



# ASU Submission

## Inquiry into the National Disability Insurance Scheme (NDIS) Costs

Productivity Commission

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## 1. The ASU

The Australian Services Union (ASU) is one of Australia's largest unions, representing approximately 135,000 members.

The ASU was created in 1993. It brought together three large unions – the Federated Clerks Union, the Municipal Officers Association and the Municipal Employees Union, as well as a number of smaller organisations representing social welfare workers, information technology workers and transport employees.

Currently ASU members work in a wide variety of industries and occupations because the Union's rules traditionally and primarily cover workers in the following industries and occupations:

- Disability support
- Social and community services
- Local government
- State government
- Transport, including passenger air and rail transport, road, rail and air freight transport
- Clerical and administrative employees in commerce and industry generally
- Call centres
- Electricity generation, transmission and distribution
- Water industry
- Higher education (Queensland and South Australia)

The ASU has members in every State and Territory of Australia, as well as in most regional centres. Around 50% of ASU members are women, the exact percentage varies between industries, e.g. in social and community services around 70% of our members are women.

## 2. Who we represent in disability services

The ASU is the largest union of workers in the social and community services sector, which includes workers in disability support services across the country. We are the major NDIS union in Queensland, New South Wales, ACT, and South Australia. We also represent public sector disability support workers in Queensland.

The ASU's expertise in disability arises from representing the disability support workforce working in a range of different jobs roles including disability support work, care management and coordination, disability advocates, Local Area Coordinators, team leaders, and managers in disability providers.

## 3. The Inquiry

The ASU is pleased to provide this submission to the Productivity Commission's inquiry into the National Disability Insurance Scheme (NDIS) Costs.

We are firmly of the view that a supported and valued disability workforce is key to delivering a quality NDIS. This submission will primarily focus on the issues raised in Part 5 of the inquiry issues paper, "Market Readiness".

In preparing this submission we have consulted widely with our members who work as disability support workers. Further, the ASU, in conjunction with the Health Services Union and United Voice recently conducted a survey of 1522 union members who work supporting people with disability.

## 4. Introduction

The National Disability Insurance Scheme is being rolled out across Australia and is due to be fully rolled out by 2020. The scheme will provide greater choice and control for people with disability over the types of supports they need, when they need them and how they want them delivered to help them lead more independent lives.

The NDIS will double the number of people with disability currently receiving support and total government funding will increase from \$7 billion per year before the scheme commenced to over \$22 billion annually by 2020.

In order to meet the increased demand for person-centred, individualised supports the disability sector workforce will also need to double by 2020. This will mean growing the industry by more than 100,000 new workers for the NDIS to reach its potential by 2018-19.

Today, disability support work today is predominantly provided by direct employment with not-for-profit disability service providers. The vast majority of these jobs are part-time or casual.

However, the NDIS will fundamentally change the nature of disability support work.

Firstly, with greater control over choice of services, people with disability will demand greater specialisation and person-centred skills from the disability workforce. Secondly, as the market for services dramatically increases there will be an increase in new providers entering the market – including for-profit providers and platform (“uber-style”) providers – which could foster insecure work arrangements for frontline NDIS workers.

To retain and attract a quality workforce to deliver a successful NDIS these challenges must be addressed.

## 5. Summary of our recommendations

The ASU makes the following recommendations to this inquiry.

1. NDIS pricing assumptions should be reviewed and set such that the NDIS price:
  - (a) reflects the reality of disability support work (including appropriate classifications for the work performed, adequate time allocated for tasks, administration, supervision, training etc);
  - (b) can meet minimum Award entitlements and the National Employment Standards (including leave and other entitlements, as well as Equal Remuneration Order pay increases);
  - (c) supports secure jobs in the sector.
2. Pricing should be reviewed independently of the NDIA and in a transparent way, including stakeholder representation.
3. The Government should, via legislation or regulation, ensure that the relevant Award conditions cover all NDIS workers regardless of employment arrangement (i.e. to regulate Uber style providers and to avoid sham contracting).
4. The Government should, in conjunction with stakeholders, develop a detailed workforce plan which details the skills required in the sector, and career path options. This should involve:
  - (a) Establishing a portable leave and training entitlement scheme for NDIS workers;
  - (b) Investing in invest in disability support education and training opportunities targeted to areas where the biggest workforce increases will be required.
5. The establishment of an industry certification and accreditation body to set minimum professional standards to properly recognise the skills and experiences of workers in community services and ensure quality service provision. The body should comprise representatives of employers, employees, educators and clients.

6. The State and Federal Governments enter into an intergovernmental agreement (e.g. COAG) to ensure there will be no gap in services and ongoing mental health funding will remain for non-NDIS eligible participants.
7. NDIS pricing to have separate line items for psychosocial disability reflecting the actual costs of ongoing quality mental health supports.

## 6. Workforce readiness

### 6.1 A decent safety net of pay and conditions to attract, retain and value the workforce

It is estimated that at least an additional 100,000 workers need to be found to support people with disability in the NDIS. In order to attract sufficient workers to meet this demand, disability support jobs must be secure and well paid, with career paths to retain workers in the sector.

We believe the current NDIS pricing regime does not provide for this. It is based on assumptions made about the nature of disability support work without any consultation with frontline workers, people with disability or their representatives.

We consider that a number of key assumptions underpinning the NDIS unit price are flawed, in particular:

- Classification and pay level of disability support workers

NDIS pricing assumes that disability support workers are employed at a SACS level 2.3 under the *Social, Community, Home Care and Disability Services Industry Award 2010* (the Award). However, this is, even in the eyes of the NDIA,<sup>1</sup> the rate that reflects the minimum level of experience and qualifications required of a disability support worker. Not only does this mean the price does not allow for any career advancement for employees who are employed at this minimum, but many disability support workers are required to have skills and experience well above the minimum, and many support workers are presently employed at SACS level 3 or above.

Furthermore, as supports are made individualised under the NDIS, a higher level of skills will be required to support the various needs of people with disability. This will require a higher classification of work for many disability support workers.

- Client-facing time

NDIS pricing assumes that only 5% of time excluding leave (which works out to just 3 minutes an hour) is not directly with participants or travelling between clients. This simply does not adequately allow for the necessary administration, training, peer support, team meetings, and supervision that is required in the role of a disability support worker.

- Span of control

NDIS pricing assumes that a supervisor is employed at SACS level 3.2, and a workforce ratio of 1 supervisor to 15 employees (to increase to 18 employees).

This is contrary to the Award provisions – a graduate with a 3 year degree should be employed at a minimum of SACS level 3.3, and should only supervise a “limited number” of lower classified employees.<sup>2</sup>

We are concerned that these pricing assumptions do not meet the minimum Award conditions, nor do they reflect the reality of working in the sector. In response, many providers are seeking to reduce

<sup>1</sup> NDIA report on the methodology of the efficient price, 2014, p 3.

<sup>2</sup> Social, Community, Home Care and Disability Services Industry Award 2010, Schedule B.3.2(i)

NDIS workers' pay and conditions either through restructures or setting up new organisations to deliver disability support. This will only exacerbate the workforce shortages in the sector, and mean less quality and continuity in support for people with disability.

### **DISABILITY SUPPORT WORKER SURVEY - concerns about the unit price**

In the recent ASU, HSU and UV survey of 1522 disability support workers, we found:

- 56% of workers feel they do not have time to do everything in their job; and
- Only 23.6% of workers feel that they are paid fairly for the work they do.

Of the 416 respondents to the survey that identified as being supervisors, 65% are supervising 8 or fewer employees (compared to the NDIS pricing assumption of supervisors supervising 15 – 18 employees). Indeed, only 17% are supervising 14 or more employees. Of those supervising 14 or more employees, 83% agreed or strongly agreed that they could not provide proper supervision because they have too many people to supervise.

Further, as part of that survey, ASU members told us:

- *The NDIS does not allow funding for staff development or team meetings. It seems all training and further skill development costs will be placed on the worker. This will reduce the high level of care that can be provided to our clients as our wages will not increase to cover these costs. Communication will be affected as team meetings won't be funded. There are a lot of things that will not be funded through the NDIS. Higher expectations of care with less training.*
- *This is the lowest paid job I have ever been paid. It is not much.*
- *I am concerned about changes to my working conditions under the NDIS. Forced to use own vehicle to provide support. Associated costs e.g. business rego and insurance, cleaning, wear and tear. Not paid until I reach the home of my next client. Not paid for admin time. I believe that the NDIS can be beneficial for people with a disability and may offer great opportunities. However the disability support staff seem to be the ones that have to make all of the sacrifices, money, time and work load.*
- *There are no longer many opportunities for training, staff meetings. There is more admin and not enough time. Managers don't cover staff when they are sick. The budget has become very tight. We are doing more work than ever.*
- *Increase in non-billable administrative workload & employer pressure to meet billable KPIs have led to increased employee stress.*
- *We have been advised that our hourly rate is higher than what the NDIS rate is so as grade 3 employees, we will be now classed as grade 2. We won't lose pay immediately however we won't be getting a payrise until grade 2 rates catch up to ours. We currently access cars from our organization on leaseback as we use our cars daily for our work. We are losing the cars too. We have also lost our first aid allowance and we no longer get our first aid training paid for by our employer.*
- *I am struggling to understand how quality staff will be retained, where supervision will fit in, where the opportunities for team debriefing will be and how professional development will occur.*

## **6.2 Secure jobs at the centre of service delivery**

As the NDIS rolls out and competition intensifies for flexible and responsive person-centred service delivery, it is anticipated that there has been, and will continue to be, will be a rise in insecure work arrangements in the sector. The traditional model of permanent employment with a single service provider will be eroded by alternative employment models, in particular:

- Rise in casualisation of workforce as providers shift risks associated with flexible service delivery onto the workforce;
- Rise in instances of employment across multiple disability service providers as workers try to maximise a stable income in the face of provider hesitancy to embrace permanent full-time work under the NDIS;
- Rise in self-employment as a sole trader providing services directly to clients as workers seek to cut out the “middle man” of a controlling employer limiting their own hours and flexibility;
- Rise in “gig-economy” work as platform services (e.g. uber style services) enter the market and independent contractors or sub-contractor work; and
- Rise in people with disability wanting to employ directly their own support workers to have greater control over the type of support they want and when they want it.

Retaining and attracting workers to the sector is crucial for the NDIS to be a success. Quality, responsive supports for people with disability will not be available if the workforce is insecure and therefore unstable, and if the workforce is unable to develop and refine the skills and qualifications necessary to meet the needs of people with disability.

Further, People with Disability Australia (PWDA), a national cross-disability rights and advocacy organisation run by and for people with disability made a submission to the Fair Work Commission in relation to an application made by employer groups to amend the part time employment provisions of the Award.<sup>3</sup> In that submission PWDA set out the risks that arise to people with disability of the disability support workforce being employed in predominantly insecure employment arrangements, as follows:

***“Devaluing the work of disability support workers devalues the lives of the people with disability they support***

*13. The proposed changes to the definition of part time work are dangerous to the success of the NDIS, specifically by threatening the quality of staff and thus services on offer to people with disability. Limiting the hours required to be specified on part-time contracts, say to 4 hours (even if more is expected) creates insecure employment. A person in this position would be in a financially worse position than a casual doing the same hours as casuals receive additional loading. It also risks the introduction of zero-hour contracts as has occurred in other jurisdiction such as the UK.*

*14. Low pay and insecure employment would make disability support work an increasingly unattractive career path and lower the level of skills and commitment in the already strained workforce. This is at a time when the workforce should be expanding, diversifying, and upskilling to adapt to the new environment and provide innovative solutions to people with disability. Disability support work is a challenging and rewarding career path, it should not be characterised as a fall back, or stop gap career for people unable to secure alternative better paid work with more standardised working conditions.*

*15. The proposed changes will create a category of worker who is offered insecure, low paid employment specifically because they work with people with disability. The inference being that people with disability somehow still require something ‘different’ than others in the community, and cannot be served by mainstream style supports. The NDIS challenges this perception, and it is the service sector that must respond by changing working cultures, raising expectations, and rewarding good staff as opposed to targeting the workforce for cuts and placing the responsibility for this on people with disability who are merely seeking the choice and control experienced by others in the community.*

*16. Moreover, the changes will disproportionality affect women who make up the majority of the current disability support workforce. It will also create a further barrier to employment for people with disability themselves who could be using their skills and expertise to increase their economic participation and strengthen their economic security by working in the sector.*

<sup>3</sup> PWDA submission found here: <https://www.fwc.gov.au/documents/sites/awardsmodernfouryr/common/am2014196-witness-pwda-22022016.pdf>

17. *Creating systemic employment discrimination problems for disability support workers discriminates against people with disability too by indirectly channelling potential staff into other industries with better working conditions. Devaluing the work of disability support workers devalues the lives of the people with disability they support.*

18. *Furthermore, there is considerable evidence linking underpaid, unmotivated, undervalued staff to violence, abuse, neglect and exploitation of people with disability especially those living in residential institutions or receiving personal care in their own homes. Research demonstrates that violence, abuse and neglect tend to occur where work is precarious, unstable or contingent (Mayhew and Quinlan, 2000 Both PWDA and the ACDA have advocated extensively on this topic, most recently in evidence to the Senate Community Affairs Inquiry into Violence, Abuse and Neglect Against People with Disability in Residential and Institutional Settings (2015). The Senate Report made specific recommendations around workplaces and worker practices with regard to addressing violence committed by staff. 19. Attractive working conditions for disability support workers are essential in order to support the paradigm shift embodied by the NDIS, encourage the development of a high quality market for disability supports which meets the needs of consumers, and to ameliorate the risk of violence towards people with disability.”*

### **DISABILITY SUPPORT WORKER SURVEY - concerns about secure work**

In the recent ASU, HSU and UV survey of 1522 disability support workers, we found:

- 72.2% of workers are worried about the future of their job; and
- Only 10.6% of workers feel the NDIS has been positive for them as a worker.

Further, as part of that survey, ASU members told us:

- *The casual nature of the work and the pay/minimum hours is very unsustainable. It is also very difficult to come to work (often travelling 30 kilometres) for a 2 hour shift, then having to wait around for the next shift 4-5 hours later. There is little consideration for the impacts on workers - the entire focus for the organisation is on filling shifts and building customer (participant) numbers.*
- *I started on a 136 hour a month contract and lowered it to 120 and was told I could always put it up if needed. Which was not true they would not let me increase my contract, they have just hired people on a 8 hour a month contract and 30 hour contract and they pick up extra shifts. I have always tried to be a reliable and valued employee but not feeling it now.*
- *Very concerned about job security when NDIS comes to the Gold Coast. Organisations seem to be doing all they can to pay stuff much less than they have been. Conditions seem to be getting much worse in the lead up*
- *My biggest issue has been agency work where you use your own car and do not get paid between jobs. Sometimes I have been paid 1-2 hrs for spending over half a day doing job related activities. I see conditions getting worse under these conditions.*

#### **Recommendation 1:**

**NDIS pricing assumptions should be reviewed and set such that the NDIS price:**

**(a) reflects the reality of disability support work (including appropriate classifications for the work performed, adequate time allocated for tasks, administration, supervision, training etc);**

**(b) can meet minimum Award entitlements and the National Employment Standards (including leave and other entitlements, as well as Equal Remuneration Order pay increases);**

**(c) supports secure jobs in the sector**

**Recommendation 2:**

**Pricing should be reviewed independently of the NDIA and in a transparent way, including stakeholder representation.**

**Recommendation 3:**

**The Government should, via legislation or regulation, ensure that the relevant Award conditions cover all NDIS workers regardless of employment arrangement (i.e. to regulate Uber style providers and to avoid sham contracting).**

### **6.3 Employer responses to NDIS – eroding worker conditions**

As a consequence of the inadequacy of the NDIS pricing, there is significant uncertainty among providers and workers as to the future a stable NDIS workforce.

Employers are dealing with pricing inadequacy by shifting the risk onto the workers. We have witnessed employers freezing pay, declassifying workers, and the restructuring of organisations to create casual and short-term positions. This is making disability support work less attractive as a long term career option, and presents considerable reputational risk for the scheme itself.

By way of example, recently Neami, a leading community mental health service provider, created a subsidiary called Me Well. Me Well will provide NDIS services, where Neami would have have previously, as the NDIS rolls out.

Neami's justification is that the NDIS is too poorly paid and too risky to have it near the Neami brand. They want to make Neami a specialist, clinical mental health provider and have Me Well do what they see as the low-skilled work that the NDIS demands of mental health support. They plan for it to be award based (rather than the employees being employed under the existing collective agreement) and they will have people employed on individual contracts.

Neami have said that there will be less supervision and training to Direct Support Workers at Me Well than what Neami would have previously provided. Support Coordinators will be paid slight more than the current Support Worker role at Neami, but will have a much larger case load and less time with each client, most of which will be back-of-house work, not face to face.

#### ***DISABILITY SUPPORT WORKER SURVEY - concerns employer responses***

As part of the the recent ASU, HSU and UV survey of disability support workers, ASU members told us:

- *I am concerned about erosion of wages and conditions. Current employer hiring only at Level 2 on 3 month contracts.*
- *How do the employers think they are going to get any quality workerrs or keep respect and dignity of people with a disability on a casual workforce and then give pay cuts, more work and have the disabled have more incidents.*
- *New management does not support workers, and wants us to do more and more unpaid hours. I am very concerned about how Management will treat workers when NDIS rolls out in our area, we do not appear to have any rights anymore. I am soooo glad I am at the end of my working career.*
- *Our employer has used the NDIS as an excuse to reduce staff, reclassify our job so our wage level has gone from 4 to 3 and freeze our wage until it catches up.*

- *My employer and many others in our region are reducing pay grades in anticipation of the roll out of the NDIS. For the last two years all new employees are paid at SCHADS 2.2 instead of the previous starting rate of 3.2. By attrition they are eroding pay rates in order to shore up their financial position to weather the end of block funding and the introduction of fee for service invoicing under NDIS. There are now almost no new permanent employment contracts and most new contracts are offered on a three month basis at the most.*

## **6.5 Building careers in disability and dealing with the rise of insecure work**

Greater choice and control for people with disability over the types of supports they want and need will mean that the NDIS workforce needs to be supported to continuously develop new skills and qualifications relevant to diverse needs of individual clients.

In particular under the NDIS there will be:

- Need for greater specialisation to reflect individual needs of people with disability (e.g. menstrual support, nutrition support, music/art/sport therapy and activities);
- Need for greater multi-disciplinary skill-sets for workers to be able to specialise across multiple clients (e.g. being able to work with high needs and low needs clients, with physical and intellectual disability, early intervention, aged care / mental health interface); and
- Focus on person-centred service delivery (e.g. importance of relational skills and relevant specialisation e.g. CALD, LGBTIQ, ATSI).

The NDIS will therefore provide opportunities for workers to have more diverse and fulfilling work and career paths, to better recognise and reward person-centred skill development, and to develop new qualifications / specialisations in the sector.

However, there is currently no person-centred professional development plan for the NDIS workforce. Disability sector workers are highly skilled and passionate about what they do – but their capacity to have their skills recognised, to develop new skills and to attain relevant person-centred qualifications is severely limited.

The deregulation of vocational education has seen course fees for formal qualifications increase to an average of over \$2000 for a Certificate IV in Disability Support. The development and review of these qualifications has been taken away from Industry Skills Councils and handed over to organisations without direct client or worker representative involvement. Instead the new Skills Service Organisations contracted to do this work are already talking about the need for greater “enterprise skills” based on employer needs (e.g. marketing, customer service, budgeting, technology) rather than considering the diverse needs of people with disability.

Furthermore, continuing professional development, in-house training and induction, and access to study leave is limited and varies across providers. As the sector becomes more competitive with the entrance of large for-profits in the market, access to these supports by workers will be further diminished as providers drive to reduce costs and increase profits.

Accordingly, we see a need for an independent statutory NDIS worker entitlement fund to be established.

The fund would be administered similar to the current state-based portable long service leave boards but would encompass a broader support for the NDIS workforce including:

- Portable long service leave entitlement; and
- Portable training and development fund that every worker, regardless of employer or form of employment, is able to access on an equal and ongoing basis.

**Option raised in Issues Paper – skilled migration**

In its Issues Paper, the Productivity Commission raises the possibility that making greater use of skilled migration could assist in helping the workforce to be ready for the NDIS.

We do not support a s.457-style special NDIS worker visa as a way of growing the workforce as the NDIS rolls out. In summary, our concerns are as follows:

- A s.457-style special NDIS worker visa would see the workers coming to Australia in precarious employment. This raises a number of concerns, including:
  - These visa arrangements have led to widespread exploitation of workers in other industries where such a policy has been adopted;
  - The workers may be reticent to complain about poor working conditions, or even inappropriate workplace practices, or suspected abuse or neglect, for fear that their employer would cancel their visa; and
  - People with disability continuity in their support, which cannot be provided by a short-term and precarious labour force.

We are of the view that all other options should be exhausted before the Government contemplates a specific skilled migration arrangement for disability support workers. However in the event that there is a critical shortage of culturally appropriate support workers for a specific ethnic community, any targeted migration scheme should ensure that the workers are offered permanent migration, not temporary visas.

In terms of workforce shortages, we have identified that there are, in some areas, a correlation between areas of expected significant NDIS workforce need and high youth unemployment. For example, according to the NDIA the number of participants in the NDIS in the Hunter/New England Region will more than double between 2017 and 2019 with an additional 11,000 people requiring disability support. The youth unemployment rate in the Hunter valley is presently approximately 21.8%, while it is 18.1% in New England.

By way of illustration, the table below we have identified a number of areas from the NDIA NSW Market Position Statement that also have a particularly high youth unemployment rate according to the Australian Bureau of Statistics (as at February 2017).

Local District	Number of participants 30/6/17	Number of participants 30/6/17	Number of participants 30/6/18	Number of participants 30/6/19	Youth unemployment rate
Hunter New England	10,100	16,100	17,500	21,500	21.8% for Hunter Valley and 18.1% for New England and North West
Mid North Coast			4,700	5,800	19.5%
Illawarra Shoalhaven			7,300	8,900	18.4%
Northern NSW			6,000	7,300	17.4%

Accordingly, we are of the view that the Government should be targeting education and training in disability support in these areas, as a way of assisting the local workforce to have the skills required to fill the new jobs.

**Recommendation 4:**

**The Government should, in conjunction with stakeholders, develop a detailed workforce plan which details the skills required in the sector, and career path options. This should involve:**

- (a) Establishing a portable leave and training entitlement scheme for NDIS workers;**
- (b) Investing in disability support education and training opportunities targeted to areas where the biggest workforce increases will be required.**

## **6.4 Professional standards**

Another essential element in building careers in the NDIS and ensuring quality of support is safeguarded is through the development, enforcement and ongoing review of professional standards. The ASU recommends that the government establishes an industry-based and independent tripartite accreditation board with responsibilities including enforcement of minimum standards and rating of service performance above the minimum standard according to a series of industry informed legislated standards.

The regulation of the disability services industry must be managed by the industry itself. Experience shows that self-regulation within a legislative framework is the best form of regulation bringing with it ownership and responsibility of those directly involved. Accreditation of services will improve quality assurance; reduce the regulatory burden and free services to focus on clients rather than government red tape and unnecessary compliance.<sup>4</sup>

A Community and Disability Services Industry Accreditation and Staff Certification Board should be established. It would be comprised of industry representatives (employer bodies, Unions, and bodies representing clients and educators).

The Board will have responsibility for the establishment of:

- Standards and mechanisms for the accreditation of service.
- Codes of conduct for employers and employees.
- Standards and mechanisms for the certification of staff. The establishment of standards for certification of staff shall be via formal certification of the courses of study that provide access to the profession.
- The body will have two distinct divisions –
  - Accreditation of Services.
  - Certification of Staff.

**Recommendation 5:**

**The establishment of an industry certification and accreditation body to set minimum professional standards to properly recognise the skills and experiences of workers in community services and ensure quality service provision. The body should comprise representatives of employers, employees, educators and clients.**

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<sup>4</sup> ASU, *A national plan to address the workforce crisis in the Social, Community and Disability Services Industry 2009*

## 7. Mental health

The ASU's primary concerns relating to mental health and the NDIS are as follows:

1. Gaps in mental health service provision that may arise as a consequence of NDIS eligibility rules; and
2. For those people living with mental health issues who do qualify for support under the NDIS, the funding available for mental health supports is inadequate.

### 7.1 Gaps in mental health service provision

Under the NDIS eligibility rules, people with a psychosocial disability related to a mental health issue, are eligible for support under the scheme as long as they meet the access requirements. Becoming a participant of the scheme will depend on a number of factors, including, relevantly for this inquiry, a determination that your impairment is likely to be permanent.

The ASU is concerned people living with a psychosocial disability may not be eligible for NDIS funding, as their mental health issues are not "permanent". Most people experiencing mental health illnesses will not qualify as they live with a moderate and/or episodic mental illness and rely upon support programs that may not meet the eligibility criteria for the NDIS.<sup>5</sup> Many people with psychosocial disability have needs and impairments that change in severity and in nature over their lifetimes, sometimes changing very quickly.<sup>6</sup> Further, supporting people experiencing mental health issues often focusses on 'recovery', rather than on the condition or disability itself. The very notion of people with mental health issues needing to go through a process to demonstrate that they are in fact effectively permanently disabled in order to be eligible for NDIS funding is at odds with the approach adopted by support services.

People who do not qualify for the NDIS access requirements will need to rely on existing support services, however the funding for these very same support services are, in many cases, being subsumed into the NDIS. There is currently no commitment from government to continue to fund these services.

Accordingly, the ASU is gravely concerned that people living with mental health issues could be left entirely without access to adequate support to support their recovery.

#### ***ASU MEMBER SURVEY - views on gaps in service provision that are arising***

In addition to the joint ASU, HSU and UV survey of disability support workers, we recently conducted a survey of hundreds of ASU members who work in community mental health. Our members are gravely concerned that successful and important mental health supports that they provide will no longer be offered, as a consequence of lack of funding for services.

Our members said:

- *I have been informed that there may be no new tender for the program I work in. This is due to the company prioritising NDIS over other services.*
- *My role is being phased out with the rollout of the NDIS.*
- *The work that I do will no longer exist.*
- *Funding cuts to PHaMs program has seen a reduction in staff, a redundant regional manager, and staff now working from home instead of an office.*
- *We have already been advised that our program will close with no likelihood of alternative employment.*
- *Funding cuts to PHaMs have resulted in the loss of a large number of workers.*

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<sup>5</sup> Probono Australia, *Concerns people with mental illness could fall through gap of NDIS* [online] Accessed at: <https://probonoaustralia.com.au/news/2017/01/concerns-people-mental-illness-fall-gap-ndis/>

<sup>6</sup> Mental Health Australia, *Getting the NDIS right for people with psychosocial disability* [online] Accessed at: <https://mhaustralia.org/general/getting-ndis-right-people-psychosocial-disability>

- *Currently we have a number of unfunded, add-on services and programs that are unlikely to be able to be continued.*
- *My employer is looking at broadening its approach to providing service so that mental health specific services will no longer be available but rather a broader disability service.*
- *My area of concern is what will happen to all the people who are struggling with their mental health who do not meet NDIS requirements??? This will impact on families and community if no services are still available and if wages are reduced the industry will lose many valuable staff only to be replaced with people who do not have the knowledge and skills.*
- *Consumers were promised continuity of care, but under the proposed changes to community mental health, I think there will be gaps in care and provision of support. Neither workers nor consumers are able to articulate what the changes are likely to be, suggesting that the NDIA has not done enough to support and educate people during the rollout. Some consumers will not be eligible for the NDIS and it is unclear what support will be offered to them (and it appears that our organisation, at least, does not have plans to continue providing support).*

**Recommendation 6:**

**The State and Federal Governments enter into an intergovernmental agreement (e.g. COAG) to ensure there will be no gap in services and ongoing mental health funding will remain for non-NDIS eligible participants.**

## **7.2 Adequacy of funding for mental health supports**

The NDIS has not been designed to accommodate and support the bulk of people with a mental illness. This is due to the fact the NDIS is a disability program and not a mental health program, and the needs of clients are very different.

The NDIS base hourly rate is too low, and overlooks the diverse circumstances in which mental health support is provided. Mental health support differs from other disability support in that it is primarily focussed on recovery. Further, the nature of mental health issues means that a consumer's needs for support may vary widely over time. Clients may have periods where they require intensive or crisis support, and other periods where they require less intensive support. The NDIS packages don't adequately take into account these fluctuating needs.

Further, mental health support work is different to disability support work. Entry level employees in mental health tend to perform work that aligns with SACS level 3 in the Award, but NDIS pricing assumes support workers are employed at SACS level 2.3 of the Award.

Uncertain funding arrangements, and fears associated with the transition to the NDIS are jeopardising the quality of service provision, and will see experienced specialist mental health workers leave the sector.

### ***ASU MEMBER SURVEY - views on reductions in offerings and quality in mental health services under the NDIS***

Our members told us that their employers were already reducing the services they offer or the quality of the services they offer, or that they were aware that their employer was planning to reduce services.

Our members said:

- *From July 2017 the employer has indicated it will not be able to provide specialist recovery outreach community mental health support as it has been doing because the line item cost under NDIS will not be sufficient. As a result it is planning on setting up a new business model with less pay and reduced conditions.*

- *My employer is looking at employing Cert III in aged care and disability rather than CertIV/ Diploma level in Mental Health.*
- *The NDIS does not fund enough for me to retain employment at my current level or pay rate.*
- *Neami has established MeWell which will provide NDIS services using lower paid, casual workers. Recovery based support will be phased out.*
- *I think that a lot of people will be excluded from accessing a package due to their mental illness not being perceived as being 'detrimental or chronic enough' (We have already seen this happen with some of our clients who have a primary diagnosis of Bipolar Disorder). I'm really fearful for what other publicly funded options will be available for people outside of the NDIS, especially as a large amount of people living with mental illness are not in a financial position to be able to access private services. I also think that the process of excluding someone from a package, and therefor saying 'you're current health and future recovery has no value (literally no dollar value)' will be enormously damaging.*
- *We have been directed to try to push everyone through to get a package. This is intense work and has, in many cases, taken precedence over the client's presenting issues. It has been made very clear to our staff that we have to get packages for our existing clients or we will not have jobs.*
- *There are fewer and fewer organisations in the sector as many fold in preparation of the NDIS or merge in order to compete with the existing big agencies.*

#### **Recommendation 7:**

**NDIS pricing to have separate line items for psychosocial disability reflecting the actual costs of ongoing quality mental health supports.**

## **8. Conclusion**

The pay and conditions of workers in the disability sector has a direct correlation with the quality, availability and diversity of the support offered to people with a disability. A system of poorly paid workers with no training opportunities cannot give each client the quality individualised supports they need, nor will it attract the workforce required to meet demand for person centred services.

This can be addressed by:

### **1. Reviewing NDIS pricing**

Currently the NDIS pricing model does not deliver enough funds to cover minimum award wages and leave entitlements, with some organisations restructuring to create a "two tiered" workforce to employ workers on less pay and conditions. The current NDIS pricing arrangements reflect systemic undervaluation of disability support work. We call on the government to review the NDIS pricing model to ensure the NDIS will not only maintain but attract disability workers to the sector.

### **2. Developing a workforce plan**

There is presently no comprehensive plan that deals with careers or training for disability support workers under the NDIS. This, along with pricing that supports decent pay and conditions, is essential to attracting and retaining a stable and skilled disability support workforce. Furthermore, the Government should focus on providing education and training opportunities in disability support work in areas where there is high demand for new disability support.