



**Mental Health
Australia**

Employment White Paper submission

30 November 2022

**Mentally healthy people,
mentally healthy communities**

mhaustralia.org

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Mental health and employment are inherently intertwined. Engaging in meaningful and contributing activity, such as employment, is strongly associated with positive mental health and wellbeing. On the other side, investing in mental health and wellbeing is associated with increased economic participation and productivity.

The Productivity Commission Inquiry into Mental Health identified that key actions to reform Australia's mental health system would not only improve Australians' quality of life, but also economic participation and productivity. The Productivity Commission quantified that implementation of priority mental health reforms at expenditure of up to \$2.4 billion per year, would be expected to generate savings of up to \$1.2 billion per year and increase aggregate incomes by up to \$1.1 billion.¹

Further, analysis indicates every dollar employers spend on creating a mentally healthy workplace provides an average \$2.30 return on investment.² Investment in mentally healthy workplaces and supporting people with experience of mental ill-health and psychosocial disability into the workforce should be closely considered by the Australian Government in development of the Employment White Paper.

Everyone has the right to work and to free choice of employment.³ Unfortunately, despite nearly half (44%) of Australians experiencing a mental health condition at some time in their life,⁴ people with experience of mental ill-health still often experience employment-related stigma and discrimination.⁵ People with psychosocial disability in particular can face high barriers to employment, with only 26% of people with psychosocial disability employed, compared to 57% of people with other disabilities and 80% of those without disabilities.⁶

Mental Health Australia is pleased to provide this submission to inform the Australian Government's Employment White Paper, highlighting opportunities to increase population mental health, productivity and employment participation, and addressing barriers in particular faced by people with psychosocial disability.

Mental Health Australia is the peak, national non-government organisation representing and promoting the interests of the Australian mental health sector. Mental Health Australia members include national organisations representing people with lived experience of mental ill-health, carers, clinical service providers, public and private mental health service providers, researchers and state/territory community mental health peak bodies.

This submission relates primarily to Item 5.2 of the Employment White Paper Terms of Reference – "Improving labour market outcomes for those who face challenges in employment, including First Nations people, those who live in rural and remote areas, younger and older Australians, people with disability, and those who may experience discrimination."

¹ Productivity Commission, *Mental Health*, (2020) <https://www.pc.gov.au/inquiries/completed/mental-health/report>, 172

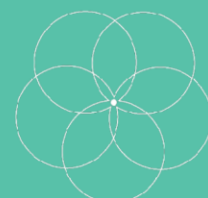
² PricewaterhouseCoopers, *Creating a mentally healthy workplace: Return on investment analysis*, (2014) https://www.headsup.org.au/docs/default-source/default-document-library/research-by-pricewaterhousecoopers.pdf?sfvrsn=3149534d_2

³ United Nations, *Universal Declaration of Human Rights* (n.d.), <https://www.un.org/en/about-us/universal-declaration-of-human-rights>

⁴ Australian Bureau of Statistics. *National Study of Mental Health and Wellbeing* (2022) <https://www.abs.gov.au/statistics/health/mental-health/national-study-mental-health-and-wellbeing/latest-release>

⁵ Groot, C, Rehm, I, Andrews, C, Hobern, B, Morgan, R, Green, H, Sweeney, L, and Blanchard, M *Report on Findings from the Our Turn to Speak Survey: Understanding the impact of stigma and discrimination on people living with complex mental health issues*. (2020). Anne Deveson Research Centre, SANE Australia. Melbourne.

⁶ Australian Bureau of Statistics, *Psychosocial disability* (2018), <https://www.abs.gov.au/articles/psychosocialdisability#employment>



This submission focuses on improving employment outcomes for people with experience of mental ill-health who face the most significant barriers to employment. Experience of mental ill-health is deeply personal, and people use many different terms to describe and make sense of this experience. This submission will use the language of “mental ill-health” to refer to experiences of mental health condition/s, and “psychosocial disability” to refer to sometimes severe functional impacts and barriers faced by some people living with mental health conditions.⁷

People with experience of mental ill-health and barriers to employment

The majority (over 70%) of people with experience of mental ill-health are employed.⁸ However, the overall employment rate for people with experience of mental ill-health, particularly psychosocial disability, is below the general population. Only 26% of people with psychosocial disability are employed, compared to 57% of people with other disabilities and 80% of those without disabilities.⁴

People with experience of mental ill-health can face barriers in gaining and retaining employment, particularly in relation to stigma and discrimination, and accessing appropriate supports to engage in the workforce. Research by SANE Australia found 78% of respondents living with complex mental health issues had experienced some level of stigma or discrimination related to employment over the past year.⁹

According to research by the Australian Bureau of Statistics, people with psychosocial disability experience disability-related discrimination at some of the highest rates, and are most likely of all disability groups to avoid situations because of their disability. Overall, this research shows people who have experienced discrimination because of their disability are less likely to be employed than other people with disability.¹⁰

People living with, or at risk of, mental ill-health can also experience intersecting barriers to employment. These may include experiencing employment-related discrimination related to their background, identity, age, or other characteristics. People living in rural and remote areas can also face compounding issues, including limited access to services and employment opportunities.

7 National Mental Health Consumer and Carer Forum, Unravelling Psychosocial Disability (2021), <https://nmhccf.org.au/our-work/position-statements/psychosocial-disability-associated-with-mental-health-conditions>

8 Australian Bureau of Statistics, National Survey of Mental Health and Wellbeing: Summary of Results (2007), <https://www.abs.gov.au/statistics/health/mental-health/national-study-mental-health-and-wellbeing/2007>

9 Groot, C, Rehm, I, Andrews, C, Hobern, B, Morgan, R, Green, H, Sweeney, L, and Blanchard, M Report on Findings from the Our Turn to Speak Survey: Understanding the impact of stigma and discrimination on people living with complex mental health issues. (2020). Anne Deveson Research Centre, SANE Australia. Melbourne

10 Australian Bureau of Statistics, Disability, ageing and carers, as cited in Australian Institute of Health and Welfare, People with disability in Australia 2022 (2022), <https://www.aihw.gov.au/reports/disability/people-with-disability-in-australia/contents/summary>, 170-4



Opportunities

Mentally Healthy Workplaces

It has been reported that only half of employees rate their workplace as mentally healthy.¹¹ But every dollar employers spend on creating a mentally healthy workplace has been estimated to provide an average \$2.30 return on investment.¹²

Mentally healthy work environments are characterised by positive workplace culture; where stress and other risks to mental health are managed; people with mental ill-health are supported; and where there is a zero-tolerance approach to discrimination.¹³

Governments have recognised the need for greater action on ensuring workplaces support mental health and wellbeing – where workplaces are a priority area in the National Mental Health and Suicide Prevention Agreement.

Several initiatives provide resources for employers on creating mentally healthy workplaces. However, there is also a need for more specific resources and training to better equip managers to support successful employment for staff with lived/living experience of mental ill-health and psychosocial disability.

The National Mental Health Commission is finalising the *National Stigma and Discrimination Reduction Strategy*. This strategy will be an important driver of change, with proposed actions to address systemic stigma and discrimination related to employment, and improve the psychological safety of workplaces so they are mentally healthy for all employees.

Recommendation 1: The Australian Government should ensure implementation of the National Stigma and Discrimination Reduction Strategy, including development of guidance for employers on support for employees with lived experience of mental ill-health and reviewing legislation, regulation and accountability mechanisms relating to mental health in the workplace.

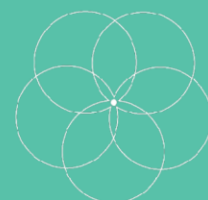
Recent changes to workplace health and safety regulations have specified employers' obligation to manage psychosocial risks in the workplace.¹⁴ These changes, along with the Model Code of Practice on managing psychosocial hazards at work, are very welcome. However, as recommended by the Productivity Commission Inquiry into Mental Health, industry or occupation specific Codes of Practice should also be developed to support implementation of such standards across varying sectors.

¹¹ TNS and BeyondBlue, State of Workplace Mental Health in Australia (2014)
https://www.headsup.org.au/docs/defaultsource/resources/bl1270-report--tns-the-state-of-mental-health-in-australian-workplaces-hr.pdf?sfvrsn=94e47a4d_8

¹² PricewaterhouseCoopers, Creating a mentally healthy workplace: Return on investment analysis, (2014)
https://www.headsup.org.au/docs/default-source/default-document-library/research-by-pricewaterhousecoopers.pdf?sfvrsn=3149534d_2

¹³ Heads up, Creating a mentally healthy workplace: A guide for managers (n.d.)
https://www.headsup.org.au/docs/defaultsource/resources/400282_1217_bl1256_acc2.pdf?sfvrsn=ddcf264d_4

¹⁴ Safe Work Australia, Amendments to the model WHS laws (2022)
<https://www.safeworkaustralia.gov.au/mediacentre/news/amendments-model-whs-laws>



Recommendation 2: Industry or occupation specific Codes of Practice regarding managing psychosocial hazards should be developed, to support implementation of updated regulations across all workplaces.

Workers compensation insurance is also an important component of mental health support in the workplace, however challenges in demonstrating liability, adversarial claims processes and broader discrimination around mental health in the insurance industry mean this process can prevent rather than support access to mental health support. Mental health-related claims make up only 6% of all serious workplace compensation claims but are more likely to be rejected than claims for other kinds of injury.¹⁵ Improvements are needed across the prevention of workplace psychological injury, workers compensation, and return to work support.

Recommendation 3: As the Productivity Commission recommends, Australian workers compensation schemes should be amended to support timely access to mental health treatment for all psychological-related workers compensation claims, by providing or funding treatment regardless of liability until return to work or six months since the claim was made.¹⁶

Personalised Employment Support

Some people with experience of mental ill-health or psychosocial disability face particular barriers to employment and can benefit from personalised employment support. Australia recognises the right of people with disability (including psychosocial disability) to work “on an equal basis with others”, and has committed to safeguard and promote this right, including through providing people with disability “assistance in finding, obtaining, maintaining and returning to employment”.¹⁷

While Australia has a range of government-funded employment supports in Australia, best-practice employment support for people with mental ill-health is not yet universally available across the country.

A high proportion of Workforce Australia participants are experiencing mental ill-health, with mental health conditions the most common condition amongst people receiving the JobSeeker payment and the Disability Support Pension (DSP).¹⁸ People receiving income support payments are often required to undertake activities towards finding a job, managed by Workforce Australia online or through employment service providers.

However there have been significant issues with Government employment services for participants with mental ill-health, including suitability of assessment tools, application of mutual obligation compliance requirements, and a lack of personalised employment support.¹⁹ Automatic payment suspensions, many times implemented unfairly, have also been found to cause high levels of anxiety and stress.²⁰ Similarly, the current Disability Employment Services (DES) model is difficult for participants to navigate. It relies on a one-size-fits all performance framework that does not suit participants with psychosocial disability

¹⁵ Productivity Commission, Mental Health, 308.

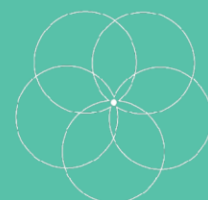
¹⁶ Productivity Commission, Mental Health, 330.

¹⁷ United Nations General Assembly, Convention on the Rights of People with Disabilities, (2008), <https://www.un.org/development/desa/disabilities/convention-on-the-rights-of-persons-with-disabilities/article-27-work-and-employment.html>

¹⁸ Department of Social Services, DSS Demographics – June 2022, (2022) <https://data.gov.au>

¹⁹ Productivity Commission, Mental Health, 939

²⁰ Australian Council of Social Services, Mutual Obligation Snapshot – Payment suspensions and cancellations (2022), <https://www.acoss.org.au/mutual-obligation-snapshot-payment-suspension/>



and does not incentivise providers to support long term employment and career outcomes for participants.²¹

The Australian Government's extension of current DES in the 2022 Budget, to allow for reform of the disability employment supports model, was welcomed by sector representatives.²² Representatives with lived experience of psychosocial disability and psychosocial service provider experts must be included in design of the new model, which should focus on quality service and improved employment outcomes for people with disability.

Recommendation 4: Workforce Australia Services and the future disability employment support model should emphasise strengths-based employment support rather than compliance management; integrate more with mental health supports; provide a flexible, person-centred experience and cease automatic payment suspensions.

Employment support services are most effective when participants are centred in decision making about their own lives and employment opportunities are matched to their skills and preferences.

The Individual Placement and Support (IPS) model, which involves ongoing, personalised support to gain employment in the competitive market, has been found to outperform conventional approaches to employment support for people with mental ill-health.²³ A core principle of the IPS model is integration of employment and mental health services.

Australia's current mental health and employment support systems operate largely independently with inconsistent engagement and referral pathways. However, integration of employment and mental health supports has "been found to be the single variable that best differentiates more and less effective [employment] programs across a range of services".²⁴

Integration of mental health and employment services can be achieved through either co-location or formal communication structures,²⁵ and should be a particular focus moving forward. There are also promising trials of technology-based tools to augment IPS service delivery and address barriers to access and engagement, which should be further explored in Australia.²⁶

Recommendation 5: Individual Placement and Support employment programs should continue to be rolled out nationally and integrated with mental health services.

Further, through consultations with Mental Health Australia, people with experience of psychosocial disability and receipt of the DSP have reported that fear of not being able to access income support again if needed is a strong disincentive to moving off the payment

²¹ Mental Health Australia, New Disability Employment Support Model: Submission to Department of Social Services Consultation Paper (2021), https://mhaustralia.org/sites/default/files/docs/mha_submission_-_new_disabilition_paper_-_31_jan_2022_-_final.pdf

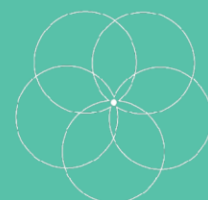
²² Disability Employment Australia, *Disability Employment Australia strongly supports the two-year extension of the DES program*, (28 Oct 2022)

²³ Productivity Commission, Mental Health, 947

²⁴ King, R., Waghorn, G., Lloyd, C., McLeod, P., McMha, T. & Leong, C. "Enhancing employment services for people with severe mental illness: the challenge of the Australian service environment", *Australian and New Zealand Journal of Psychiatry*, 40 (2006):474, <https://core.ac.uk/reader/15011460>

²⁵ King, R., Waghorn, G., & Lloyd, C. (2006) 'Enhancing Employment Services for People with Severe Mental Illness: The Challenge of the Australian Service Environment' *Australian & New Zealand Journal of Psychiatry*, 40, pp.471-477 doi.org/10.1080/j.1440-1614.2006.01824.x

²⁶ Orygen, Policy Briefing: Individual Placement and Support (2022) <https://www.orygen.org.au/Orygen-Institute/PolicyAreas/Employment-and-education/Employment/Individual-placement-and-support>



into employment. The Australia's income support system should better account for the episodic impacts of psychosocial disabilities. This should be a consideration for the Employment White Paper, given item 5.1 of the Terms of Reference on "Reducing barriers and disincentives to work, including the role of childcare, social security settings and employment services."

Recommendation 6: The Australian Government should make changes to the Disability Support Pension to improve work incentives, including easier re-access if required for recipients who have moved into employment.

National Disability Insurance Scheme employment supports

People with psychosocial disability who are participants of the National Disability Insurance Scheme (NDIS) are intended to receive individualised support to "take part in work" through their NDIS package.²⁷ Despite this, the overall proportion of NDIS participants in paid employment has not improved over time – while the employment rate for participants aged 15-24 has increased, for all other age groups employment has remained stable or declined.²⁸ There is ongoing confusion about the interface between NDIS and government-funded employment services,²⁹ and anecdotal feedback of inconsistencies in inclusion of employment participation support in participants' plans dependent on individual planners.

Recommendation 7: The National Disability Insurance Agency should:

- **provide clearer guidance to planners on the role of the NDIS in supporting participants to take part in/maintain employment, and**
- **further develop its capacity across support workers and coordinators to support participant engagement with employment and employment services.**

Lived Experience workforce

People with lived experience of mental ill-health, and/or caring for someone experiencing mental ill-health, provide unique contribution in the mental health workforce. Drawing on their experience of mental ill-health and recovery as well as training, Lived Experience workers provide recovery-oriented support for others experiencing similar challenges, as well advisory and management roles guiding service design and delivery.³⁰

Expanding the Lived Experience (peer) workforce represents opportunities to increase access to meaningful employment for people with experience of mental ill-health and carers who choose this career path, while also improving access to multidisciplinary care and addressing workforce gaps.

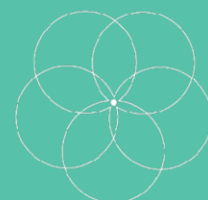
The Lived Experience (peer) workforce has faced barriers to professional recognition and integration across the mental health system, lack of organisational support and readiness for Lived Experience workers, and lack of career progression and development opportunities.

²⁷ Department of Social Services (2015) Principles to Determine the Responsibilities of the NDIS and Other Service Systems, p16, <https://www.dss.gov.au/the-applied-principlesand-tables-of-support-to-determineresponsibilities-ndis-and-other-service>

²⁸ National Disability Insurance Agency, *NDIS Quarterly report to disability ministers Q1 2022-23* (30 September 2022), <https://www.ndis.gov.au/about-us/publications/quarterly-reports>, 39

²⁹ Australian Government Department of Social Services (2021) National Disability Employment Strategy: Consultation Report, p32, retrieved 26 October 2021 <https://engage.dss.gov.au/wpcontent/uploads/2021/10/dss-consultation-report.pdf>

³⁰ Janet Meagher and Gerry Naughtin, "Scope, role and contribution of peer work," in *Peer Work in Australia: A new future for mental health*, ed. J. Meaghre, A. Stratford, F. Jackson, E. Jayakody & T. Fong (Sydney: Richmond PRA and Mind Australia, 2018)



Mental Health Australia strongly supports the call from the Lived Experience sector³¹ and the recommendation of the Productivity Commission³² for the establishment of a professional association for the Lived Experience (peer) workforce. This association would provide leadership in addressing these challenges, to promote development, expansion and integration of the Lived Experience (peer) workforce.

Recommendation 8: The Australian Government should fund the establishment of a professional association for the mental health Lived Experience (peer) workforce.

Community and social enterprise employment supports

As highlighted in item 7 of the Employment White Paper Terms of Reference, collaborative partnerships between governments, industry, unions, civil society groups and communities are very important in creating and sustaining employment opportunities.

Many community organisations providing Clubhouse Model mental health supports also provide effective employment support for people who experience severe or complex mental ill-health.³³ This can include employment preparation support and training, and connections with local businesses to provide transitional, supported or independent employment opportunities.

Similarly, some social enterprises provide employment opportunities for people experiencing mental ill-health or psychosocial disability. Such models have been found to be very effective in supporting ongoing employment participation for people who have previously been long-term unemployed.³⁴ Government partnership could leverage these community programs and relationships to expand their impact.

Recommendation 9: Governments should support growth of community-based employment programs through social procurement commitments and tax incentives to encourage philanthropic investment.

Mental Health Australia also supports implementation of incentive-based measures such as wage subsidies and tax incentives, as well as employment targets, to increase employment rates for people with mental ill-health including psychosocial disability. Incentives should support long-term employment rather than purely focusing on job placement.

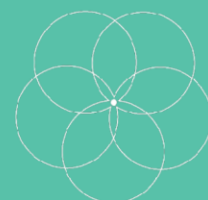
For example, the DES wage subsidy should be reviewed to maintain pace with modern wages and could include further incentives to reward employers who provide opportunities for participants who have been long-term unemployed or with irregular employment history.

³¹ National Mental Health Consumer and Carer Forum, NMHCCF Position Statement on the Establishment of a National Peer Workforce Association (2022) <https://nmhccf.org.au/our-work/position-statements/position-statement-establishment-of-anational-peer-workforce-association>; Private Mental Health Consumer Carer Network (Australia), Towards Professionalisation (2019) https://www.livedexperienceaustralia.com.au/_files/ugd/907260_03122e9e815d46c987265442f7f6676c.pdf

³² Productivity Commission, Mental Health, 732.

³³ McKay C, Nugent KL, Johnsen M, Eaton WW, Lidz CW. A Systematic Review of Evidence for the Clubhouse Model of Psychosocial Rehabilitation. *Adm Policy Ment Health*. 2018 Jan;45(1):28-47. doi: 10.1007/s10488-016-0760-3. PMID: 27580614; PMCID: PMC5756274

³⁴ Productivity Commission, Mental Health, 394.



Labour supply and training

The Australian Government's consideration of "building a sustainable care economy", "labour supply" and "skills education and training" through the Employment White Paper are welcome (Terms of Reference items 2.1, 5 and 5.3).

Mental health services are an important component of Australia's care economy. While demand for many mental health supports continues to grow,³⁵ there are significant shortfalls across the range of mental health professionals.³⁶ There is a need to both address immediate workforce gaps as an urgent priority, as well as developing innovative models of care for the future.

Through the National Mental Health and Suicide Prevention Agreement, the Commonwealth, State and Territory Governments have committed to work together to "build a mental health and suicide prevention workforce that is culturally safe and responsive to changing needs while ensuring that current shortages and maldistribution are addressed".³⁷

The Australian Government's National Mental Health Workforce Strategy is expected to be released in 2023, outlining key actions to address mental health workforce shortages. This Strategy must be accompanied by investment to ensure full implementation.

Migrant workforce mental health and wellbeing

Mental Health Australia notes that the Employment White Paper will consider "Migration settings as a complement to the domestic workforce" (Terms of Reference item 5.1).

Migration settings are often viewed as a solution to quickly build up workforces, which are challenged with both an undersupply of qualified workers and long training and education pathways. For example, in the mental health sector where there are significant workforce shortages, Victoria's Mental Health and Wellbeing Workforce Strategy 2021-2024 states the "Victorian Government will continue to advocate to the Commonwealth Government to address barriers to immigration for mental health professionals".³⁸

Successful settlement however relies on more than just amending migration settings. It also relies on the right types of post-arrival supports being in place.³⁹ For example, Victoria's Mental Health and Wellbeing Workforce Strategy 2021-2024 plans for "migration toolkits, community orientation, settling supports and mentoring for migrants"⁴⁰ to be rolled out as the resumption of international recruitment at scale occurs.

The Australian Government should consider how to ensure such supports are available across all sectors to support successful transition and the ongoing wellbeing of migrant

³⁵ Australian Institute of Health and Welfare, *Mental health services in Australia* (2022) <https://www.aihw.gov.au/reports/mental-health-services/mental-health-services-in-australia/report-content/about>

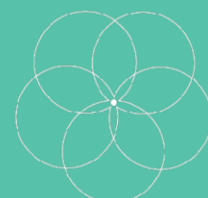
³⁶ National Skills Commission, "Skills Priority List," accessed November 7, 2022, <https://www.nationalskillscommission.gov.au/topics/skills-priority-list>.

³⁷ Australian Governments, *National Mental Health and Suicide Prevention Agreement*, (2022), 32, <https://federalfinancialrelations.gov.au/agreements/mental-health-suicide-prevention-agreement>.

³⁸ Victorian State Government Department of Health, *Victoria's mental health and wellbeing workforce strategy 2021-2024* (2021), 23, <https://www.health.vic.gov.au/strategy-and-planning/mental-health-workforce-strategy>.

³⁹ Chris F. Wright, Dimitria Groutsis, and Annika Kaabel, "Regulating migrant worker temporariness in Australia: the role of immigration, employment and post-arrival support policies," *Journal of Ethnic and Migration Studies* 48: 3947-3964, <https://www.tandfonline.com/doi/full/10.1080/1369183X.2022.2028356>.

⁴⁰ Victorian State Government Department of Health, *Victoria's mental health and wellbeing workforce strategy 2021-2024*, 23



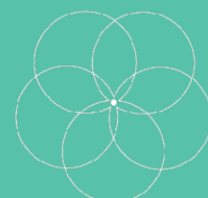
workforces. This should include consideration of access to affordable housing, and orientation to mental health services (alongside mainstream health information), similar to that currently provided to humanitarian entrants. Workplaces should also provide information to migrant workers about mental health supports tailored for culturally and linguistically diverse populations, such as can be found through the Embrace Multicultural Mental Health Project.⁴¹

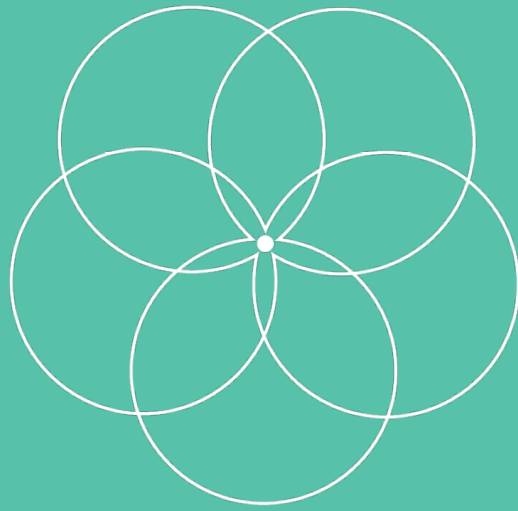
Recommendation 10: The Australian Government should ensure provision of post-arrival supports to support the wellbeing and sustainability of migrant workforces.

Conclusion

Mental health, employment participation and productivity are strongly related. Investing in population mental health through mental health system reforms and mentally healthy workplace practices will improve both employee wellbeing and productivity. Unfortunately, people with psychosocial disability face ongoing employment related stigma and discrimination, and other barriers to workforce participation – reflected in a far lower employment rate compared to the general population and people with other primary disabilities. This must change. This submission outlines key actions the Australian Government should take - in partnership with the mental health sector, communities and businesses - to improve employment opportunities for people with experience of mental ill-health and psychosocial disability, and address urgent mental health workforce shortages. The Employment White Paper is a welcome opportunity to address these disparities and promote realisation of the right to work for *all* Australians.

⁴¹ www.embracementalhealth.org.au





Mental Health Australia

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mentally healthy communities

mhaustralia.org

Mental Health Australia is the peak independent national representative body of the mental health sector in Australia.

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