

Hon Brendan O'Connor
Minister for Employment Participation
Parliament House
Canberra 2600

Dear Mr O'Connor

In reply to your invitation to contribute to suggestions for improvement of employment services, the following comments are offered by Bendigo Access Employment Inc. As a not for profit community organization, our mission is "to provide quality and innovative solutions that connect people's abilities to opportunities in employment, training, business and a sustainable community future". All following comments are offered in a spirit of improvement.

Early interventions/Job Capacity Assessment, JCA: A feature of current system is the 'common referral pathway'. We note however, that this is not the 'natural pathway' that was previously a feature of the disability employment system.

- The current JCA process causes confusion and delays to job seekers as there are not enough appropriately qualified and experienced JCA's to assess job seekers in a timely manner, this is especially the case in regional areas. The lack of general medical practitioners in regional areas also causes delays to job seekers as most require a comprehensive 'Treating Doctor's Report', and there can be significant delays and cost impositions in the job seeker attaining this report.
- The JCA process is also hampered by problematic Job Capacity Assessments, a process which appears under-resourced to provide effective outcomes for clients. Suggestions for improvement include reference to the following points, plus a comprehensive government review;
- Anecdotal evidence indicates that the JCA process does not appear to be a reliable assessment, as a jobseeker can have two JCA's using the same medical evidence, with different outcomes, especially in regards to stated employment benchmarks – the JCA sometimes works well as a program streaming tool; not so well for determining employment benchmarks.
- Administration of the JCA system by the Cwth Dept of Human Services has not seen the positive outcomes for clients that we believe placing the program under the umbrella of DEEWR would provide. DEEWR could more effectively manage and sanction poorly performing JCA providers. Training resources able to be provided by DEEWR would also be more beneficial to individual JCA's. Past experience has shown that Job Capacity Assessors who assess job seekers with

illness or medical condition outside their field of expertise/qualification often would benefit from more generic training in disability and related areas.

- Refinement of the Job Capacity Assessment system is needed as there is a high rotation of inexperienced personnel through the JCA roles which results in inappropriate referrals and wasted time that could be better utilized with appropriately placed job seekers. JCAs need a 'revamped' training program to increase their awareness of available service options, especially DEN. This 'awareness' increase would go some way to assist people with poor cognitive abilities through the JCA process, as JCA's would have increased awareness of the specialist ability of DENs to assist such clients.
- Retain 'natural pathways' to employment for clients with a disability as now there are too many barriers in place for people who are not easily able to negotiate the Centrelink/DEN/VRS interface.
- Ensure that non-beneficiaries have equal access to employment services - this will minimize the social (and ultimately, economic) cost of disability
- Fully lift the cap on the DEN program (Job Network has no cap), to remove all impediments to immediate service delivery for eligible referrals. 4000 places were removed from the capped program in 2006.
- If the DEN cap remains, remove the 28 day rule for the job seekers' preferred DEN provider.
- People with assessed low work capacity (less than 8 hours), need to be connected with a service that can best service their needs, ie DEN. DEN should be adequately compensated for working with such clients.
- In relation to the Personal Support Programme, currently there appears to be a perverse penalization of PSP providers who successfully refer clients with multiple barriers to assessment for the Disability Support Pension when all other options have been considered. Job Capacity Assessors reviewing clients with multiple barriers have no capacity to refer jobseekers direct for DSP assessment by Centrelink, but can only refer to either PSP or Job Network. When the inevitable decision to refer to DSP is made by PSP providers, such providers are then financially penalized by the PSP outcome payment system.

Employment Services are relevant to the circumstances and needs of the job seeker:

- Grandfathered DSP recipients are discouraged from voluntarily looking for work via the DEN process as they must undergo a Job Capacity Assessment which may trigger a DSP review (and potentially a change to benefit entitlement). A solution to this situation is to disassociate the JCA, and the benefit review, such that any DSP benefit review occurs at least six months following successful employment engagement. [If current policy interpretation is continued with,

despite industry concerns, then there needs to be a huge publicity campaign by government to explain its position in an 'easy English' format.]

- Obviously for DEN clients, organizations such as Bendigo Access Employment rely on reverse marketing as a main tool to place jobseekers with local employers. Most placements with small to medium sized employers are approached in a face to face manner, or initial contact by phone or correspondence in the mail. One of the main barriers we have is the lack of examples where Commonwealth government agencies are leading the way when it comes to employing people with a disability. It appears the percentage employment figures in government areas for people with a disability is falling. It is obvious with some employers that they are not keen to engage because they have a concept it may end up costing them money to employ people with disabilities and 'what's in it for them' ie subsidies. If there was more leadership from some of the government agencies we could leverage off this when marketing to the private sector and make it more of a 'want' than a 'chore' to employ clients using our services. Organizations such as Bendigo Access Employment would find it less difficult to place people in employment if there was an increased focus on developing government affirmative employment action programs for people with a disability. This would be a very positive way for government to lead by example.
- There are also the DWA, Disability Works Australia, alliances which we hope will continue to develop vacancies in regional centres. DWA's work with multi-national companies in creating Memorandums of Understanding is critical. The DWA program needs to be rolled out to the regional centres in a way where vacancies that could be filled by our client base are flagged with local DEN's and opportunities for our clients are not overlooked by local stores of the multi-nationals. At the moment, most of the vacancies DWA receive are capital city based, so it is very rare that regional providers get the opportunity to secure placement. That is not to say opportunities do not occur, as we have over the past 6 – 12 months had successful placements at the Bendigo Bank, and large state government departments [now no longer eligible for DWA services]. This supports the argument that if DWA get involved with the larger organizations the results do come, thus an increase in this approach is required so local stores like Coles/Myer, Safeway etc, get on board to allow regionally based DEN's to place clients to service recruitment needs whilst providing positive employment outcomes for clients.

Job Seekers with higher levels of disadvantage receive intensive assistance

- Business service clients need up to a 2 year period of transitional dual funding, i.e. DEN/Business Service, while trialing the transition to open employment.
- The two year program time frame for DEN eligibility should be removed; the disability does not go away, maintenance support should continue as long as the client requires it.

- Improved access also needs to be provided for 'special school' leavers who should have automatic access to the (current) uncapped DEN program to better facilitate their progression to employment.
- All DSP recipients should be allowed to, and encouraged to look for work, but not have mutual obligations attached.
- All DSP recipients should have the opportunity to look for work with a DEN provider uncapped, unrestricted.

Incentives for training will improve the employability of job seekers

- Incentives should be provided by Centrelink for job seekers with disabilities to undertake accredited training
- DEN providers should be entitled to accredited training outcome payments on behalf of job seekers
- Education and training is under-valued in the current model as reflected in the (potential) weightings of star ratings.

Job Seekers receive appropriate training

- Social outcomes are not recognized but are often an important achievement for people with a disability or barrier to employment.
- Consider allowing people with a disability to enter Australian Apprenticeships at AQF Level I.
- Decrease the gap of AQF level II and III with employer incentives for Australian Apprenticeships.
- Implement recurrent funding from DEEWR for DENs to purchase accredited job seeking training from RTOs

Performance management principles (incl star ratings and business reallocation) that support sustainable outcomes and promote quality service delivery

- Verification for maintenance support/employment should be easier than the current cumbersome system of providing a 'paper trail' that is very intrusive on the privacy clients, and very demanding on the time of employers and service providers.
- The current competitive environment in which PAGES operates discourages collaboration.

- DEN/VRS providers at and above a 4 star rating should have their business allocation rolled over for the next period without the need to re-tender.
- DEEWR audits/monitoring visits should take a more collaborative approach with file reviews occurring in the presence of provider representatives; queries could more readily be handled this way.

The minimization of time and money spent on administration

- Decrease the administrative burden of compliance and paperwork. Simplifications seem to have been achieved in the recent rollout of the VRS system, which appears to have utilized many of the best features from many programs to enable those people delivering service to spend more time with the client to achieve employment and related outcomes, and less time doing 'compliance' paperwork.
- The Intervention Plan [IP], (used by the VRS program) is the main tool informing service delivery, however, it seems lacking in several areas. Some consultants are reporting that it is not client-friendly as it is focused on disability rather than abilities and strengths. Consultants are also reporting that it can be detrimental to the client/provider relationship as it can be confronting discussing the barriers listed in the JCA in the early stages of program commencement, especially if the client doesn't agree with a listed barrier. The IP isn't very user-friendly and doesn't contain the fundamentals of a good service delivery plan such as an individual goal (which is required under the Disability Service Standards KPI 2.1; [the 'Evidence Guidelines Vocational Rehabilitation Services 2007' states that agreed employment goals are included in all Intervention Plans], however, there isn't a specific spot on the IP's for this to be included).
- Resolve the inconsistency in VRS program procedures; other programs count 'cumulative' weeks of employment towards an outcome, VRS clients must show 'consecutive' weeks of employment. This inconsistency is potentially discriminatory and does not properly address the advances that people facing barriers to employment can achieve in an effectively coordinated program between consultant and employer.
- For DEN clients, 'system complexity'; could be reduced, a recent example shows the need for more expedient access to Supported Wage System to assist placement with potential employers. This recent example highlighted the apparent lack of communication between Centrelink and DEEWR when a jobseeker eligible under the impairment criteria for DSP was frustrated in receiving timely approval for their supported wage application because he had received financial compensation for birth asphyxia injuries. Centrelink's IT system seemed to have difficulty in understanding the nexus between the jobseeker's qualification for the DSP and his lack of actual receipt of that benefit. Even though he was *eligible* under the impairment criteria to be assessed for DSP, he would never be eligible to *receive* payments because of his financial resources [legal settlement]. The case manager was continually frustrated by Centelink's

seemingly confused response to this situation. For some reason when DEEWR asked Centrelink whether the client did qualify, Centrelink only looked at whether he was in receipt of the benefit, not the impairment criteria eligibility. Eventually the Supported Wage application was approved and the jobseeker continued in his successful work placement.

- DEEWR should 'own & control' the disability services standards, this would prevent DEEWR creating guidelines for providers and clients that potentially contravene the standards.
- Review whether all the Disability Services Standards are relevant to DENs. A consultative examination may show some of the standards are more relevant only to Business Services. Consider dropping 2-3 standards/KPIs for DENs.
- Capped and uncapped client streams should be combined, and have the same guidelines and operating procedures.
- The payment levels for assessments, outcomes and maintenance should receive a CPI indexation every year.
- At present there appears to be too much separation in program procedures and guidelines between both DEEWR and Centrelink. Many differences exist, albeit often small, creating a large administrative process that often appears to be more focused on by funders than actual job placement. What is needed is a 'joined up' approach with commonality between programs and departments to achieve the best result for the job seeker.
- Bendigo Access Employment is an example of the PAGES model that services clients need in a coordinated way. For example PSP, DEN and VRS are all programmes that are looking to rehabilitate the participants in some way on their 'journey' to work, whether it is socially, physically or vocationally; these individuals are the ones in most need of support towards employment. If we could easily progress relevant clients from one programme to the next programme without having to refer them back to a JCA each time they wish to progress in the system, it would be less confusing and time wasting for all concerned. At this stage DEN's are a complementary service in a lot of ways to Job Network services. If more flexibility was added to the three service models, we could see examples of clients moving from PSP to DEN or VRS staying within the same organization and possibly having more success as the client sees a clearer pathway to employment. Clients may also feel that they don't have to start from scratch each time they progress through the programmes, because one organization delivers the seamless service model they require. This may build the participant's confidence that there is a team approach to their progress, rather than feeling disconnected once they finish a programme knowing they will have to tell their story again when they front the JCA for referral to the next provider deemed suitable to their current needs. This approach recognizes that provider staff would need a 'suite' of relevant skills and qualifications to professionally meet the assessed needs of clients on their journey to employment.

Whilst there have been many recent advances in programs to assist people with a disability in gaining employment, Bendigo Access Employment welcomes the opportunity to have input into the policy direction for the 2009 employment services arrangements.

Please feel free to contact me should any further information be required.

Yours sincerely

Paul Kirkpatrick

Chief Executive Officer