

# 1 Introduction: employment and people with disabilities

On 1 January 1995 the National Information Management System (NIMS) for open employment services for people with a disability was introduced. Open employment agencies enter data into a specially designed data capture application and at the end of each quarter send data to the Australian Institute of Health and Welfare (the Institute), where it is collated into a national data set.

This report analyses data from the first year of operation of the system, 1995. The report has been written to provide information to the open employment agencies which supply NIMS data, their clients, the Department of Health and Family Services, and other individuals or organisations interested in data about employment services for people with disabilities.

Chapter 1 provides information about disability in the Australian population and labour force, a brief history of employment services for people with disabilities, and descriptions of the various employment models. It concludes by describing the NIMS data system and its development.

The remaining chapters present and discuss results from the 1995 NIMS data:

- Chapter 2 focuses on the service providers;
- Chapter 3 presents client characteristics and job profiles;
- Chapter 4 analyses information about the job experience and related factors of clients of the services;
- Chapter 5 discusses client support; and
- Chapter 6 examines some interstate comparisons.

## 1.1 Disability in Australia

### Population data

The 1993 Australian Bureau of Statistics (ABS) Survey of Disability, Ageing and Carers identified 'handicap' when a person with a disability also had a limitation or restriction in performing certain specific tasks associated with daily living, due to their disability (ABS 1993a). The limitation must be due to a disability and relate to one or more of five activity areas (self-care, mobility, verbal communication, schooling, and employment).

An estimated 2,500,200 (14.2 % of the total population) reported a 'handicap' as defined by the ABS (Table 1.1). For people aged under 65 there were few age and sex differences in the rates of handicap, with the exception of the higher rates of moderate and mild handicap for males in the 5 to 14 and 60 to 64 groups. Females aged 65 and over had much higher rates of profound and severe handicap.

People may have reported handicap in more than one area but the highest level of severity in any of the areas of self-care, mobility and verbal communication determined the severity of total handicap. The level of severity of handicap was not determined for children under age 5 and for people with only an employment or schooling limitation (ABS 1993a).



Using data from the 1993 the ABS Survey of Disability, Ageing and Carers it was estimated that the total number of people reporting a 'profound or severe handicap' was 721,000, (slightly over 4 % of the total population aged 5 and above), of whom 368,300 were people aged 5 to 64 (2.6 % of people in that age group) (AIHW 1995, p. 245).

According to ABS survey definitions, people with a profound or severe handicap are those who sometimes, or always, require personal assistance or supervision in one or more of the activity areas (of self-care, mobility or verbal communication). These people are thus a major target population group for many types of support service provision.

Table 1.2 presents data on some social and economic characteristics of working age people with a disability living in households. People with a disability were more likely to live alone and more likely to be recipients of government pensions or benefits than the general population. This pattern was particularly true among people with a profound or severe handicap (AIHW 1995, p. 250).

**Table 1.2: People aged 15 to 64 years living in households: living arrangement, main source of income and employment status, by severity of handicap and disability status (percentage distribution), Australia, 1993**

	Severity of handicap					Total with a handicap	Total with a disability	Total with & without a disability
	Profound	Severe	Moderate	Mild	Not determined <sup>(a)</sup>			
<b>Living arrangement</b>								
Lives alone	5.7	9.8	17.8	14.9	17.6	14.5	13.6	6.8
Lives with other people	94.3	90.2	82.2	85.1	82.4	85.5	86.4	93.2
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
<b>Main source of income</b>								
Wages and salary	5.9	14.9	16.3	21.4	21.6	18.3	23.7	48.2
Own business/partnership	2.3	3.8	6.7	7.3	5.8	6.0	7.2	11.2
Govt pension/cash benefit	73.7	58.4	53.4	49.2	47.9	53.0	46.0	22.9
Other regular income	3.9	8.5	10.9	10.1	8.9	9.3	11.0	5.8
Superannuation	2.1	2.5	2.8	2.6	2.0	2.4	2.3	0.8
Workers compensation	4.4	3.6	2.4	2.3	2.5	2.7	2.0	0.3
<b>Total<sup>(b)</sup></b>	<b>92.2</b>	<b>91.7</b>	<b>92.4</b>	<b>93.0</b>	<b>88.7</b>	<b>91.8</b>	<b>92.2</b>	<b>89.4</b>
<b>Employment status</b>								
Employed	15.8	31.0	35.2	41.8	40.7	36.8	45.1	64.3
Unemployed	4.2	8.8	7.7	9.5	15.5	9.8	9.8	9.3
Not in the labour force	80.1	60.1	57.1	48.7	43.8	53.5	45.1	26.4
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

(a) This group comprises all people who had a schooling or employment limitation only.

(b) Totals are less than 100% as some people had no income source that could be identified.

Source: AIHW 1995 Table 6.4, based on ABS 1993 Survey of Disability, Ageing and Carers, unpublished data.

It is difficult to obtain reliable statistical information about disability among particular groups—such as people of non-English-speaking background or of Aboriginal and Torres Strait Islander origin—because of sampling errors which arise for small estimates (AIHW 1995, p. 251).

## Labour force data

The main source of employment data for people with a disability is the ABS Survey of Disability, Ageing and Carers, 1993.\*

Labour force participation is strongly related to the presence of 'handicap' (Table 1.3). Male participation rates are higher than female participation rates. Participation rates for people with no disability and for those with a disability but no handicap are similar, but decrease substantially for those with a handicap.

**Table 1.3: Levels of disability and handicap in the Australian labour force, 1993**

	Number ('000)	Unemployment rate (%)	Participation rate (%)
<b>Males</b>			
Total labour force	4,980.2	12.5	84.1
No disability	4,398.5	11.8	88.2
Disability without handicap	233.1	13.2	87.5
Disability with handicap	348.7	21.2	52.6
<b>Females</b>			
Total labour force	3,652.5	12.8	62.9
No disability	3,279.1	12.3	65.6
Disability without handicap	129.1	11.4	65.1
Disability with handicap	244.3	20.7	39.9
<b>Persons</b>			
Total labour force	8,632.7	12.7	73.6
No disability	7,677.5	12.0	76.9
Disability without handicap	362.2	12.6	77.9
Disability with handicap	593.0	21.0	46.5

Source: ABS 1993b Survey of Disability, Ageing and Carers, ABS Cat. 4430.0.

Data from the ABS indicated that in July 1996 the average duration of unemployment was 53 weeks. However, the median duration of unemployment (i.e. the point at which half of unemployed persons are above and half are below) was 26 weeks, reflecting the large effect of the long-term unemployed upon the average duration of unemployment (ABS 1996).

For males the average duration of unemployment was 60 weeks for those seeking full-time work and 32 weeks for those seeking part-time work. For females the averages were lower, 55 weeks for those seeking full-time work and 28 weeks for those seeking part-time work (ABS 1996).

People who reported ill health or disability had an average duration of unemployment of 101 weeks for males and 63 weeks for females (ABS 1996).

\* There may be discrepancies between some data reported in this survey and the ABS Labour Force Survey because of differences in the survey sample size, the scope rules applied and the complexity of the questions asked to determine labour force status.

## 1.2 History of employment services in Australia

The Commonwealth *Disability Services Act 1986* established a number of new service types which enabled funding of services to train and support people with disabilities in the open employment market. Before this Act, many people with disabilities were employed in 'sheltered workshops' funded under the *Handicapped Persons Assistance Act 1974*. Sheltered workshops were based on a philosophy of holistic care, where people with disabilities required a full range of services (that is, accommodation, education, recreational, employment and other services) tailored to their special needs. This philosophy sometimes led to people with disabilities being separated from the mainstream community in special schools and sheltered workshops. Sheltered workshops were often large institutions which provided relatively routine and unskilled work for clients (The Roy Morgan Research Centre 1992). The 1986 Act also provided funding for sheltered workshops and other centre-based programs, to modify their practices to convert to industry based supported employment. Despite this incentive, at the end of 1991 only 4% of sheltered employment agencies had transferred to 'approved service types' (Parmenter 1992).

The *Disability Services Act 1986* is based on the philosophy of integration and 'normalisation'. The Act specified a new approach to the employment of people with disabilities. The aim of employment services funded under Section 10 of the Act is to ensure that people with disabilities are employed in the open labour market, have socially valued jobs, and are paid a fair wage (preferably award wage rates). The assumption is that the employment of people with disabilities in open labour market jobs promotes their integration into the mainstream community.

The Commonwealth/State Disability Agreement 1991 (CSDA) realigned Commonwealth and State responsibilities for disability support services in Australia. The agreement sets out the types of disability support services to be provided or funded by Australian governments, and outlines how responsibilities are shared between the Commonwealth Government and the State and Territory governments. Broadly, the Commonwealth is responsible for employment services, with the States and Territories assuming responsibility for accommodation and other support services; both levels of government share responsibility for funding CSDA services and retain some administrative responsibility for advocacy, information and research.

These support services are distinct from 'mainstream' employment services provided by the Department of Employment, Education, Training and Youth Affairs (DEETYA). The CSDA provides services for a particular target group (that is, people with a disability). Although DEETYA also identifies people with a disability as a special target group for assistance in finding a job, DEETYA services do not cover the ongoing support needs of people with a disability.

A majority of the research studies, literature reviews and evaluations about employment models for people with disabilities have been conducted in the United States. The United States appears to use similar models to open employment services in Australia. For details about this see Appendix 1.

An overview of research in the areas of open employment (in Australia) and supported employment (in the United States) is provided in Appendix 1. In general, conclusions cannot be drawn from many of these studies because the sample sizes are very small and may not be representative of the population under examination. These studies are probably best seen as exploratory in nature and as offering some guidance on factors to be examined.

## 1.3 Types of employment services in Australia

Under the Commonwealth *Disability Services Act 1986* employment services fall into two main categories: open employment services and business services providing supported employment. This approach to disability employment services is intended to cover clients with all types and levels of disability.

### Open employment services

In an **open employment service**, clients receive support from a service outlet but are directly employed by another organisation not funded under the Act. This includes Competitive Employment Training and Placement (CETP) services, Individual Supported Job (ISJ) services and some enclave services.

**Competitive Employment Training and Placement** clients are directly employed by an open labour market public or private employer. CETP services provide clients with initial job-related training and support in the workplace from a support worker or trainer. The aim is that, after an initial period of support, the support worker will gradually withdraw and eventually the client should be fully integrated into the normal workforce, with occasional checks to ensure the job is going smoothly. The target group for these services is people of working age with disabilities who have the capacity to retain employment in the open labour market but who need assistance with training and placement along with minimal ongoing contact after the establishment period. Clients of CETP services are usually people with low levels of disability and also low support needs.

**Individual Supported Job services** involve clients working for an open employment employer with a support worker assisting in job-related tasks when necessary. To obtain and maintain a job in the competitive workforce, these clients receive training and support over a longer period than CETP clients. Wages may be based on the level of productivity.

**Enclaves** contain several workers with disabilities who combine to perform the work of a non-disabled person in an open labour market workplace (for example, manufacturing business).

### Business services providing supported employment

In business services providing supported employment, clients are employed by the same organisation that provides the employment support. This includes business services, work crews and some enclave services.

**Business services** are often established to employ clients with disabilities with the expectation that non-disabled people will work with them (for example, a coffee shop or factory). These businesses should be commercially viable, and provide opportunities for integration.

A **work crew** is a group of people with disabilities working together in an itinerant service (for example, a cleaning or gardening service).

The *Disability Services Act 1986* defines supported employment services as activities intended to support the paid employment of persons with disabilities, being persons (a) for whom competitive employment at or above the relevant award wage is unlikely, and (b) who, because of their disabilities, need substantial ongoing support to obtain or retain paid employment. The target group for supported employment services is generally people who have higher levels of disability than clients in competitive employment.

## **1.4 What open employment services do**

Open employment services are made up of a number of different components: community surveys and job analysis, job match and placement, job training, and inter-agency coordination (Jeltes 1991; Tuckerman et al. 1992).

### **Community surveys and job analysis**

These are usually conducted by an employment specialist. They are used to identify potential job sites through phone calls, correspondence and personal contacts with prospective employers. Once identified, potential job sites are further investigated to determine the vocational and social skills necessary for placement in the site.

### **Job match and placement**

Potential employee characteristics are assessed in relation to the job requirements and suitable individuals are encouraged to participate in their own placement selection. This process involves the employment specialist matching information obtained from the community survey and specific job analysis to potential employees' social and vocational skills assessment information to make appropriate job matches.

### **Job training**

Following placement, the employment specialist assists the employee to perform the required job tasks. To complete this successfully the employment specialist (a) conducts a task analysis of the social and vocational aspects of the job, (b) develops training strategies, (c) sets criteria for acceptable performance, (d) teaches the employee to perform the desired work behaviours, and (e) plans for continuance of the performance.

Once job training is complete and the employee is performing the job tasks satisfactorily, follow-up services are provided to assist the individual to maintain the job.

### **Inter-agency coordination**

The ongoing coordination of all services provided by agencies that influence job placement and retention of the supported employee includes: training the employee for job placement, placing the employee in employment, maintaining the placement, and developing skills outside the workplace that promote continued employment in the placement (for example, social skills and travel training).

## 1.5 NIMS data system and its development

### History

The National Information Management System (NIMS) for open employment services in Australia collates national data on open employment services for people with a disability and on clients of these services.

System development was initiated in 1992 by service providers wishing to enhance their own information management systems, to be able to exchange data with one another and to satisfy national statistical reporting requirements. The (then) Department of Human Services and Health supported a study, resulting in a proposal for the system and the data to be included in it. In mid-1994 the Australian Institute of Health and Welfare was invited to become involved with the implementation of the system. After a brief cycle of finalising development, testing and training, the system began on 1 January 1995, with the Institute as Data Manager and an independent Industry Development Manager representing service providers in the ongoing use and development of the system.

As 1995 was the first year of operation of the NIMS system there have been some problems with the consistent application of data definitions and categories among the large number of agencies, and in some cases with the accurate recording of information. However, the quality of the data has continually improved with each quarterly collection. For this report some adjustments have been made to particular data items and these are detailed in Appendix 2.

### System outline and objectives

Agencies are provided with a computerised system comprising software, standardised definitions and data items relating to clients (demographic, disabilities, current job, job history), agency sites (location, number of staff, staff activities), and employers (location, type of industry).

The system tracks service users through the service, monitoring their progression through different phases (applicant, job seeker, worker, independent worker). Data are entered into the system by the agency on a regular basis. Anonymised client data are sent to the Institute, with the permission of clients, on a quarterly basis and uploaded into a central database.

At 31 December 1995, the system was installed at 244 sites.

The objectives of the National Information Management System (NIMS) computer system are:

- to enable agencies to collect and manage information about their services, its resources and its clients with a goal to improving service quality and client outcomes;
- to provide the Department of Health and Family Services (the Department) with all the statistical information required (apart from financial accountability data) about employment services funded under the *Disability Services Act 1986*; and
- to enable the Australian Institute of Health and Welfare to support these objectives and fulfil its own charter to develop, analyse and disseminate national statistics on disability services.

### A tripartite system

One of the innovative features of the system is that there are three parties involved: the Industry Development Manager, the Department of Health and Family Services, and the Australian Institute of Health and Welfare.

The Industry Development Manager is a recent service provider who is responsible for helping agencies use the data, in particular to improve services and outcomes for clients. The



manager liaises with agencies about the system and its correct use, advises on its use, and notes any need for system, data or report changes.

The Department of Health and Family Services is responsible for national policy on employment services for people with a disability, and funds all the open employment services on the NIMS system, as well as approximately an additional 500 other employment services, chiefly sheltered employment services. Project officers in the State offices of the Department are key users of the data from the NIMS system.

The Institute, as Data Manager, is responsible for administering a central database of all data from the agencies, the collation, analysis and reporting of the data, and for ensuring the integrity and confidentiality of all data received, in line with its legislative responsibilities. This role is consistent with the Institute's legislative charter to develop, collate, analyse and disseminate national data on community services. Specific system responsibilities include:

- routine management including the routine receipt of data from agencies on a quarterly basis, checking their validity, liaising with agencies to resolve any problems, and uploading data to the Institute's NIMS central database.
- data analysis and dissemination, including producing and distributing a wide range of data from the central database; feedback 'briefs' to agencies are published quarterly; data in electronic form are produced quarterly for the Department and the Industry Development Manager.
- routine system review and development as well as advice on possible longer term development of the system.

The data analysis in this report has been devised in cooperation with the Industry Development Manager and the Department.

