

Submission

Productivity Commission Inquiry

Social and Economic Benefits of Improving Mental Health, 2019

WISE Employment
empowerment through employment

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Introduction

WISE Employment is an Australian not-for-profit employment services provider with offices in New South Wales, Victoria, Queensland, Tasmania, South Australia, Western Australia, and the Northern Territory. Since 1992, we have been connecting and empowering job seekers and employers because we believe our community benefits when everyone is supported to achieve their potential. Around 40% of our clients have a psychosocial disability, and we have established a specialist division on Innovation in Mental Health and Employment. Our Vision is: Enriching the community: empowerment through employment.

Each year we help more than 10,000 people on the path to self-sufficiency through meaningful work. We also assist employers to find the right person to complete their team. Since 2001, we have invested \$3.5 million in projects to support the most disadvantaged in our community. We also operate three social enterprises employing more than 150 people. We provide employment services under the Australian Government's Disability Employment Services (DES) and jobactive programs and our services are free to eligible job seekers and employers.

The primary focus of the Productivity Commission Inquiry as stated in the Terms of Reference is 'the role of improving mental health to support economic participation and enhancing productivity and economic growth' (p. iii). The question of employment of people affected by mental illness is therefore at the heart of the Inquiry.

Employment plays a critical role in social inclusion. The importance of this is recognised in the Inquiry issues paper which asks, 'What role do non-government organisations play in supporting mental health through social inclusion and participation, and what more should they do?' (p. 22).

The issues paper recognises that skills acquisition is necessary to successful employment, asking: 'What alternative approaches would better support people with a mental illness (whether episodic or not) to find and keep a job?' and 'How could employment outcomes for people experiencing mental ill-health be further improved?' (p. 27). The importance of mentally healthy workplaces is also recognised: 'What types of workplace interventions do you recommend this inquiry explore as options to facilitate more mentally healthy workplaces?' (p. 30).

Our submission addresses these questions, arguing that finding and retaining employment is a critical factor in mental health with a range of positive outcomes for the person and their family, the employer, government, and society as a whole.

1

A focus on need

When mental illness is discussed in relation to employment, it is often conflated as a homogenous condition. In mental health, diagnoses and levels of severity, disability, and recovery vary widely, however. This generalisation is as unhelpful as it would be to treat physical illness as a single condition. The Inquiry issues paper recognises a variety of conditions as being in scope, ranging from psychosis to disorders affecting anxiety, mood, and personality, as well as eating disorders and child behaviour disorders. The impact, susceptibility to treatment, and disability support needs of these conditions differs dramatically, such that discussing them as a single topic is of limited value. While primarily focusing on high prevalence conditions such as anxiety and mood disorders, the Inquiry also states an intention to examine ‘measures that could improve the integration and continuity of support for particular groups, such as people with severe, persistent and complex mental illness, and which could better take into account the episodic nature of some mental illnesses’ (p. 6). This submission concerns the latter group: people with a psychosocial disability who would typically seek employment through a Disability Employment Service (DES) such as those provided by WISE Employment.

Services are designed on the basis of demand or need. But what is the degree of need for services to maximise successful employment for people with psychosocial disability? Establishing the size of this need – the numbers of Australians with a psychosocial disability or affected by mental illness – has proven peculiarly problematic. Even recent figures provided by Australian Government sources vary widely.

Estimates of the number of adult Australians with severe mental illness/ psychosocial disability

800,000	The Inquiry issues paper (p. 6) estimates 800,000 Australians are severely affected by mental illness: 500,000 episodic; 200,000 persistent, and 100,000 complex.
1,045,090	The Australian Bureau of Statistics reports over a million people with a psychosocial disability, most of whom (97.1%) have ‘core activity limitations or schooling or employment restrictions’ (ABS, 2017).
230,000	The Department of Health estimates that ‘around one third of the 690,000 Australians with serious mental illness have chronic, persisting illness’ (Dept of Health, 2015).
290,000	The Australian Government’s National Mental Health Service Planning Framework estimated that over a quarter of a million people with mental illness require some form of community support every year (Morton, 2016).
258,640	Psychiatric and psychological conditions are the largest single cause for people being on the Disability Support Pension (Dept of Social Services, 2014).
206,000	People with a disability due to mental illness with ‘severe or profound core activity limitations’ estimated by in the planning of the NDIS (PricewaterhouseCoopers, 2009).
96,300	People with a psychosocial disability who made use of services in 2015-16 (AIHW, 2017).
64,000	The Productivity Commission originally estimated that just 57,000 people with psychosocial disability should be eligible for NDIS support packages, later revised to 64,000 (Productivity Commission, 2011).

In order to rationally plan employment and other community-based services for people with a psychosocial disability, it is essential that Australian government departments and agencies agree and harmonise common definitions and calculations regarding the prevalence of mental illness, psychosocial disability, and levels of severity.

There is also misunderstanding regarding the categories of need in the context of employment, with implications for funding and resource allocation. For example, a distinction is regularly drawn between two categories: the several million people with high prevalence disorders (such as anxiety and depression) with a need for support in the workplace, and the several hundred thousand with low prevalence conditions (such as schizophrenia and other psychoses) who face multiple challenges to find and retain employment.

Attention is often focused on the larger group. This is reflected in the Inquiry's Terms of Reference which note, 'we intend to give greatest consideration to [mild or moderate mental illness] where there are the largest potential improvements in population mental health, participation and contribution over the long term' (p. 6). Great scope certainly exists for improvement in access to treatment and support for people with high prevalence conditions such as anxiety and depression. In the area of employment support for this group, while there is more to be done, it has received welcome attention in recent years. In addition to assistance available through the Government's JobAccess website, a range of information and advice on employment of people with mental health problems is available through service providers, including Mental Health First Aid, beyondblue, Mindful Employer, and others. Details of these and other resources are available at the Heads up website, an initiative of the Mentally Healthy Workplace Alliance (National Mental Health Commission, 2019). Use of employment assistance programs (EAPs) has also become more prevalent.

A number of industry- and company-specific initiatives to promote mental health in the workplace are now in place. For example, five of Australia's major law firms joined with the College of Law in 2010 to develop the resilience@law program (College of Law, 2019). One of these firm states that resilience@law was the catalyst for its internal mental health program, stating that 'psychological wellbeing is integrated into the firm's broader strategy for implementing their workplace Health & Wellbeing Programme ensuring a holistic and integrated approach to health'. The firm is represented on the Advisory Council of Minds Count, a charity which promotes good mental health practice in the legal profession (Minds Count, 2019). In 2018, WorkSafe began an investigation into the same firm for overworking their employees and placing them under unacceptable stress, with junior staff working so late that they chose to sleep at the office rather than return home (AFR, 2018). The legal profession is notorious for placing staff under stress and having a hyper-competitive environment, and the firm in question is only a particularly egregious example of the rule rather than an exception. Examination of corporate mental health programs such as those in law firms, shows a plethora of well-intentioned activities aimed at making staff more resilient, with education sessions to reduce stigma and identify symptoms, and

access to onsite massage, Pilates, and relaxation programs. Although these initiatives are a step in the right direction, the emphasis is on the individual employee and needing to make them more resilient or 'tougher'. There is little or no acknowledgment by many employers that they have a legal responsibility to provide a safe workplace environment which does not place staff under unreasonable stress and increase the risk of mental health problems.

While there has been increased attention on the mental health of people with high-prevalence disorders, focusing on the employment needs of those with psychosocial disability due to low-prevalence conditions is not only equitable, it also has a strong economic case. The treatment and support of this population ($\approx 200,000$) are some of the highest cost items in the Australian mental health budget. Public hospital psychiatric admissions for this group are estimated at \$2.4 billion a year; community-based mental health services total around \$2 billion; NDIS costs for the most severely affected by psychosocial disability are approaching \$3 billion, and Medicare Benefits Schedule and other costs add to the total. The entire mental health budget for the Australian and State/Territory governments is estimated at over \$9 billion a year (AIHW, 2018). Even modest measures which reduce the need for this treatment and support for people with psychosocial disability therefore bring substantial savings to government in addition to improved quality of life for the person and their carers.

While \$9 billion is spent annually on mental health services, government expenditure on health as a whole is approximately \$123 billion. Expenditure on mental health is only 7.4% of the health budget therefore, when mental illness accounts for 12% of the burden of disease in Australia (AIHW, 2016). The mental health sector has argued strongly for many years that increasing investment in services closer to 12% would be more equitable and effective in tackling this burden. A recent study found that an additional investment of under \$4.4 billion would generate \$8.2-\$12.7 billion in savings (KPMG; Mental Health Australia, 2018).

The primary recommendation of the KPMG/ Mental Health Australia report was that government should invest in a range of initiatives to help people affected by mental illness gain and retain employment, because of the multiple health, social, and economic benefits this would bring.

2

The importance of employment

People with a psychosocial disability want to work.

A major study of Australians living with psychotic illness found that their top three concerns were unemployment, loneliness, and lack of income (Morgan et al, 2011). Having a job addresses all of these issues: it is a gateway to benefits such as social inclusion, the dignity of having a role and a place in society, better housing and other opportunities provided by a higher income. Governments may also benefit from the reduced need to provide support, lower clinical costs from hospitalisations, and increased tax revenue.

The mental health benefits of work for this population are well established. A systematic meta-review by Modini et al (2016) found that ‘the role work can play in facilitating recovery from an illness and enhancing mental well-being need to be highlighted and promoted more widely’. In addition to an income, Mueser et al, (1997) identified mental health benefits including enhanced structured daily activities, self-esteem, feeling a useful member of the community, and social opportunities. *The National Framework for Recovery-Oriented Mental Health Services* (2013) also emphasises the essential role that employment can play in recovery.

The economic advantages of employment for people with disability generally have been calculated in a study by Deloitte (2011). As an indication of the dramatic impact which increasing employment for this group would have, the Deloitte modelling suggests that ‘if the gap between the participation rate and unemployment rate for people with and without disability could be reduced by just one-third, phased in over the next decade, the cumulative impact on GDP over the next decade would be \$43 billion’. This impact is confirmed in the Productivity Commission report (2011) which investigated the implications of introducing a National Disability Insurance Scheme (NDIS). The report found that:

Were Australia to achieve employment ratios for people with disabilities equivalent to the average OECD benchmark – a highly achievable target given the proposed reforms – employment of people with mild to profound disabilities would rise by 100,000 by 2050. In fact, the package of measures, including through DSP reforms, would be likely to raise employment by considerably more than 100,000. Under a reasonable scenario, the Commission estimates that there could be additional employment growth of 220,000 by 2050 (including those without core activity limitations). By 2050, the collective impact of these two employment gains would be around a one per cent increase in GDP above its counterfactual level, translating to around \$32 billion in additional GDP (in constant price terms) in that year alone (p. 55).

A return-on-investment analysis by PricewaterhouseCoopers (2014) also estimated that measures to promote successful employment of people affected by mental illness would result in a ROI ratio of 2:3, suggesting that 'every dollar spent on effective workplace mental health actions may generate \$2.30 in benefits' (p. 5).

There is great potential for improvement in sustainable employment for people with psychosocial disability. Among those in this group who used disability services in 2016-2017, only 8% reported full-time employment as their main income source (AIHW, 2018). This reflects the many challenges faced by Australians with a psychosocial disability when seeking employment, including assumptions by service providers and mental health support workers that work would not be appropriate for them. Even when people with psychosocial disability are assisted to find work through a DES, the placements often only last a few months. Only 32.4% of DES clients with a psychosocial disability are still in the job after 26 weeks (Department of Jobs and Small Business, 2019). For the remaining seven out of ten where the placement does not work out, there is disappointment and a sense of failure for both the person placed in the job and potentially for the employer, who may be reluctant to employ another person with psychosocial disability. It is also a significant cost to government, with substantial effort and resources expended on these job placements which last only a few months.

A leading reason for this poor rate of employment outcome is a lack of rehabilitation for the disabling effects of mental illness— especially vocational rehabilitation – enabling those affected to be better prepared, skilled, and empowered to achieve sustainable employment.

3

Vocational rehabilitation: the pathway to work

When someone experiences a stroke, they receive a well-organised course of post-discharge rehabilitation based on clinical guidelines, to improve capacity and skills in areas such as daily activities, physical activity, communication, cognition, and perception (Stroke Foundation, 2019). When someone experiences an episode of psychosis (a primary cause of psychosocial disability), clinical guidelines recommend ‘a multi-dimensional psychosocial programme to assist recovery’ (RANZCP, 2016). In contrast to Australians affected by stroke however, the rehabilitation received by people with psychosocial disability varies from non-existent to inconsistent provision of often ad hoc services provided by a jumble of programs. For people with psychosocial disability who want to recover the capacity and skills for daily living and taking part in their community – especially to get and keep a job – this lack of effective, evidence-based rehabilitation is an additional and unnecessary barrier.

The McClure Report on welfare reform (Department of Social Services, 2015) specifically identified the need for vocational rehabilitation in relation to employment of people with a psychosocial disability:

The vocational rehabilitation approach to mental health services is supported by leading experts in the mental health sector. Submissions highlighted the importance of work for people with mental health conditions. There is strong evidence that being able to work to capacity is a high priority for people with mental health conditions. Work-oriented recovery requires coordinated services that link up clinical care with employment services and other services that assist people to stabilise their lives (pp. 117-118).

Lack of access to vocational training and poor job design have long been identified as challenges to successful employment for people with psychosocial disability (Graffam & Naccarella, 1997). The prestigious Low Prevalence Disorders Study Group examined employment in people affected by psychosocial disability, and also found that lack of access to vocational rehabilitation was a key barrier to employment and integration with the community (Frost et al, 2002). Despite these and many other recommendations, however, the situation remains unchanged and sometimes seems to be going backwards. Introduction of the National Disability Insurance Scheme has meant that a dismantling of the former community-based psychosocial support services is happening at the same time as the NDIS is being rolled out – a process so chaotic that it prompted a parliamentary inquiry as well as number of reviews of pricing and processes (Parliament of Australia, 2017). Many people with a psychosocial disability receive little or no support, and only a minority will be eligible for an NDIS package. Services they may receive include:

- Psychiatrist or GP for clinical mental health treatment
- Case Manager at a community mental service
- NDIS Planner (if assessed as eligible for NDIS package)
- NDIS Local Area Coordinator
- NDIS provider agencies
- Local non-government agencies (under transitional arrangements to NDIS agreements), including provision of:
 - Partners in Recovery (PIR)
 - Personal Helpers and Mentors Scheme (PHaMS)
 - Day-to-Day Living in the Community (D2DL)
- DES or jobactive agency.

Managing the various meetings, appointments, and paperwork in dealing with the above agencies can be particularly challenging for someone affected by psychosocial disability who has difficulty retaining and organising information. For the majority not eligible for an NDIS package, there is ongoing uncertainty about what support options, if any, will actually be available to them.

In the midst of the turmoil engulfing the mental health sector over recent years, it is no surprise that vocational rehabilitation is 'Missing in Action'. This is despite the fact that helping people find sustainable employment is one of the most effective up-stream strategies to help them improve mental health, participate in the community and economy, and ultimately reduce usage and costs of clinical mental health services. As Rinaldi et al (2010) note, 'a job is the central hub from which many of our other areas of functioning emanate. For this reason, employment can be considered to be one of the most important factors in promoting recovery and social inclusion' (p.148).

A study prepared by the Centre for Mental Health at the University of Melbourne examined the most effective and suitable psychosocial interventions which could be undertaken under the NDIS, and listed vocational rehabilitation under the evidence-based recommendations (Hayes et al, 2016). Recent changes to NDIS-approved products, prices, and processes for people with psychosocial disability give hope that vocational rehabilitation programs will be possible under the scheme. This will also require promotion of the value of vocational rehabilitation to potential clients in the NDIS environment. Considerable attention should also be given to the challenge of all the intersectoral linkages required among the various agencies involved in mental health support, in order to ensure that the value of vocational rehabilitation is understood by the different services.

Recent research has highlighted advances in vocational rehabilitation, including cognitive remediation and adaptation of programs for other disadvantaged groups (Mauser et al, 2016). This has proven especially effective when cognitive remediation is undertaken within a program that generalises and transfers the enhancement of memory and cognitive skills into a real-world context (Anaya, 2012; Galletly, 2013; McGurk & Meltzer, 2000).

WISE Employment has a focus on innovation and provides a service to many clients affected by mental illness. In response to the challenges faced by these clients, it established a new division in 2016 dedicated to Innovation in Mental Health and Employment (IMHE). The flagship program is WISE Ways to Work, established with seed funding from the Victorian Government, philanthropic trusts, and support from WISE's Community Investment Fund.

WISE Ways to Work

A comprehensive, evidence-based vocational rehabilitation program designed to empower people with psychosocial disability through capacity-building and skills training, in order to gain and sustain work in open employment. A key role is played by partner-employers who undertake to provide work experience, training, and provision of job opportunities. Twenty-five employers have already signed up to participate. The program has three modules:

Module 1: Employ Your Mind. Vocational Skills Development Program

Participants work with a personal Vocational Coach on key **skills development for work**, including Cognitive Remediation Therapy (CRT) which includes group sessions and individual computer-based exercises to build cognitive functioning and communication skills and self awareness – and transfer of these skills to a real-world, work-related context.

Module 2: Exposure to Work

Participants are offered a range of **exposure to work opportunities**, information sessions on the world of work, and the Optimal Health Program in health management.

Module 3: Jobs and Support

Participants work towards **jobs and support** in the workplace, drawing on the program's links with WISE Disability Employment Services and a network of employer-partners who have committed to development of customised roles in open employment.

A total of 80-100 participants will be recruited for the 2018-2020 pilot program, with 90% retention so far. It is estimated that 35-50 will enter paid employment/ training, with 10-15 supported to become Peer Support Workers.

4

Recommendations

- 1 Agree common statistical definitions and calculations relating to psychosocial disability, and harmonise these across all government departments and agencies, including the Department of Health, Department of Jobs and Small Business, Department of Social Services, ABS, and AIHW.
- 2 Establish evidence-based standards for psychosocial rehabilitation and vocational rehabilitation, and promote adherence to these as conditions of funding and service agreements.
- 3 Ensure the NDIA recognises the critical importance of psychosocial rehabilitation and vocational rehabilitation, and incentivises NDIS planners and service providers to promote and offer these services, with commensurate funding mechanisms to ensure successful outcomes.
- 4 Investigate the most effective ways to establish intersectoral linkages between clinical, psychosocial disability support, and employment agencies, to ensure a seamless, easy-to-use system for clients with psychosocial disability.
- 5 Undertake research to establish factors influencing the duration of DES placements of people with psychosocial disability, in order to develop changes in policy and practice in this area to improve the level of sustained employment outcomes beyond 26 weeks.
- 6 Recommend that the Mental Health Commission only endorse corporate workplace mental health programs where employers demonstrate a commitment to addressing factors which place undue stress on staff (for example, limiting unpaid overtime and not expecting that emails be attended to when the employee is not at work).

5

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