

An Industry Vision for the Supported Employment Sector

The Vision's five key long-term goals for the Supported Employment Sector

The Vision is intended to guide the supported employment sector to achieve the following five key goals:

1. Lift the employment rate among people with significant disability
2. Increase the proportion of supported employees who work in inclusive or mainstream settings
3. Expand the provision of training and career pathways to supported employees
4. Ensure the provision of good working conditions, including fair wages complying with Article 27 of the UN Convention on the Rights of People with Disability
5. Promote innovation that enhances employment opportunities and business sustainability
6. Collect and publish data that measures the sector's progress in achieving the goals above

Key objectives for the Sector in the short to medium term

The Industry Vision seeks to assist Social Enterprises (offering supports in employment) to achieve the following objectives in the short to medium term:

- Using NDIS supports in employment pricing to diversify their range of specialised employment supports to better enable participant choice and control
- Increasingly placing jobseekers with disability and supported employees in mainstream employment options
- Implementing reforms arising from any recommendations of the Disability Royal Commission (DRC) adopted by the Australian Government
- Implementing new wage setting arrangements for employees with disability
- Upskilling its support workforce to deliver a wider range of employment options
- Playing a key role in delivering the goals of Australian Government Disability Employment Strategies

Background and current issues

The Industry Vision is intended to guide Disability Enterprises through a period of significant sector reform from 2022 onwards.

Disability Enterprises have now transitioned into the NDIS and are registered providers under the scheme using the "Supports in Employment" pricing framework.

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A three-month trial of the Fair Work Commission's proposed new wages structure was held in 2021. Ongoing proceedings before the Full Bench have been underway in 2022, with a decision expected to be made in late 2022 regarding the inclusion of a new wage structure in the SES Award.

The Disability Royal Commission (DRC) held a hearing on the experiences of people with disability working in Disability Enterprises from 11-13 April 2022. The DRC will consider a series of recommendations made by counsel assisting in 2022.

Disability Enterprises are now expected to operate as providers of a broad range of employment supports and options for NDIS participants. These supports and options should reflect the level of support an individual may require and consider their choice and control over preferred employment options and career aspirations.

To respond to consumer and community expectations, Disability Enterprises will need to transition beyond their current service model as predominantly employers of people with disability. The Industry Vision will continue to recognise and emphasise the important role of the social enterprise model as a legitimate option for people with disability who choose to access it.

In addition, the Industry Vision includes a companion document articulating ways for the Government to support the sector through this period of transition, to minimise the risk of service closures and job losses. This companion document is included as an addendum.

The sector will have a central role in ensuring a significant increase in the rate of employment of NDIS participants from the current number of around 23% (71,922 of 312,705 participants of workforce age at 30 June 2022) to 30% of participants of workforce age by 30 June 2023.

Economic recovery following 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.

The overarching structure of the Vision:

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The aim of this Industry Vision is to ensure that enhanced capacity and capability of the supported employment sector will enable it to:

- Continue its transition into a service delivery framework that aligns with the principles of the NDIS
- Provide service models that offer a wide range of quality employment options and supports for people with disability
- Comply with a new IR environment, including the new wages structure for employees with disability
- Implement reforms and deliver supports that reflect the outcomes and recommendations of the Disability Royal Commission

Other elements of the Vision are:

- Objectives as identified above
- Strategies, actions and initiatives for implementation
- A series of outcomes
- Measurement of key performance indicators

Implementation of the Vision will also involve harnessing sector leadership to inspire and drive change. An Industry Vision Reference Group has been established.

Ultimately, the sector itself must drive the implementation of the Industry Vision with assistance from the Australian Government through an Industry Transition Plan.

The sector will be able to offer a comprehensive range of employment options for people with disability, including:

- Transition to employment
- Supported employment
- Social Enterprise
- Supported open employment
- Open employment
- Self-employment

Drivers of change that will require a sector wide response

Individual preference:

NDIS participant cohort numbers indicate there will be a larger number of people with disability seeking employment in settings other than the traditional Disability Enterprise model. Providers will need to respond to these individual preferences.

The new NDIS pricing for supported employment:

The NDIS supports in employment pricing will discourage low support levels in large traditional settings.

Adoption of sector wage reform through the SES Award review:

There will eventually be one wage setting structure adopted across the sector. NDS will advocate for short term wage supplementation to assist with transition.

Disability Royal Commission:

Recommendations made by the DRC are likely to drive welfare and social policy reforms that impact on the supported employment model.

Ensuring employment opportunities for high support needs people:

There remains a concern that employees/jobseekers with high support needs who face significant barriers to employment will be marginalised from the labour force.

Crafting employment pathways:

Enhanced pathways to employment will allow employees/jobseekers access to a wider range of employment options and a career path across their working life.

Increasing and upskilling the support workforce:

In order to provide support in a wider range of employment settings it is imperative that the sector co-design and implement a supported workforce strategy.

The role of government and procurement from disability enterprises:

An ongoing policy role for government needs to be maintained within the Social Services portfolio. A more concrete commitment to procurement of goods and services from Disability Enterprises by government agencies needs to be made – a whole of government commitment is required to implement this strategy. This commitment should include a minimum level of purchasing by each department and agency of every Australian government, under the new Australian Disability Strategy.

Implementing positive proactive reforms that transform the sector over the next 3-5 years

Wage reform will result in higher wages for employees with disability. However, concerns about the payment of pro rata wages and the interaction of earned income and welfare benefits can only be resolved by welfare benefit reform. Any welfare benefit reform needs to address disincentives to work, both real and perceived.

Wage reform could include extending the pensioner work bonus to supported employees receiving DSP or a social wage model that complements ongoing wage reform in the sector. For example, 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 render pro rata wage rates redundant.

Expectations of a younger cohort eligible for the NDIS has the potential to drive a move away from widespread provision of traditional models offering only low skilled work. Supported employment providers will need to focus on enhanced provision of vocational training and career development. Customised employment principles will need to be adopted so that supported employers can place more people in mainstream work settings, by leveraging the skills and experience of the current non-supported workforce.

Supported employers will need to build partnerships with mainstream employers and increase their provision of labour hire models. Barriers between open and supported employment should be removed wherever possible, to enable placement of DES

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ineligible jobseekers in open employment with provision of higher levels of ongoing support when needed.

Capacity building initiatives that assist the sector to provide a broader range of employment options

These could include:

- A platform for sharing innovative practice, including best practice models from overseas
- Development and implementation of a research program to gather, analyse and disseminate evidence based best practice
- Promotion of the sector and its service models as well as increased engagement with mainstream employers and commercial business partners

Building the capacity and capability of the support workforce to deliver a wide range of employment options in various settings

In implementing the Industry Vision, it is critical that the capacity and capability for the support workforce continues to be grown via range of measures including:

- Developing a sector support workforce capability plan, possibly leveraging off the work being done currently to develop a National Workforce Strategy.
- Identifying the needs of the workforce. Evaluate the sector's workforce needs as supported employers move beyond their traditional role to provide a wider range of employment options and supports.

Actions required to achieve outcomes

The actions required to achieve the outcomes outlined in the Industry Vision should include development of a Best Practice Guide identifying case studies and elements of best practice in the following:

- Application of new NDIS pricing, including assessments of each employee's pattern of support, including on the job supports, non-work related supports and non-face to face time.
- Job and task design, classification of employees and principles of sound wage assessment as applied following reforms to the SES Award. Internal IR policies and procedures that align with the reforms.
- Transition to the provision of a wider range of employment options and supports.
- How to facilitate choice and control for school students, jobseekers, employees and workers supported in mainstream settings, including career planning, discovery principles and models of support provision.

KPIs required to monitor achievement of outcomes

- An increase in the number of NDIS participants in paid employment receiving options and supports from sector providers
- Increased average wages
- Increased average hours worked
- Employees with disability supported in mainstream settings

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- Evidence of supported workforce receiving more training
- Evidence of support workforce receiving more training

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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.