

The Future of Supported Employment

Discussion Paper Response

August 2023

Contacts



UnitingCare Australia

Level 3, 42 Macquarie St.

Barton ACT 2600

Phone (02) 6249 6717

Email ucaremail@nat.unitingcare.org.au

Website unitingcare.org.au

About UnitingCare Australia

UnitingCare Australia is the national body for the Uniting Church's community services network and is an agency of the Assembly of the Uniting Church in Australia.

We give voice to the Uniting Church's commitment to social justice through advocacy and by strengthening community service provisions.

We are the largest network of social service providers in Australia, supporting 1.4 million people very year across urban, rural, and remote communities.

We focus on articulating and meeting the needs of people at all stages of life and those that are most vulnerable.

Introduction

UnitingCare Australia welcomes the opportunity to provide feedback to the Department of Social Services in response to *The Future of Supported Employment* Discussion Paper.

We strongly endorse the direction of the Discussion Paper and its associated policy proposals. We forward, however, that any measures aimed at evolving the supported employment sector must simultaneously recognise its value in delivering accessible, safe and supportive employment opportunity for people with disability—particularly through the provision of specialised workplace support, the opportunity it facilitates to develop strong social connections within and outside the workplace, and the extent to which it provides individuals with job and income security¹.

Equally, we assert that supported employment should not be equated to ‘segregated’ employment, and that in responding to consumer and community expectations, many Australian Disability Enterprises (ADE) have already transitioned their businesses to providing commercially viable goods and services to the community whilst offering quality employment options for people with disability.

We also take this opportunity to highlight the critical role that ADEs play in creating open employment transitions for people with high support needs, which is particularly significant given the limited extent to which Disability Employment Services (DES) and Workforce Australian Employment Services are currently equipped to cater to this cohort. Partnership programs delivered by ADEs, as discussed later in this submission, have a demonstrated track record of delivering positive outcomes for people with high and complex support needs and subsequently fulfill an important tailored service in the overarching employment support structure.

In progressing the policy options outlined in the Discussion Paper, we advocate the need for close collaboration between relevant Commonwealth agencies, and particularly the Department of Social Services and Department of Employment and Workforce Relations. We see this collaboration as essential in enabling the design and implementation of measures that will afford appropriate consideration to the needs of supported workers and people with disability in an open employment context. We forward that careful consideration is also required of strategies to transition supported employees and People with Disability into open employment opportunities through Disability Employment Services, Workforce Australia

¹ See, for instance, findings from Public Hearing 22 (The experience of people with disability working in Australian Disability Enterprises) of the Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability, available at: <https://www.nds.org.au/news/royal-commission-hears-mixed-views-on-supported-employment>

Employment Services and the Vocational Education and Training (VET) system and subsequently advocate that the evolution of the supported employment model should be thoughtfully considered in the context of the forthcoming Employment White Paper².

The feedback that follows in this submission is provided in relation to select questions and themes drawn from the Discussion Paper.

1. Structural Adjustment Fund

Priority objectives for the Fund

UnitingCare Australia endorses the *Guiding Principles for the Future of Supported Employment*³ as highly suitable criteria to be used in assessing applications to the proposed Structural Adjustment Fund. We regard the following as particularly relevant principles to be reflected in the development of funding criteria:

- People with disability have real options for employment, and a range of support options available to meet their employment goals.
- There is an expansion in the number and variety of workplaces that employ people with disability.
- People with disability have the opportunity to develop their career by learning new skills and undertaking training on an ongoing basis.
- People with disability have the right to equal remuneration and associated conditions for work of equal value.

Fostering innovation through grant selection

We forward the following recommendations towards facilitating greater innovation in grant selection and procurement processes related to supported employment:

- **Engage in co-design.** UnitingCare Australia strongly advocates adoption of co-design approaches that can facilitate positive outcomes for all stakeholders. This is in contrast to more generic grant delivery mechanisms that can risk limiting the potential of initiatives and only deliver pre-specified outputs. Such approaches also risk inadvertently prioritising process-related

² Australian Government Department of Treasury. *Employment White Paper*. <https://treasury.gov.au/review/employment-whitepaper>

³ Department of Social Services. 2023. *Guiding Principles for the Future of Supported Employment*. https://www.dss.gov.au/sites/default/files/documents/05_2023/attachment-c-pdf-guiding-principles-future-supported-employment.pdf

considerations over outcomes achievement and the realisation of overarching program and stakeholder objectives. With respect to the Structural Adjustment Fund, we forward that the Department could introduce a specific ‘co-design’ stream through the Fund, in which applicants would be encouraged to pitch ideas for joint design and implementation with government. Alternatively, the Department could initiate a co-design process following its initial assessment of an application, and upon identifying a promising initiative, could choose to transition its development into a co-design model if this approach was considered to most likely enable successful implementation. We would welcome the opportunity to further discuss how a co-design model could be applied in relation to the Structural Adjustment Fund.

- **Fund a diversity of applicants to trial diverse approaches.** We advocate engagement of a diverse pool of stakeholders, including small, medium and large entities, that reflect a variety of operational approaches. This would foster greater diversity in the grant recipient pool, and therefore, in the nature and scale of initiatives trialled and tested. It would also allow for identification of different models suited to application in diverse settings.
- **Prioritise good governance over risk-aversion.** We recognise the Department’s imperative to ensure effective use of tax-payer funding through grant delivery and also acknowledge that public sector spending is affected by strong expectations regarding transparency and accountability. However, in order to foster innovation through the Structural Adjustment Fund, we assert the need for prioritisation of good governance and risk management processes in the implementation stage, in favour of overly rigid assessment processes that would prevent approval to fund innovative applications. We assert that the co-design model previously discussed in this submission provides a sound framework through which to trial new and innovative approaches while simultaneously ensuring good grant governance. This is facilitated through shared responsibility of outcomes and regular engagement between all stakeholders maintained throughout the life of the grant or procurement—which would, in turn, enable proactive identification of funding, delivery and Agreement-related risks and mitigations.
- **Avoid onerous reporting and regulation requirements.** We advocate the need for an appropriate balance to be struck between ensuring transparency and accountability and avoiding the introduction of overly burdensome administrative and reporting requirements that may inadvertently limit flexibility, adaptability and innovation in grant delivery. We note this as an issue acknowledged in the Commonwealth Grant Rules, that “...poorly formulated reporting requirements, which focus on outputs rather than

outcomes, can be overly burdensome, while stifling innovation by grantees”⁴. We advocate the need for careful consideration of this issue in the establishment of the Structural Adjustment Fund and related processes.

- **Allow sufficient time for concept development and assessment.** We advocate the importance of sufficient time being built into grant and procurement processes to allow stakeholders full opportunity to develop innovative, comprehensively scoped and accurately costed proposals. We further reiterate that co-design processes, as advocated in this submission, require the commitment of additional time and resources from all stakeholders in order to enable their success. As such, recognition of this should be reflected through the allocation of additional funding to support stakeholders through co-design processes, and the establishment of appropriate timeframes for design, assessment and implementation of proposals.

Proposed eligibility for Fund applicants

We support the proposed list of organisations that would be eligible for the Fund, as summarised in the Discussion Paper. We assert, however, that priority should be given to funding ADEs or consortiums of ADEs directly, where the direct beneficiary will be employees paid under the Supported Employment Services Award.

With regard to consortium arrangements, we endorse consideration of Registered Training Organisations as eligible consortium partners, given the significant role they would be likely to play in providing skilling and training for supported employees transitioning to open employment arrangements.

Types of projects

UnitingCare Australia endorses the examples of projects that would be eligible for Funding as noted in the Discussion Paper and considers these to be initiatives that would encourage greater innovation and opportunity for individuals transitioning from the supported employment sector.

We further recommend the Department’s consideration of the following examples, which our network regards as initiatives or models that have been successful in strengthening open employment outcomes and providing commercially viable business options that could be replicated or expanded through the Fund:

⁴ Commonwealth Department of Finance. *Commonwealth Grants Rules and Guidelines – 2017*. <https://www.finance.gov.au/government/commonwealth-grants/commonwealth-grants-rules-and-guidelines>

- Provider-led programs undertaken within various Australian Disability Enterprises, such as **Good Sammy's IncludeAbility pilot with Woolworths**⁵.
- **Fire & Clay**⁶, operated by Uniting Vic.Tas, which is a commercially viable Australian Disability Enterprise producing handcrafted pottery and ceramic garden products.
- The **White Box Enterprise Payment by Outcomes Trial**⁷, adopting a co-design model to deliver a Payment-by-Outcomes trial through a social enterprise.
- The **Local Navigators Pilot**⁸ model adapted for implementation in different sectors.
- Commercially viable community services delivered through **Wesley Social Enterprises**, including mobile graffiti removal, window washing and fleet cleaning services⁹.
- Good Sammy's operates an on-site canteen at its Head Office and a **café enterprise at Good Thanks**¹⁰. Both provide employment and on-the-job training for individuals seeking to develop skills in food preparation, cleaning and customer service. Critically, employees working at the on-site canteen are linked with job opportunities at Good Thanks or one of Good Sammy's hospitality partners, should they wish to move to a different workplace.
- Through **Good Sammy's Explore Work Program**, students in Years 10-12 will participate in paid work experience, training and other opportunities. Graduates of the program receive a certified traineeship in Retail, Business Administration or Supply Chain and the opportunity of future employment.
- Utilising a partnership model, **Good Sammy** employees work alongside Centurion staff to perform critical **warehousing and logistics services** at Centurion's Airport Logistics Hub. The partnership enables Good Sammy employees to build their hours worked and duties performed over time at the hub, as well rotate more employees through the roles created with Centurion to provide additional job opportunities.

Further to these specific initiatives, we also recommend funding of initiatives that:

- Support and incentivise the **establishment of social enterprises** that adopt blended workforce models and serve as viable and purpose-driven ventures,

⁵ See: <https://goodsammy.com.au/news-woolworths-ahrc-collaboration>

⁶ See: <https://www.unitingvictas.org.au/making-a-difference-with-fire-clay/>

⁷ See: <https://whiteboxenterprises.com.au/innovate/payment-by-outcomes-trial/>

⁸ See: <https://www.communitygrants.gov.au/grants/2021-8484-0>

⁹ See: <https://unitingsa.com.au/community-services/social-enterprises/quality-work/>

¹⁰ See: <https://www.goodthanks.cafe/>

as well as gateways to open employment. We recommend consideration of tax and procurement incentives that could be made available to incentivise the establishment of such entities—particularly through the recently announced *Social Enterprise Development Initiative*¹¹, with which we see significant potential for Australian Disability Enterprises to become engaged.

- Develop **transferrable and in-demand skills within the supported workforce**, with the intention of creating vocational training models for the Disability Centre of Excellence that address market needs and result in direct hiring from open employers.
- Create **universal, human-centred manufacturing hubs**¹² through assistive and adaptive technology. Noting the Government's focus on expanding and diversifying local supply chains, we envisage such a model as allowing for development of a blueprint that open employers could use to create accessible and integrated production warehouses. Advanced technologies would also enable businesses to generate efficiencies and deliver higher-value products, improving the financial sustainability of these business lines.

Further, we would also recommend making eligible projects that can more broadly support open employers to create more accessible and inclusive workplaces and enable them to become more attractive employers in recruiting supported workers. We envisage that such initiatives may include funding for procurement of equipment and infrastructure to make workplaces more accessible, as well as initiatives to train existing staff in inclusive workplace and management practices, towards the creation of safer and more supportive working environments.

Nature of grant rounds

We recommend that both proposed grant rounds be run as open, competitive processes, in order to encourage most opportunity for innovation and the piloting of a broad array of models. Provision should be made for the continuation of successful pilots from each grant round as ongoing, fully-funded government programs, as this will ensure scalability and continuous improvement of successful models. Comprehensive evaluation should also be undertaken to facilitate sharing of best practice and opportunities for development, in turn informing future grant and program design.

¹¹ Department of Social Services. 2023. *Budget 2023-24: Entrenched Disadvantage Package*. https://www.dss.gov.au/sites/default/files/documents/05_2023/entrenched_disadvantage_package_budget_fact_sheet_fa.pdf

¹² See, for example, OMRON Japan's innovative model: <https://www.omron.com/global/en/edge-link/news/566.html>

We also advocate the need for grants pertaining to supported employment to be considered as part of DSS' forthcoming consultation regarding *A Stronger, More Diverse and Independent Community Sector*. In this context, we highlight the importance of ongoing funding being allocated to successful pilots and models emerging from the Structural Adjustment Fund to ensure continuation of best practice approaches. We also advocate the need for grant terms to be of sufficient length to adequately test and evaluate outcomes, and also enable organisations to maximise the potential of, and benefits delivered through, initiatives they are implementing.

2. Transition to the revised Supported Employment Services Award

UnitingCare Australia advocates the need for information regarding Award changes to be provided in a proactive and strategic manner to all relevant stakeholders. To effectively support all stakeholders in transitioning to the revised Award arrangements, it is imperative that communications regarding responsibilities and timeframes relevant to different parties are disseminated well in advance of changes being enforced, thereby allowing time for appropriate planning and change management processes to be implemented.

3. Consultation on a disability business procurement initiative

UnitingCare Australia supports the Department's consideration of a disability business procurement initiative and endorses the development of a Disability Procurement Framework approach, as outlined in the Discussion Paper.

We suggest that the procurement initiative should focus on benefitting all people with disability, to maximise employment outcomes achieved.

We commend the Victorian Government's Social Procurement Framework as a best practice example for replication, specifically regarding:

- Direct procurement opportunities enabled for certain categories of enterprises (for example, Australian Disability Enterprises);
- The requirement for suppliers to demonstrate their own inclusive employment practices;
- The requirement to unbundle service delivery to certain categories of enterprise; and

- The need for suppliers to establish performance standards or set labour hours to be performed by people with disability, and to demonstrate how such targets will be met.

In terms of a potential procurement model to replicate in establishing a disability procurement function, we note that Supply Nation¹³ currently serves as a procurement hub to facilitate business between the Australian Government and Aboriginal and Torres Strait Islander organisations, and forms part of the Exemptions that already exist within the Commonwealth Procurement Rules¹⁴. We consider the Supply Nation model to be an example of an effective procurement approach that could be adapted for implementation as a disability business procurement initiative.

4. Evaluation of supported employment initiatives and trials

We endorse the Federal Budget's provision of funding to evaluate supported employment initiatives and trials, and to measure the evolution of the supported employment sector following Government and philanthropic investment. This is a critical function to be fulfilled in ensuring the identification of successful models and where opportunities exist to replicate approaches that are both efficient and effective in their use of public funding.

We take this opportunity to highlight the 2023-24 Federal Budget's commitment of funding to establish the Australian Centre for Evaluation¹⁵, aimed at improving the volume, quality, and impact of evaluations across the Australian Public Service and to work in close collaboration with evaluation units in departments and agencies. UnitingCare Australia has been a strong advocate for the Centre's establishment¹⁶ and we urge the Department's close collaboration with the Centre to evaluate the delivery of initiatives related to supported employment.

¹³ See: <https://supplynation.org.au/>

¹⁴ Department of Prime Minister and Cabinet. *Using the Commonwealth Procurement Rules Indigenous Exemption 17*.
https://ibd.supplynation.org.au/public/resource/1567392787000/commwth_indigenous_exemption

¹⁵ See: <https://ministers.treasury.gov.au/ministers/andrew-leigh-2022/media-releases/australian-centre-evaluation-measure-what-works>

¹⁶ UnitingCare Australia 2023-24 Pre-Budget Submission – *Funding What Matters*.
<https://unitingcare.org.au/submission/funding-what-matters/>

Evaluation approach

UnitingCare Australia endorses the evaluation approach summarised in the Discussion Paper. We particularly support the building of an evidence base that demonstrates:

- outcomes of the various projects, particularly how they have impacted employment opportunities for people with disability with high support needs; and
- the sustainability of the various projects, including if any projects could be extended or expanded.

We recommend consideration of successful models that can also transition into programs that receive ongoing departmental funding.

Further, we advocate a comprehensive evaluation process that, as much as possible, involves collecting and analysing feedback from all stakeholders, including supported employees, towards highlighting the true effectiveness of such initiatives.

5. Disability employment expos

UnitingCare Australia is supportive of the Discussion Paper's proposal to pilot expos for people with disability and their families and help them to explore new employment and support options. We also consider expos to be an opportunity to assist employers in better understanding the vocational and recruitment needs of supported workers and to assist them in preparing their organisations to support higher intakes of supported workers.

We recognise an important leadership role to be played by Government in facilitating employment expos and engaging relevant stakeholders to participate. In this context, we note the role that the Department of Employment and Workforce Relations' plays in facilitating Jobs Expos¹⁷ for job seekers engaged in Workforce Australia services, and the extent to which expos provide a platform for employers and job seekers to connect and recruit. We advocate this as a successful model that could be replicated in delivering Disability Employment Expos and recommend the sharing of best practice across agencies to maximise the value and impact of initiatives undertaken.

¹⁷ See: <https://www.workforceaustralia.gov.au/individuals/coaching/careers/fairs-and-expos>

6. Disability Employment Advocacy and Information Supports for Supported Employees and their Families and Carers

UnitingCare Australia endorses the proposed approach and target audiences identified for advocacy and information support as summarised in the Discussion Paper.

We recognise the value of aligning delivery of the advocacy and information program with the transition period set by the Fair Work Commission for supported employment services to implement the new Supported Employment Services Award.

We assert the need for the advocacy initiative to be included as part of broader evaluation process proposed in the Discussion Paper to ensure that advocacy support and information is being delivered in an effective and efficient way. Further, evaluation will assist in highlighting whether continuation of funding for advocacy and information support services is needed beyond the time period proposed in the Discussion Paper.

Conclusion

We commend the consultative approach that the Department has adopted in informing the Discussion Paper and initiatives it proposes and would welcome the opportunity to provide any further comment on the recommendations and points raised in our submission.

We affirm the UnitingCare network's keen interest in partnering with government to co-design and deliver initiatives that flow from the Discussion Paper, towards providing meaningful, fulfilling and secure employment for supported workers and people with disability.