



**Submission made by Julia Farr
Association**

**Inclusion for people with disability
through sustainable supported
employment**

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The Julia Farr Association makes this submission to the Department of Families, Housing, Community Services and Indigenous Affairs inquiry into inclusion for people living with disability through sustainable supported employment.

1.0 INTRODUCTION

The Julia Farr Association and its predecessor organisations have been involved with the disability community and older persons for over 130 years. The Julia Farr Association is an independent, non-government entity based in South Australia that fosters innovation, shares useful information, and promotes policy and practice that support vulnerable people to access the good things in life. We are not a service provider – we deliver research, evaluation and information services that are anchored upon the stories shared by people living with disability and other people in their lives. As such, we feel we are in a good position to offer comment and analysis without vested interest.

While Julia Farr Association is not a service provider it does have staff with extensive experiences in service provision. The aggregate experiences relevant to the submission topic include:

- CEO of large national disability service provider;
- Management of not-for-profit business services;
- Director of a community business in supported employment;
- Management of supported employment services;
- Individual coordination assistance to people living with disability seeking work.

The Julia Farr Association believes that the present inquiry is urgent in the current environment. It is widely understood that people living with disability are poorly-supported in Australia, in terms of dearth of employment opportunities and the experience of exclusion. Further, there is national recognition that people living with disability have the right “to work, on an equal basis with others; this includes the right to the opportunity to gain a living by work freely chosen or accepted in a labour market and work environment that is open, inclusive and accessible to persons with disabilities”¹ through the ratification of the United Nations Convention on the Rights of Persons with Disabilities by Australia in July 2008.

2.0 NEW VISION – INCLUSION FOR PEOPLE LIVING WITH DISABILITY THROUGH SUSTAINABLE SUPPORTED EMPLOYMENT

The ten-year vision for people living with disability needing supported employment proposed by the Australian Government, places importance on:

- Inclusive and safe workplaces;
- Fair wages;
- Choice and flexibility through person-centredness;

¹ United Nations n.d., *Convention on the rights of persons with disabilities and optional protocol*, p. 19, <<http://www.un.org/disabilities/documents/convention/convoptprot-e.pdf>>.

- Timely and seamless access to assistance;
- Better practice models; and
- Partnerships founded on mutual respect and innovation.

However, the nature of a disability enterprise, that typically involves a congregation of people living with disability in a particular work setting to particular business lines that define the business identity of that disability enterprise, makes the achievement of these goals hard because:

1. **Inclusion** – to achieve a balance of demographic that properly values people living with disability within a normal population distribution, means that disability enterprises might have to increase their workforce size by multiples of 100%. No business can be reasonably expected to achieve that degree of growth in the foreseeable future. In which case, the business enterprise model is not well-suited to the principle of inclusion, and cannot be the primary methodology by which inclusion can be achieved;
2. **Fair wages** – it is not unusual to find that disabled employees in a disability enterprise are paid a significantly lower wage than would be typical for the role they are performing. This is an unfortunate practice, albeit shaped by the perverse incentives within the current disability support and income support funding mechanisms. In fact the situation is beyond unfortunate. The presence of such incentives is resulting in practice that is exploitative. If a similar funding model was applied to women, or to black people, there would rightly be outrage;
3. **Choice and flexibility through a person-centred approach** - the typical profile of a business enterprise is that it settles on a particular line of enterprise, such as packing, print production, assembly, landscaping, develops a business model including the labour of people living with disability, wins contracts, and gets to work. This may often happen organically rather than intentionally, but it is where many business enterprises find themselves once they reach a stage of operational equilibrium. Because of the contract imperatives, and the design of the associated work processes, there is very little room to offer significant choice and flexibility. The degree of 'person-centredness' is limited by the overall range of work practices that the disability enterprise is involved in. If the main disability enterprise in a person's community is involved in a packing and assembly business, and the person does not wish to work in packing and assembly, then that person is out of options. As such, there is little or no choice, little or no flexibility, and little or no person-centredness;
4. **Appropriate supports over the life course** - evidence elsewhere has shown how personalised supports work well for people, and have the inherent capacity to be changed and adjusted in line with a person's changing circumstances, whatever the cause of such changes might be. Given the inherent lack of flexibility of the disability enterprise model as argued above, we believe it is not safe to assume that

the supported employment model is the most effective place for providing seamless access to assistance according to a person's individual circumstances;

5. **Better practice models** - the essence of the question here is the degree to which 'better practice' within a supported employment organisation can deliver stronger outcomes. Again, based on the arguments above, our view is that the investment in improving supported employment organisation practice will at best deliver an incremental change, and will likely not deliver break-through changes in the experiences of people in terms of inclusion, fair wages, and authentic choice;
6. **Partnerships based on respect and innovation** - most people would voice support for this sentiment. Clearly there are concerns about how the focus on the best interests of employees living with disability can be compromised, or even lost, because of the imperatives for business sustainability. In terms of partnership between the supported employment organisation and its disabled employees, the notion of partnership at the individual level will always be vulnerable to compromise because of the context of congregation. In terms of partnership between the supported employment organisation and its disabled employees as a collective, there is a better chance of this being achieved if those employees have a genuine stake, a genuine say, in the direction and decisions of the organisation. This would necessitate a business structure such as a workers cooperative, or a shareholder model. Any other form of organisation structure that claims a 'partnership' would need to be examined carefully for its veracity. In terms of partnership between the supported employment organisation and the other entities in its world, be those entities local business, customers, government agencies etc, again we have sympathy for the sentiment, and can imagine how some of those other stakeholders may well be interested in building a closer collaboration to assist the goals of the supported employment organisation. Unfortunately there is a downside to this. The likely assumption (and in any case certainly the current operational context) for the collaboration is that people living with disability gain employment by working together in congregate settings or teams, to deliver something perceived as useful to those external parties or the community in general. In which case, such collaboration is in danger of reinforcing the unfortunate notion that people living with disability are best served with employment opportunities via congregated, dedicated models.

3.0 INDIVIDUALISED (SELF-DIRECTED) FUNDING - A WAY TO ACHIEVE INCLUSIVE SUPPORTED EMPLOYMENT

The Julia Farr Association believes that the evidence in Australia and elsewhere on the benefits of Individualised (Self-Directed) Funding strongly point to that approach as being the better methodology for achieving the outcomes described in your discussion paper. We note that the approach carries a range of names, such as Individualised Funding, Self-Directed Budgets, Cash and Counselling, Direct Payments, Self-directed Support, Individualised Budgets, Consumer-managed Care, and Personalised Funding. Whatever name is assigned, the methodology we are referring to is where the intended beneficiary has authentic control over how their funding allocation is to be spent on their behalf.

There is an emerging body of knowledge in respect of good practice methodology in Individualised (Self-Directed) Funding^{2 3}, so it is no longer the domain of the unknown, the untried, the untested.

Our view is that applying the Individualised (Self-Directed) Funding methodology to the matter of employment is a credible and robust way of moving towards the nominated outcomes in the discussion paper. Consider the following summary financial modelling exercise. Instead of \$200m being distributed to supported employment organisations to attempt to deliver benefits to 17,000 souls, through what might be described as typical block-funding contract model, the funds are instead distributed directly to the intended beneficiaries via a simple assessment process and a genuinely personalised planning mechanism. This would mean that a person could then consider a wide range of options for spending those funds in support of an employment outcome, with the personal plan duly signed off by a mandated government agent so that the proposed expenditure has a firm and logical connection to the outcome of sustainable employment.

In setting out the potential of this scenario against the nominated outcomes in the discussion paper, we offer the following summary analysis:

1. **Inclusion** - armed with a personalised funding allocation, the person living with disability has the opportunity to consider the full range of mainstream employment options across a full range of industries, because the funding support is potentially part of the proposition when the person approaches local mainstream employers in her/his area. This makes it far more likely that the person might enter an employment situation that is naturally inclusive because it is a mainstream local employer;
2. **Fair wages** – the availability of a personalised budget makes it more likely that a person can engage with local employers with some authentic negotiating power to craft an opportunity that is anchored on a fair wage. The personalised budget could be used in a variety of ways, such as additional training, additional supervision, additional support, whatever it takes to assist the person to perform in the employment role. The presence of the personalised budget would mean that the conversation focuses on how might this funding be used to best support the person into a fair-waged opportunity;
3. **Choice and flexibility through a person-centred approach** – the essence of Individualised (Self-Directed) Funding and the personalised budget that it delivers to the person, is that it creates the room for a wide range of choice and genuine

² Chenoweth, L & Clements, N 2009, *Final report: Funding and service options for people with disabilities*, Griffiths University, Queensland;

Fisher, KR, Gleeson, R, Edwards, R, Purcal, C, Sitek, T, Dinning, B, Laragy, C, D’Aegher, L & Thompson, D 2010, *Occasional paper no. 29: Effectiveness of individual funding approaches for disability support*, Department of Families, Housing, Community Services and Indigenous Affairs, Australian Government, Canberra.

³ Leadbeater, C, Bartlett, J & Gallagher, N 2008, *Making it personal*, Demos, London, UK, <http://www.demos.co.uk/files/Demos_PPS_web_A.pdf?1240939425>.

flexibility, assuming that there are no overly-cautious administrative constraints that might diminish the capacity for creativity and innovation. Evidence elsewhere has charted a significant increase in choice and flexibility as a result of this approach³. A person with the spending power of a personalised budget is much more likely to get a person-centred response, including from supported employment organisations whose own practice is likely to evolve in helpful ways as a result of this changed relationship with their intended beneficiaries, whose status changes from consumer to customer;

4. **Appropriate supports over the life course** – the Individualised (Self-Directed) Funding methodology provides a good platform for refining the supports available to a person as his/her support needs, and *preferences*, change over time. Because the funding arrangement is personalised, it has a much better chance of being responsive. With a methodology where stakeholders can call for a reassessment as a person's circumstances change, it makes it more likely that government funding will have a better match with people's circumstances, and reduce the risk of under-funding and over-funding because of the current, blunter approaches to funding;
5. **Better practice models** – Individualised (Self-Directed) Funding means that 'practice' is anchored on the preferences of the intended beneficiaries. This means (as has been evidenced elsewhere) that agency practice will change and become more personalised. It also means that more of the 17,000 people are likely to connect into mainstream employment opportunities, with all the associated 'natural good practice' that comes from fellowship and inclusion in mainstream employment and community settings. After all, people are more likely to access stronger safeguards if they are visible and active in their local communities and are connecting with a wider range of local people;
6. **Partnerships based on respect and innovation** – the model of Individualised (Self-Directed) Funding does not necessarily mean the end of those enterprises currently offering supported employment. What it does mean is that those agencies can move into a different type of relationship with people living with disability, who have genuine spending power in line with their employment aspirations. The typical current model for supported employment creates the risk that the focus on the best interests of employees living with disability can be compromised, or even lost, because of the imperatives for business sustainability. In terms of partnership between the supported employment organisation and its disabled employees, the notion of partnership at the individual level will always be vulnerable to compromise because of the context of congregation. In terms of partnership between the supported employment organisation and its disabled employees as a collective, there is a better chance of this being achieved if those employees have a genuine stake, a genuine say, in the direction and decisions of the organisation. This would necessitate a business structure such as a workers cooperative, or a shareholder model. Any other form of organisation structure that claims a 'partnership' would need to be examined carefully for its veracity. In terms of

partnership between the supported employment organisation and the other entities in its world, be those entities local business, customers, government agencies etc, again we have sympathy for the sentiment, and can imagine how some of those other stakeholders may well be interested in building a closer collaboration to assist the goals of the supported employment organisation. Unfortunately there is a downside to this. The likely assumption (and in any case certainly the current operational context) for the collaboration is that people living with disability gain employment by working together in congregate settings or teams, to deliver something perceived as useful to those external parties or the community in general. In which case, such collaboration is in danger of reinforcing the unfortunate notion that people living with disability are best served with employment opportunities via congregated, dedicated models.

4.0 CONCLUSION

In conclusion, the Julia Farr Association asserts that the current business/funding models for supported employment are not a good fit with the intended outcomes identified by FaHCSIA. Instead, a model of Individual (Self-Directed) Funding presents a better match with those intended outcomes, and without meaning the demise of well-intentioned supported employment agencies who are prepared to make this business transition in the interests of their target beneficiaries. We would be very happy to assist FaHCSIA with the design and implementation of the new model.

Naturally, there will be a range of transition considerations when moving from a Support Employment funding model to an Individual (Self-Directed) Funding model. Again, we would be very happy to assist FaHCSIA to map these transition considerations and develop a transition plan.

For further information about this submission, please contact:

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