

The role of Government in the implementation of an Industry Vision for the Supported Employment Sector

Working closely with its membership, NDS has developed an Industry Vision for the supported employment sector. The Industry Vision is intended to guide Disability Enterprises through a period of significant sector reform from 2022 onwards.

Government policy is a key driver of a range of significant sector reforms, including:

- Introduction of the NDIS Supports in Employment pricing framework
- Supported employee wage reform and implementation of a new wages structure
- The Disability Royal Commission's examination of the experiences of jobseekers and workers with disability and the provision of employment support services

In addition, the Commonwealth Government's NDIS Participant Employment Strategy's key goal is ensuring that 30% of working age NDIS participants are in paid employment by 30 June 2023.

It is essential that Government supports the sector to minimise the risk of service closures and job losses. An ongoing policy and market stewardship role for Government should be maintained within the Social Services portfolio.

The Government can also support a smooth transition by providing targeted sector assistance including increasing the value and volume of purchasing goods and services purchased from enterprises providing supports in employment.

The impact of COVID-19

In addition to the significant reforms above, the sector must recover from the social and economic impact of COVID-19 restrictions, while taking advantage of any new business opportunities and employment models that emerge. To assist in an economic recovery the federal government should consider actions such as:

- Reinvigorating Australia's manufacturing sector
- Slowing the outsourcing of lower skilled jobs to overseas economies
- Ending Australia's previous dependence on the importation of particular classes of manufactured goods
- Ensuring domestic supply chains are more resistant to external economic shocks
- Ensuring that people with disability can increase their economic participation through enhanced employment in the current buoyant labour market

Implementation of the actions above would result in significant commercial and employment opportunities for Disability Enterprises.

Commonwealth Government support for the implementation of the Industry Vision

The Commonwealth Government has recently approved funding for NDS to conduct a series of Industry Vision related initiatives. These include:

- Regular online Communities of Practice that ensure ongoing engagement with members, hosting a web-based platform for sharing innovative, evidence-based practice and analysis and reporting of international best practice
- Comprehensive sector and employment promotion including increased engagement with employers and business partners, publication of positive media stories on supports in employment models and updating the BuyAbility register to include new supports in employment providers
- Development of Resources for providers to assist them implement the goals above. These will be hosted on the website.
- An Annual Survey measuring progress on meeting the objectives of the vision for support employment and provision of a set of deidentified data to DSS

The role of government and procurement from disability enterprises

The Commonwealth has played a leading role in procurement initiatives developed to benefit the sector and its employees with disability. The NSW and Victorian governments have also demonstrated a strong commitment to social procurement.

However, a more concrete, formal commitment to procurement of goods and services from Disability Enterprises by government agencies needs to be made. This commitment should include a minimum level of purchasing by each department and agency of every Australian government.

Implement welfare benefit reform

The SES Award reforms will lead to the payment of higher wages for employees with disability in supported employment settings. Higher wages may fuel concerns among employees with disability and their carers about adverse impacts on welfare benefits and act as a disincentive to gaining increased wages or work hours.

Welfare benefit reform should be implemented that addresses disincentives to work for people with disability, both real and perceived. Included in that reform should be a communication strategy for people with disability and carers, particularly those in regional and remote communities and those with little access to the internet.

Recommended reforms may include extending the pensioner work bonus to supported employees receiving DSP and/or implementing a social wage model that complements ongoing wage reform in the sector. A social wage model would recast the relationship between a supported employee's wages and welfare benefits (by combining them into a wage paid by the employer) and resolve pro rata wage rates.

Establish a structural adjustment fund for capacity building measures that assist the sector post COVID-19 restrictions

Structural adjustment support will be required by organisations planning to diversify their employment support and business models.

NDS recommends the Government establish a sector Structural Adjustment Fund that enables organisations to:

- Undertake change management planning
- Operate innovative business and service models in a post COVID-19 environment through targeted seed funding, loans and/or grants
- Adopt measures that enhance business productivity, including the application of technology
- Access relevant business and service model expertise by collaborating with other supported employment services and mainstream businesses
- Build the capacity and skills of their support workforce to provide a wider range of employment options

Establish a sector business incubator model

NDS also recommends that the Government assist in the establishment of a sector specific business incubator model by working with a panel of existing [accelerator firms](#) that assists organisations with feasible new business ideas and a workable business plan. Start-up accelerators and incubators are organisations or business programs that provide mentorship, advice, and resources to help a start-up succeed.

Supporting and enhancing the sector in rural and remote areas through market stewardship

The Government has a key market stewardship role that ensures access to services and supports where the market is unable to provide these. The NDIA has been allocated this market stewardship role for the provision of disability services.

Resourcing start-up development in the sector

Resources for regional business start-up support such as accelerator and incubator hubs should be promoted. Incentives should be offered for employment support providers to operate in rural and regional areas not currently or adequately serviced, through the provision of government procurement opportunities.

Growing local employment support networks

The Government should support local partnerships that include employment support providers, NDIS planners and LACs, local councils, employers, government agencies, NDIS providers and education providers (e.g. schools, TAFEs).

Identifying a role for government(s) in assisting the sector to evolve and thrive

Governments at all levels have an important role to play in assisting the sector to evolve and thrive. As well as the NDIS, the Commonwealth Government operates other social policy and labour market programs. Government support for the sector will also help ensure the goals of the NDIS Participant Employment Strategy are met.

NDS recommends that Government(s) provide direct assistance to the supported employment sector through the following:

- Mandated levels of government purchasing from supported employers by all three levels of government and allow rollover of government contracts if provided by a disability support service (so there is no need to re-tender)
- Mandated employment quotas for people with disability in government agencies with on the job support provided either through DES or registered NDIS employment support services
- Procurement incentives for commercial businesses purchasing goods or services from supported employment providers, e.g. tax breaks
- Allowing NDIS employment support providers to offer support in open employment settings for NDIS participants ineligible for DES and for NDIS participants in DES unable to receive necessary ongoing support through DES
- NDIS employment support providers are automatically eligible to offer employment transition supports
- Ensure NDIS planners and LACs are better informed about supported employment options and providers
- Overhaul wage subsidy arrangements to ensure equity in subsidies provided for placement of jobseekers with barriers to employment
- Ongoing promotion of positive media stories on supported employment models (similar to the “Employ Their Ability” initiative)
- Support Return on Investment and economic and social impact models for the sector, especially the NDS BuyAbility Social and Economic Impact Tool
- Establish a structural adjustment fund to assist the sector implement new business models and a wider range of employment supports and options

By actively supporting the sector over the next three to five years, governments can ensure this ambitious reform agenda is implemented successfully and that providers of supported employment are able to assist significantly increased numbers of people with disability to obtain quality employment options.

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National Disability Services is the peak industry body for non-government disability services. It represents service providers across Australia in their work to deliver high-quality supports and life opportunities for people with disability. Its Australia-wide membership includes over 1050 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.