

Productivity Commission: The Social and Economic Benefits of Improving Mental Health

April 2019



Jobs Australia

| POLICY | INFLUENCE | SUPPORT |



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Thank you for the opportunity to make this submission on behalf of Jobs Australia’s members.

Sincerely

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1. About Jobs Australia

Jobs Australia is the national peak body which helps not-for-profit employment and community services all over Australia to provide the best possible assistance to disadvantaged communities and people.

With our expertise in employment services, and because we are funded solely by our members, we can advocate to government and others for what's right and best in helping unemployed people - with real insight and an independent voice.

We represent the largest network of not-for-profit employment-related community services in Australia - with members ranging from small local community agencies to large national charities.

2. About this Submission

The views expressed in this submission are the views of Jobs Australia. While our views are informed by our consultations and meetings with our members, they should not be taken to be the views of any provider or group of providers.

3. Summary of Recommendations

1. A funded public campaign targeting employers should be implemented to address the stigma of employing people with mental illness, creating an inclusive and supportive workplace and how to better support employees experiencing mental health concerns. The campaign should raise awareness and encourage the use of existing supports currently available.
2. Provide greater flexibility in moving on and off the DSP by providing greater assurance that people will not be transitioned off the DSP if they obtain work or demonstrate marginally increased work capacity.
3. Clarity in process and longer timeframe for commissioning processes undertaken by PHNs.
4. Greater flexibility in defining outcomes be applied in cases where jobseekers experience a significant mental health concern.
5. Greater flexibility in the application of the TCF should be afforded to providers to minimise the risk of adverse outcomes.
6. A greater emphasis on including employment supports in NDIS plans.
7. Implementation of a funding model to support smaller caseloads of jobseekers experiencing mental health concerns.



4. Introduction

Jobs Australia (JA) welcomes the opportunity to assist the Productivity Commission regarding the issues paper entitled *Social and Economic Impacts of Improving Mental Health*. Our focus will centre of matters relating to employment and the associated programs and systems.

As peak body for the not for profit employment services sector, we will be reflecting on the experiences of our members as well as contemporary evidence in providing feedback on this inquiry. We have workshopped elements of the Issues Paper which raise queries relating to employment and employment services with the expertise of our members being reflected throughout our submission.

It is evident that there is an association between employment and mental health, with those experiencing unemployment having poorer mental health than those employed¹. Research highlights an increase in unemployment duration is linked with poor mental health. Further, evidence indicates that an emerging mental health issue can stymie results in a (at least temporary) cessation in the progression of vocational and educational endeavour². To that end, the Productivity Commission should be applauded for providing focus on this area. With a 38 percent unemployment rate, individuals experiencing mental illness are also less likely to maintain employment when compared with the general population.³ Furthermore, individuals with psychological disability have the lowest employment rates of all people with disability, and with the exception of some measures relating to physical disability, have the lowest rate of remaining in employment after 26 and 52 weeks⁴.

Prevalence and costs associated with mental illness

- In 2017/18, there were 4.8 million Australians with a behavioural or mental health condition, consisting of approximately 20.1 percent of the population.
- Two separate studies have indicated that the cost of mental illness in Australia amounts to approximately \$60B per annum⁵
- It is estimated that the proportion of 15- to 19-year-olds experiencing mental illness increased from 18.7% in 2012 to 22.8% in 2016⁶

¹ Butterworth P, Leach LS, Strazdins L, Olesen, SC, Rodgers B & Broom DH. The psychosocial quality of work determines whether employment has benefits for mental health: results from a longitudinal national household panel survey. *Occup Environ Med* 2011; 68(11): 806-12.

² Lateral Economics 2018. Youth Resilience and Mental Wellbeing: the economic costs of delayed transition to purposeful work, VicHealth, Melbourne.

³ Department of Health 2013. Indicator 1a: Participation rates by people with mental illness of working age in employment: general population.

<http://www.health.gov.au/internet/publications/publishing.nsf/Content/mental-pubs-n-report13-toc~mental-pubs-n-report13-3~mental-pubs-n-report13-3-2~mental-pubs-n-report13-3-2-ind1a>

⁴ Australian Government 2017. Disability Employment Services Outcome Rates by Disability Type.

<https://data.gov.au/dataset/ds-dga-1a733d81-3e24-41d8-a2cb-2b4afb15f3e5/details?q=disability>

⁵ Cook L. 2019. Mental Health in Australia: a quick guide. Parliamentary Library; research paper series. 2018 – 19. <https://apo.org.au/sites/default/files/resource-files/2019/02/apo-nid220281-1332556.pdf>

⁶ Lateral Economics 2018. Youth Resilience and Mental Wellbeing: the economic costs of delayed transition to purposeful work, VicHealth, Melbourne.



There is no single service type of outcome which can provide a panacea to the complexities of mental illness. Many individuals experiencing mental illness also endure a range of additional morbidities and vulnerabilities, such as substance dependence, highlighting that there are multiple drivers for poor mental health. Our paper, in reflecting the experiences of our members, will highlight the challenges in providing employment services to individuals who experience episodic mental illness, including difficulties in maintaining long term employment, as well as various difficulties inherent within the broader service system in relation to inflexibility and the deleterious impact our members have seen this having on job seekers experiencing mental illness.

Our members have also highlighted the adverse impact of stigma and the challenges related to disclosing mental illness to employers⁷. Stigma creates barriers to employment and inhibits recovery. We understand that stigma is an enduring harm already evident among those who are unemployed and exacerbated when mental illness is evident. Stigma may also make successful job seekers reluctant to disclose a mental health condition to an employer. While seeking to protect themselves from any risk of discrimination, they equally diminish the likelihood of support, empathy and understanding from their employer.

There is a need to develop strategies to reduce stigma among those experiencing mental illness, combined with the broader experience of stigma associated with a range of related vulnerabilities. Part of the solution is providing information to employers regarding mental illness, seeking to address harmful notions which contribute to stigma. There is also a need for a broader based community wide campaign, building on earlier endeavours, many which have been supported by government and championed by various organisations over the years.

Additionally, our members have indicated that some elements of employment can trigger an adverse mental health episode. For instance, one member noted that the lead up to a performance review triggered an episode with an otherwise successful jobseeker with a history of mental illness, resulting in unemployment and considerable endeavour from a range of supports. The jobseeker had not informed the employer of their mental illness, due to a fear of discrimination and stigma, reducing the likelihood of fostering a positive and therapeutic dialogue within the workplace.

Recommendation 1: A funded public campaign targeting employers should be implemented to address the stigma of employing people with mental illness, creating an inclusive and supportive workplace and how to better support employees experiencing mental health concerns. The campaign should raise awareness and encourage the use of existing supports currently available.

We detail below our responses to nine questions selected from the Issues Paper within the ‘Social Services’ and Government Funded Employment Support’ sections.

⁷ Stirling, Y., Higgins, K. & Petrakis, M. 2018. Challenges in implementing individual placement and support in the Australian mental health service and policy context. Australian Health Review. 42: 82-88.

5. Questions on Social Services

Is there evidence that mental illness-related income support payments reduce the propensity of some recipients to seek employment?

This question seeks to identify vulnerable Australians with mental health conditions voluntarily remain within the welfare system. This line of inquiry devalues the impact of mental illness and fails to appreciate the nuanced challenges in successfully obtaining suitable welfare benefits, the difficulties associated with assessment and the reality that for many, payments such as the Disability Support Pension (DSP) are the sole means of support. It also fails to recognise the inherent difficulty in finding positive employment, especially if there are challenges which militate against employment capacity. For people in these circumstances, there is often an understandable deep-rooted fear and anxiety associated with any risk of being transitioned into a new stream of benefits which may carry additional obligations which are beyond their capacity to comply with.

Some types of mental illness are episodic in nature, with periods of relative stability and other periods of acute ill health; the lens applied by Centrelink in assessing an individual's experience of episodic mental illness symptoms often fails to account for the acute phases and implies that the illness is temporary, limiting access to the DSP. The challenges associated with achieving the appropriate payment create a deterrent to voluntarily exiting this level of stable support. This is compounded by the low rate of Newstart compared to the DSP; there is a natural disinclination to voluntarily take a pay cut.

Additionally, those seeking employment while on the DSP may face multiple pain points in meeting the criteria to be able to work. For instance, they may require multiple assessments, effectively creating a barrier to those on the DSP to seek employment. While one can only work 14 hours per week and remain on the DSP, it is likely that those experiencing episodic mental illness will, at times, have capacity and keenness to work for a greater number of hours. Their willingness to engage in additional hours of work may be curtailed by a fear of being exited off the DSP and, at a later date when acute symptoms prevail, be unable to successfully re-engage the DSP.

Recommendation 2: Provide greater flexibility in moving on and off the DSP by providing greater assurance that people will not be transitioned off the DSP if they obtain work or demonstrate marginally increased work capacity.

How could mental illness-related income support payments better meet the needs of people whose capacity to work fluctuates over time?

The support afforded through various benefits does not provide an adequate living wage for full participation in the community. This is further exacerbated by the inflexibility in the system which can create barriers to individuals in achieving positive change. The payments need to be able to accommodate the episodic nature and longevity of mental illness and ensure that the administration of this system does not trigger additional anxiety and hardship among vulnerable Australians.



6. Questions on Government- Funded Employment Support

How cost effective have the Australian Government's Disability Employment Service (DES) and Personal Helpers and Mentors service (PHaMs) been in enabling people with a mental illness to find and keep a job? Have the DES and PHaMs been targeted at the right populations?

Providing support to those experiencing mental illness to improve their capacity to participate in public life through employment is a central element for many in improving mental health. The current programs which function in this space are delivering positive outcomes although there is scope for further improvements. At time of publication, there is uncertainty in the sector as to the process and timing for the Primary Health Network (PHN) commissioning of support services to replace the Personal Helpers and Mentors Service (PHaMS) and other related programmatic activity which is causing increasing levels of anxiety and carries the risk of workforce attrition. We would encourage that the processes for determining the new service providers for the following year be undertaken in a consistent and timely manner with clear processes of communication between the related sectors and the PHNs.

The government is transitioning those engaged in the PHaMS to the NDIS. There has been difficulty in transitioning some service users from PHaMS to the NDIS for a number of reasons including limitations in the assessment process for NDIS and a reluctance to engage in the NDIS. Recent announcements have revealed an additional year of support for those services supporting PHaMS service users through separate programs.

The recent changes to the funding structure for the Disability Employment Service (DES) program has placed greater emphasis on outcomes and therefore provided less resourcing to support a jobseeker throughout the journey to employment. This amounts to less resourcing available to support jobseekers experiencing mental health concerns to assist them in obtaining employment. To this end, some members have suggested a greater flexibility in defining outcomes to more specifically align with the needs of jobseekers experiencing episodic mental health issues and allow for a funding process which accounts for the needs of this specific cohort. This may, for instance, facilitate for longer permissible breaks in cases where mental health is a primary concern.

Recommendation 3: Clarity in process and longer timeframe for commissioning processes undertaken by PHNs.

Recommendation 4: Greater flexibility in defining outcomes be applied in cases where jobseekers experience a significant mental health concern.



What alternative approaches would better support people with a mental illness (whether episodic or not) to find and keep a job?

Our members acknowledge the necessary support provided to individuals experiencing mental illness from the broader health and community sector. The capacity of these service sectors is crucial in enhancing the overall wellbeing of vulnerable community members, including locking in the foundations necessary to ensure that people are 'job ready' and enjoy the associated benefits which come with secure employment.

More specifically, Individual Placement and Support (IPS) has achieved delivered some promising outcomes. IPS programs generally operate within a shared care environment, supporting jobseekers experiencing mental health concerns in obtaining employment and providing on the job support in an ongoing manner. IPS programs are person centred, with the jobseeker having choice as to employment options and being supported in achieving those goals and remaining well. International evidence highlights the efficacy of IPS in achieving higher levels of employment among those experiencing mental health issues when compared with other mental health programs.⁸

Elsewhere we have commented on the value of providing greater flexibility in the application of the Targeted Compliance Framework (TCF) for jobseekers experiencing mental health concerns, with members indicating that the TCF can engender a greater level of stress for these jobseekers, detracting from their wellbeing and stability, generating barriers to employment. The utilisation of flexibility in how appointments are conducted (for instance, via phone or at a time when the office is less busy) can generate a more therapeutic environment.

Recommendation 5: Greater flexibility in the application of the TCF should be afforded to providers to minimise the risk of adverse outcomes.

What will the transition to the NDIS mean for those receiving employment support?

Very few people in the NDIS are likely to access employment support through DES. Only around five percent of NDIS participants are expected to be DES participants⁹, representing around 10 percent of the current total DES caseload.

Of those in the NDIS, very few are accessing employment supports. Only 5.4 percent of 15 – 24 year old participants have employment supports in their NDIS plan, and 2.1 percent of participants over 25 years old.¹⁰

A range of reasons have been identified for this, including the breadth of red tape in working through the assessment system as well as the lack of priority of the NDIS to commit support for employment. NDIS participants who are able to work but maintain a work capacity of under eight hours should be

⁸ Stirling, Y., Higgins, K. & Petrakis, M. 2018. Challenges in implementing individual placement and support in the Australian mental health service and policy context. *Australian Health Review*. 42: 82-88.

⁹ Department of Social Services 2016. *New Disability Employment Services from 2018: Discussion Paper*

¹⁰ National Disability Services 2018. *Making employment a Priority*.

https://www.nds.org.au/images/news/Essential_Issues-Employment.pdf

encouraged to have employment supports committed in the NDIS plan. Employment services should be prioritised as a necessary support within the NDIS for suitable participants to capitalise on its social and economic value.

Recommendation 6: 1. A greater emphasis on including employment supports in NDIS plans.

How could employment outcomes for people experiencing mental ill-health be further improved?

DES caseloads could be reduced to enable the optimal level of support afforded to each jobseeker. Currently the caseloads of employment consultants running the DES program amount to 50 jobseekers. Additional funding should be provided to reduce this to 35 jobseekers per consultant, with a smaller number if significant complexity is evident.

Recommendation 7: Implementation of a funding model to support smaller caseloads of jobseekers experiencing mental health concerns.

Members have indicated that there are a number of jobseekers with sought-after skills and qualifications who, due to a mental health condition, are concerned that the condition will impact upon their capacity to function within a workplace. This concern impedes their ability to obtain employment. Significant gains could be made through providing greater education to employers regarding the value of these employees and how best to engender an accommodating and innovative workplace.



What examples are there of employers using general disability support measures (through supported wages and assistance to provide workplace modifications) to employ people with a mental illness? How could such measures be made more effective to encourage employers to employ people with a mental illness?

The capacity to provide workplace modifications which may include environmental and physical in nature to accommodate an individual's needs should be supported. This can involve affording a level of flexibility which does not impair optimal productivity but allows for people to work in environments which are conducive to their circumstances.

Environmental impacts can also include, for example, excessive sound and traffic within a workplace which can generate anxiety for some people; positioning the worker in a less central location in the office is a good example of accommodating individual needs without impairing productivity. Providing information to employers relating to the effectiveness of innovations such as these is encouraged.

Awareness of the existing supports available to employ people with disability tends to be lower for smaller sized businesses. In general, employers need greater guidance, advice and information relating to employing people with disability and the supports available, in line with Recommendation 1 above.¹¹

Are there other support measures that would be equally or more cost effective, or deliver improved outcomes?

We have intimated throughout this submission the broad spectrum of support necessary to support people with highly complex mental health issues. The support needs to be coordinated, person-centred and outcome focussed. The outcomes need to be realistic and align with where the person is at with regard to their health and expectations. Funding models, not just within employment service programs, need to account for the complexities and needs associated with mental illness and related vulnerabilities.

Further, the application of a continuum of care, which remains beyond the acute phases of illness is necessary to provide a baseline of support to assist people to maintain good health. A continuum of care creates a safety net in cases where acute episodes are triggered with the capacity to provide rapid support to prevent further escalation of an acute episode.

Setting a narrative to reduce stigma will engender an environment conducive to help-seeking practices and broader community understanding and empathy in cases where people may be experiencing a level of distress.

¹¹ Kantar Public 2017. Building employer Demand. Research Report. DSS.
https://www.dss.gov.au/sites/default/files/documents/07_2018/building_employer_demand_research_report.pdf

7. Conclusion

Jobs Australia appreciates the significant impact mental illness has not only on the individual, but the labour market as well as the broader community. We note the growing demand for a range of services supporting people experiencing mental health issues and the need for a coordinated whole of life response to supporting people, especially those experiencing greater levels of complexity.

Not for profit employment services play a key part in supporting people experiencing mental health concerns. They provide support to attain suitable employment which is related to enhanced health and wellbeing, as well as a reduction in cost to government. While employment services remain as an essential part of the service matrix, generating greater coordination of care should be prioritised.