Government to employ ten people with disabilities who have left State institutions. The Waverley Council and the local business community have been very supportive (initially helping to identify potential customers, publicising the service etc). The Council has indicated that it would like to see another service established on the other side of the municipality to meet similar needs in that community.

**6.47** This type of service would appear to fill a major need in local communities and offer local governments an opportunity to become more closely involved in the development of such services. Because of the availability of initial funding to establish operations, this form of business is relatively economical to set up. The clear need in most communities for this service, added to the well-established involvement of local government in Victoria, particularly in community services (for example, HACC services) indicates that this level of government is well placed to manage services of this nature. Knowledge of community needs and the capacity to support and publicise the service economically and to link it into an existing network of other community services, are also important factors.

### **Recommendation**

The Committee RECOMMENDS:

4. That local governments consider the establishment and part-funding of Supported Employment services for both individual and community benefit.

**6.48** Another small business visited by the Committee, the Inner Urban Co-operative in St. Kilda, currently employs 24 workers, with a 50/50 split between non-disabled people and people with intellectual disabilities. All employees are paid award wages and many are initially employed using the JobStart subsidy. The majority of people with disabilities employed have not previously worked in open employment and usually have come to the Co-operative from sheltered workshops, frequently via the CES or CETP services.

**6.49** As its name indicates the Co-operative is not profit driven. The Co-operative specialises in the production of particular types of garments. Their marketing niche is in the non-retail side of the garment industry – producing stretch knit shirts for marketing organisations, clubs and sporting organisations – which offers some protection from the retail downturn. The Co-operative has achieved a 3000 shirt per week production capacity and hopes to increase production to 5000 per week which would enable it to employ 15-20 people with intellectual disabilities.

**6.50** People with disabilities were involved in every aspect of production and were operating a range of industrial machinery. Substantial DHH&CS subsidies for salaries, rent, and the purchase and repair of machinery contribute to the Co-operative's viability. The Co-operative has a high turnover of machinery in order to take advantage of new technology which makes the work easier for people with disabilities.

**6.51** Most of their employees with disabilities have mild/moderate intellectual disabilities, with a few having severe disabilities. They reported that they have been criticised by the Department for having too many 'borderline' employees and encouraged to take on more people with severe disabilities. However, the management of the Co-operative considered that these so-called 'borderline' cases often experience serious disadvantage due to their secondary disabilities such as autism and head injuries.

**6.52** A third example of a small business in a supported employment setting is the Plane Tree Studio in Salamanca Place, Hobart. Initially a demonstration project, the Studio is in a high profile area popular with tourists, where there are numerous other craft outlets and art galleries, which clearly provides a commercial advantage in addition to scope for integration. Two non-disabled staff manage the business and provide training and supervision of the employees, all of whom have intellectual disabilities. Workers have been employed because of the skills they possess as artists and crafts people. Products, which are sold in a shop-front gallery, include basketware (using natural materials), high quality recycled paper, distinctive drawings and monoprinted greetings cards. In addition the print shop provides personalised printing of letterheads, business cards, writing paper and invitations. The Committee found the Studio to be an attractive and productive workplace with a number of jobs available to provide variety and with a positive and immediate outcome of attractive goods being produced by the workers.

**6.53** The Committee also visited two services based on the benchmark model, Qualitec in Sydney and Vitec Assembly in East Perth. Vitec is located in a light industrial area and is involved in the assembly of electrical components; there is an emphasis on the assessment of skills of workers and extensive support in teaching the individual tasks. The supervisors have developed a wide range of jigs to help employees to perform the assembly tasks and aid those with poor motor skills to work with intricate wiring (for example, clamps to hold small pieces steady) or to aid those with poor memory (for example, colour coded inlets).

**6.54** Vitec has encountered some problems in maintaining the viability of the business. The problems experienced reflect a general downturn in the electronics assembly business, increased competition from backyard operators and the lack of an adequate capital base. The then DCSH had agreed to fund a consultancy to look at the business practices and the causes of the financial problems being experienced by Vitec. The consultant made a number of recommendations which noted that the electronics market in Western Australia was both very small and highly competitive, and that Vitec would need to become more competitive and to capture a regular percentage of the market in order to break even. While DHH&CS is prepared to assist with the funding required for a change of direction, further consideration of the business would be required if it is not viable within 2 years -- i.e. by mid-1993.

**6.55** Wages, while generally low (around \$9 per week), are productivity based. Each employee has a long term contract with Hardie Industries for the assembly of fire alarm circuit boards. These contracts provide employees with the opportunity to obtain marketable skills, through gradual mastery of nine separate tasks as well as providing ongoing work between other short-term contracts.

**6.56** During the Committee's visit, the staff indicated that the development of multi-skilling has not proceeded as fast as had been originally anticipated, due in part to there having been insufficient work to enable the employment of non-disabled staff. Vitec has a staff/employee ratio of 1:2.5. Integration objectives are fulfilled through the employment of non-disabled casual assembly staff as work allows and also through encouraging and assisting employees to use the local facilities.

**6.57** Individual programs to develop skills have been worked out for each employee. It was felt that one of the advantages of the small business setting was that they had a very good rapport with, and understanding of, their employees. Employees receive constant and positive feedback on their work efforts. The Manager had previously worked in sheltered workshops where staff/client ratios were much higher and staff were not able to develop the same understanding of clients' needs. The management indicated the Department had been very supportive and had shown itself to be flexible in its approach to their service; for example while Departmental policy is that the optimum number of employees for a small business setting is 8-10, the Department had accepted that, for Vitec to work effectively, 12 employees were required.

**6.58** Vitec management reported that the service had met all the criteria set down by DHH&CS apart from the requirement to have a consumer representative group. This condition is difficult to fulfil, given that most employees are non-verbal. Since February 1990 all employees had been receiving instruction in sign language to facilitate communications through a common language, and the vocabulary at the time of the visits was about 100 words. The employees' ability to communicate has increased and behaviour problems have been minimised. The staff were clearly aware that the absence of language necessarily affects the employees' awareness of their rights.



6.59 However, such arrangements provide at best the opportunity to absorb substantial funding without any discernible *work-created* benefit for clients. In many ways it could be considered that they replicate some of the worst aspects of the so-called traditional workshops in that they appear unable to establish themselves quickly as viable commercial concerns. This may result from poor planning (that is, the wrong choice of business); poor management/administration practices (the suitability and experience of staff in viable commercial concerns varied); and lack of appropriate staff training in business. Whatever the causes, it is important to determine at what point such 'businesses' can be an acceptable model if they survive only through substantial funding.<sup>34</sup>

6.60 At present, the low level of productivity at Vitec means that extremely low wages are paid. While not discounting the skills of staff, and their support of workers, the question must still be asked if this type of 'work' is really appropriate for people with severe intellectual disabilities. As was noted by another witness:

There are clearly some people for whom employment is not an option and providing resources to get them to that level, in 15 years' time, may not be doing that individual a service. We have to look at other alternatives to the employment options.<sup>35</sup>

6.61 In August 1991 Vitec Assembly received Section 10 status and is now a body separate from Activ Foundation.

### Recommendation

The Committee RECOMMENDS:

5. That funding be available to ensure the needs of all individuals with severe intellectual disabilities are fully assessed, and that the suitability of all options and services are taken into consideration to ensure appropriate programs are arranged. The Committee does not believe supported employment projects will always be the most appropriate services, at all times, for people with disabilities.

6.62 Small businesses providing employment for other disability groups were visited by the Committee. These services were AQA in Granville (NSW), Centre Data in Parramatta (NSW) and PQ Office Supplies (Brisbane). These services illustrated the way in which computer based work can be developed and structured to provide employment opportunities for people with disabilities such as cerebral palsy or those confined to wheelchairs due to spinal injury or congenital conditions. While AQA and Centre Data provide data processing services on a contract basis, PQ Office Supplies is a wholesale/retail business.

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34. See below, Paragraphs 6.365-6.367.

35. *Transcript of Evidence*, p. 701 (Centacare).

**6.63** Centre Data, under the auspices of the Spastic Centre, is located in George Street, Parramatta in the shopping/business district in an attractive shopfront office. It employs fifteen people with disabilities, mainly cerebral palsy. Centre Data is competing on a commercial basis for their data processing contracts as well as maintaining the Spastic Centre's data base. It is a very modern office set-up with very little to distinguish it from other open-plan office environments. About one third of the employees with disabilities need some form of attendant care in the workplace. The central location of the workplace facilitates community integration, enabling employees to go shopping and do their banking in their lunchbreak. The Spastic Centre had provided initial training to enable independent use of public transport and access to other community services and facilities in the area.

**6.64** The ParaQuad Association had previously run a stationery business as a sheltered workshop. PQ Office Supplies has recently moved from the workshop to its current location in a light industrial area of inner city Brisbane using transition funding from the then DCSH. Again, the location of the business in an area where other warehousing and light industrial work is carried out facilitates integration into the local working community.

**6.65** With the move the focus of the business has been transformed. Employees provide quotes and take orders for stationery supplies over the phone. Each employee is encouraged to build up and maintain a 'book' of clients and also to canvass for new business. There is also a shopfront operation staffed by one employee; however, most of the activity is focussed on wholesaling at this stage.

**6.66** All the employees with disabilities are young males who have significant mobility impairments and high support needs. They have varying degrees of movement and/or control in their upper limbs which means that their handwriting is often very difficult to read. As most of the work in the sheltered workshop had been done manually this had meant that the workshop had employed clerical staff to produce invoices etc from the employees' hand written notes. As a result of the transition to supported employment each employee now works on a computer terminal, which gives them much more autonomy in the workplace, as well as contributing to increased efficiency.

**6.67** The switch to computer based work has enabled the service to store all its information on the computer (for example, price and stock lists, customer requirements, contact numbers and regular orders etc), as well as generating invoices and letters, rather than using paper based systems which were unwieldy for people with mobility impairments. Earnings are moderate and most still depend on their invalid pension or other income security payments. The employees are paid commission depending on the level of their sales. Each employee has an earnings target for the year; at the time of the Committee's visit in October 1990, their best salesperson had a target of \$18,000 income from commissions for this year and was considered likely to achieve this target. Most employees were then earning about \$100-\$120 per week (\$5,200-\$6,240 p.a.) from their commissions.

**6.68** In relation to the commercial viability of the small business model, service providers should receive some business management training to ensure optimal use of DHH&CS funding. This would help to avoid many of the management deficiencies of sheltered workshops cited in the past and also assist small businesses to survive in what is a volatile sector for all players. Such training could be offered in intensive format, or alternatively over a longer time frame by arrangement with TAFE colleges, and could include instruction on how to seek advice on the running of business, the development of business plans, marketing and so on.

### **Recommendation**

The Committee RECOMMENDS:

6. That adequate additional funding and staffing be immediately allocated to the NTAU<sup>36</sup> in order that it may assist increased numbers of sheltered workshops and to assist new employment services (CETPs and SE services) to develop sound business practices and establish required staff training.

### **Flexibility of the supported employment model**

**6.69** In early evidence to the Committee the then Department of Community Services and Health highlighted the ability of the new employment services to respond to available job opportunities in their local community when developing employment options:

Under the Handicapped Persons Assistance Act, the range of employment options was limited specifically to sheltered workshops, and there were very clear cut and dried distinctions as to what was and what was not. The Disability Services Act opens up a wide range of flexible options that are available to people, that will enable them to exercise their choice as to where they want to go.<sup>37</sup>

**6.70** Clearly the services visited by the Committee in the course of this inquiry have demonstrated the scope of supported employment and its potential to create a wide variety of employment opportunities in the community according to identified needs in particular communities (such as garden maintenance) or feeding into local industries (such as arts and crafts or clothing manufacturing).

**6.71** Westwork's experience since 1986 is one example of the capacity both for flexibility and creativity within the DSA framework, and in particular, the supported employment model. Initially a demonstration enclave project assisting clients from

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36. NTAU – the Unit was formally launched on 5 July 1991, and is intended to help sheltered workshops identify and overcome management and related problems which inhibit the operation of viable commercial services.

37. *Transcript of Evidence*, p. 1537 (DHH&CS).

the Westwork Industries sheltered workshop, it is currently a CETP service.<sup>38</sup> More recently, however, Westwork established work crews under the supported employment program to complement their CETP program and assist people who need more intensive support. This illustrates the way in which the DSA enables services to evolve to meet the changing needs of their clients as opposed to the sheltered workshops, which were often less flexible in their operations due to structural rigidities, such as those imposed by the requirements for funding under the HPAAs which encouraged institutional settings.

**6.72** The original intention of the enclave project had been to pay wages based on productivity; however, problems had been encountered in implementing this concept within the Victorian legislative and industrial framework, and it had then been decided to seek full award wage positions wherever possible and to pursue individual placements (with the potential to subsequently develop multiple placements within workplaces). As a result of these and other pressures, two parallel programs (the enclaves and the sheltered workshop) were gradually transformed into a CETP service. The sheltered workshop closed in December 1989.

**6.73** As indicated earlier<sup>39</sup>, supported employment provides community based organisations in rural areas with the opportunity to create employment options, albeit on a small scale, where in the past there may have been insufficient demand to support an institutional setting or where a lack of job opportunities restricts the scope for open employment. The Tatiara Employment Service (TESS) in Bordertown, South Australia, developed a self employment model for their clients given the limited employment opportunities in their area.<sup>40</sup> Two male clients have been established in a partnership 'Bordertown Handy Help' which provides window and car cleaning and garden maintenance. Two female clients were established in 'Tatiara Treats' a catering service which supplies local businesses. It is envisaged that, with the growth of these businesses, they will employ other TESS clients in the future. TESS receives 80 per cent of its funding from the Federal government and 20 per cent from the State government. It has also received one-off grants from the State government Office of Employment and Training for establishment costs and the purchase of equipment. TESS provides ongoing training and support for these businesses and provides transport, resources and office space.

### **Wages in supported employment**

**6.74** Whereas in competitive employment award wages are generally the norm, the philosophy underlying supported employment necessarily creates a nexus between productivity and wages. The issue of wages will be addressed in more detail in Chapter 7. Currently the calculation and negotiation of productivity-based wages for individual clients in supported employment appears to be managed on a case-by-case

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38. Referred to above in Paragraph 6.17.

39. See Paragraphs 6.37 and 6.47.

40. Submission No. 51 (Tatiara Employment Service).

basis. In supported employment services such as Vitec Assembly and Centre Data, wages remain low due to the reduced productivity of the employees. Despite the relatively low levels of payment received by the employees in these services it was clear to this Committee that as their productivity levels increased there would be commensurate increases in their remuneration.

6.75 In contrast, all employees of the Inner Urban Co-operative<sup>41</sup> were paid award wages, as were the employees of AQA Granville, with those working part-time being paid at the award rate also. A different approach is used by PQ Office Supplies where the employees are paid on a commission basis – their wages reflect the levels of sales made.<sup>42</sup>

6.76 While Jobsupport utilises slow worker permits for about one quarter of their clients, their objective wherever possible, is to secure award rate employment. Only when it becomes apparent after a comprehensive training program that a particular client will not achieve required levels of productivity are slow worker permits negotiated. While the average wage of Jobsupport clients appears relatively low (\$213 per week) those on award wages receive an average of \$250 per week compared to those on slow worker permits who receive on average \$142 per week.

6.77 The underlying philosophy of supported employment (that it is targeted to those people who, because of their disability, are unlikely to succeed in open employment) also provides greater scope for part-time work than a competitive employment approach – as evidenced by the fact that one half of Jobsupport's clients worked less than 30 hours per week.<sup>43</sup>

### State Governments and supported employment

6.78 It was apparent from the evidence received that the State governments and their instrumentalities had provided direct and indirect support to supported employment services. Direct support had included financial grants to assist in the establishment of services, such as those made by the Office of Employment and Training in South Australia to TESS or ongoing funding by the Victorian Government for additional places in services, as in the case of Waverley Helpmates.

6.79 In the ACT, both the Commonwealth and Territory Governments had provided opportunities for the employment of people with disabilities in enclaves and individual supported jobs. It was not apparent to the Committee that either the Commonwealth or State public sectors in other States had provided many supported employment opportunities and this is borne out by the earlier discussion of the problems encountered by the CETP services in securing employment in the public sector. A contributory factor may be the inflexibility of public sector awards in

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41. See Paragraphs 6.48-6.51.

42. See Paragraphs 6.64-6.67.

43. See Paragraph 6.33.

regard to the negotiation of productivity based wages and barriers inherent in the recruitment process which would work against people with disabilities undertaking periods of unpaid training on-the-job and associated problems such as compensation liability.

6.80 Supported employment services may need to explore the potential of additional special entry schemes for people with disabilities in the public sector as a way of overcoming these obstacles. Public sector departments and business enterprises at the Commonwealth, State and local government level should be encouraged to consider the possibility of enclave employment on either a long or short term basis.

6.81 State governments have also been prepared to play a role in the dissemination of information and in providing support in the education field. The Queensland Department of Family Services (as it then was) published a resource book in 1989, *Innovative Employment Programs in Australia* describing some of the competitive and supported employment options which had been established, to assist communities who were endeavouring to develop new services.<sup>44</sup>

6.82 Since the mid-1980's the New South Wales TAFE system has been developing programs to assist supported employment services.<sup>45</sup> It has developed an accredited course for vocational trainers and supervisors working in supported employment programs in recognition of the vital role that the quality of training received plays in ensuring the success of supported employment placements. In South Australia a local TAFE college had developed an Animal Handling course to complement a supported employment program operating at the Fauna Park in Port Lincoln.<sup>46</sup>

## Recommendations

The Committee RECOMMENDS:

7. That the Australian Public Service, as part of a concerted program to increase its employment of people with disabilities, consider developing Supported Employment options within departments, for both short and long-term projects. This would provide realistic work experience and assist some people with disabilities to move into permanent employment. The use of supported employment options in the public sector should be explored by State and local governments.
8. That State and Territory governments ensure that legislation is developed which complements the DSA, to provide increased opportunities for access to

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44. *Innovative Employment Programs In Australia: Competitive and Supported Employment Options for People with Disabilities* Department of Family Services, May 1989.

45. Submission No. 123 (Mr M. Clear).

46. *Guide to Employment Services Funded under the DSA, op. cit.*, non-paged.