Rural and Remote Disability Employment Assistance Study

A study to identify necessary funding principles to enable innovation
in disability employment assistance service provision
in rural and remote locations

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Abbreviations

ACE	Association of Competitive Employment
ACROD	ACROD Ltd
AIHW	Australian Institute of Health and Welfare
ANTA	Australian National Training Authority
ARIA	Accessibility/Remoteness Index of Australia
ATSIC	Aboriginal and Torres Strait Islander Commission
CDEP	Community Development Employment Program
CSDA	Commonwealth State Disability Agreement
DEWRSB	Department of Workplace Relations and Small Business
DETYA	Department of Education, Training and Youth Affairs
DSP	Disability Support Pension
FaCS	Department of Family and Community Services
HACC	Home and Community Care
JSCI	Job Seeker Classification Instrument
LACs	Local Area Coordinators
RTO	Registered Training Organisation
SAAP	Support Accommodation Assistance Program
WAT(s)	Work Ability Table(s)

Executive Summary

Background

In 1997 the Commonwealth Government embarked on a process of reform of disability employment assistance. The principles underpinning reform are:

- To enhance job seeker access, choice and employment outcomes;

- To make funding more equitable;

- To provide employment assistance to as many people as possible within existing funding; and

- To promote flexibility and innovation.

One of the most significant reforms is in the proposed way disability employment assistance will be funded. It is planned to fund disability employment assistance services based on the needs of individual job seekers, with payments linked to the achievement of defined outcomes (called case based funding).

Consequently the Department of Family & Community Services (FaCS) is undertaking a Case Based Funding Trial. This commenced in November 1999 and will last two years. The Trial establishes funding levels for individual job seekers, and payments are made to service providers on the achievement of specified outcomes.

FaCS wishes to ensure that funding reforms can also be delivered in rural and remote locations. This study is being undertaken to identify funding arrangements which will focus on individual needs and outcomes but also take into account issues specific to rural and remote locations. The results of this study will feed into the evaluation of the Case Based Funding Trial.

While the Trial should provide more detailed information about the effect of case based funding on services in rural and remote locations, this information will be based largely on existing models of service.

The study aims to identify innovative ways to provide disability employment assistance services in rural and remote locations, including services for Indigenous job seekers in remote communities. Innovative models are required which facilitate the provision of services where it may not be cost effective to establish a stand alone service outlet, and which may involve various organisations with complementary programs and services providing disability employment assistance.

Rural and remote service provision

For the purposes of this study 'rural and remote' locations are defined according to ARIA groups – 'Moderately Accessible', Remote' and 'Very Remote'.[1] Under the ARIA classification, there are 72 disability employment outlets (including 31 open, 31 supported, and 10 open and supported outlets) in rural and remote locations in Australia, out of a total of 840 (or 8.5%). However a higher number of services (possibly 10–15% of all services) provide services to rural and remote locations from a more 'Accessible' location.[2] The 72 rural and remote outlets provided services to nearly 3,000 consumers in 1999.

Although current data is inconclusive, analysis suggests that unmet demand for disability employment assistance may be relatively higher in rural and remote locations, compared to more accessible locations. However, further analysis is required, ideally based on an expanded ARIA scale. If unmet demand is relatively higher in rural and remote locations, this would suggest that additional resources are required.

> **2.1** It is recommended that FaCS seek to establish a system for collecting improved data and information on unmet demand for disability employment assistance, including improved categorisation of rural and remote locations, with a view to improving service coverage in rural and remote locations.

It is generally acknowledged that services in rural and remote locations experience higher input costs (eg. petrol, communications, maintenance, salaries and wages) compared to their urban counterparts. However, there is little actual comparative cost information available. Much of the data for this study was gathered using a case study approach.

Although based on a limited number of cases, the data suggests that input costs for disability employment services in rural and remote locations are 10–20% higher than in urban areas, mainly due to higher travel and communications costs. Salaries and wages may also be slightly higher. The Commonwealth Grants Commission has information which supports these estimates, indicating even higher relative costs in very remote locations.

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[1] ARIA is the Accessibility and Remoteness Index of Australia. It measures accessibility to community services, and is based on road distances to populated centres. ARIA assigns a remoteness ranking to locations (ie towns) in Australia.

[2] Previous classifications of remoteness (ie as used by AIHW) suggested a higher number of service providers in rural and remote locations, and ARIA classifications may need to be revised to provide more meaningful groupings.

Individual State/Territories also use various formulae to recognise higher costs in providing community services. Techniques include adding a subsidy to base level unit funding, or weighting resource allocation by a factor such as population density.

Case study information, together with Grants Commission and selected State/Territory formulae indicate that input costs for disability employment services in rural and remote locations are 10–20% higher than in urban areas.

In addition to higher input costs, staff productivity in rural and remote open employment services is often relatively low due to longer travel times (especially where services are provided on an outreach basis), and lower 'throughput' of job seekers with disabilities, the result of weak and/or seasonal labour markets.

Staff productivity may be lower by 10–30% although this depends very much on the service model.

During Phase One of the Case Based Funding Trial a number of issues were addressed including the classification process, funding levels, and payment stages. While these changes have been applied across the board for Phase Two, they are likely to improve service viability in rural and remote locations.

If it is necessary to adjust funding levels to ensure that funding reforms can be delivered in rural and remote locations due to higher input costs or lower productivity, then more detailed cost information in relation to specific locations is required.

2.2 It is recommended that FaCS seek the assistance of the Commonwealth Grants Commission to establish cost indices for selected rural and remote locations, where disability employment assistance is provided.

Facilitating innovation through funding

While Phase Two of the Trial will provide additional data concerning the effectiveness of a case based approach in rural and remote areas, much of this data will be based on traditional models of service delivery.

The reform process includes the development of more innovative ways to provide services to job seekers with disabilities. Applied appropriately, case based funding can facilitate innovation. Three funding principles are proposed which are designed to enable innovation in rural and remote locations.

1   Funding should recognise the higher costs of operating in rural and remote locations

There are several funding mechanisms which could be developed which would recognise the higher costs of operating in rural and remote communities. These

rely on judgements about additional input costs and operating productivity, which can be informed by Grants Commission information and ARIA measures. These can be arrived at by analysis and built into funding arrangements, or can be arrived at by negotiation between purchaser and provider. There are advantages and disadvantages associated with alternative funding mechanisms.

2   Funding should be appropriate to the circumstances of the rural and remote location

It is recognised that it may be more difficult to achieve the outcomes in rural and remote locations, currently specified under case based funding. In order for funding to reflect circumstances in rural and remote locations, such as higher unemployment rates, low job growth, and/or seasonal labour markets. It may be necessary to make milestone payments upon the achievement of 13 weeks work in a period of 12 months.

Similarly, payments are required for employment assistance provided to Indigenous people with disabilities who perform 'work' which is of value to the community, but which may not comply with the formal definition. This includes CDEP work, and work based training.

3   Funding should promote a viable, efficient and innovative service system.

Where disability employment assistance is currently provided by small organisations which experience peaks and troughs in demand, case based funding implies unpredictable cash flows, impacting on viability.

This may be addressed by providing a fixed component of funding.

In addition, there are a range of innovative approaches (Section 4 of the report) which also promote an efficient and innovative service system.

> **3.1** It is recommended that the principles of case based funding be applied in rural and remote locations, including indigenous communities.
>
> **3.2** It is recommended that FaCS trial funding arrangements which are designed to compensate the higher (input) costs of travel and other operating expenses, and the extra time required by staff in travelling, finding jobs in difficult and seasonal labour markets and working with remote Indigenous communities.
>
> **3.3** It is recommended that outcome measures for Indigenous people living in remote locations include culturally appropriate definitions of 'work'.
>
> **3.4** It is recommended that payments are made on the achievement of 13 weeks employment in a 12 month period, in addition to the overriding outcomes framework in rural and remote locations.

3.5 It is recommended that the trial include a proportion of case based funding (including the additional amount) being provided as a fixed amount to independent services in rural and remote locations (including Indigenous communities) which are relatively small.

Innovative approaches to providing services in rural and remote locations

A number of innovative approaches were examined, based on current practice in Australia and overseas. These were used to develop innovative 'models' of service provision.

Case management and brokerage

Where it is not cost effective to establish a separate disability employment service, area-based case management appears to be a cost effective way to increase access to disability employment assistance to job seekers with disabilities. This approach enhances the opportunity for people to access disability employment assistance through State/Territory funded services. To date, area-based case management has been established in Western Australia and South Australia, and there is increasing interest in area-based case management in other States, including Queensland and New South Wales.

The current geographical coverage of area-based case management in Western Australia and South Australia, and the lack of support services generally in very remote areas implies that this approach may only be an option in selected areas.

Western Australia has expressed interest in collaborating with the Commonwealth to provide disability employment services through its Local Area Coordinator network. In this context it would appear worthwhile further exploring such an approach in selected regions.

4.1 It is recommended that FaCS consider piloting service delivery arrangements which are based on Model 6, case management and brokerage.

Collaborative approaches

Collaborative approaches may enable service provision in places where it is not currently viable to establish a separate disability employment service. Collaboration involves a shared approach to service provision, including resources, and may involve joint projects, sub contracting and possibly amalgamation of provider organisations.

Where collaboration extends to amalgamation, it may be possible to achieve economies of scale with administrative support, management and quality assurance systems, staff training and support, as well as enhance capacity for service development.

Collaboration may lead to improved productivity through service re-organisation, particularly where services are provided on an outreach basis. Thus collaborative approaches address higher costs and lower productivity (funding principle 1), as well as service viability issues (funding principle 3).

There are seven collaborative approaches identified.

Collaboration between two (or more) open employment services

There are opportunities for smaller open employment services to collaborate with other employment services to improve coverage and achieve more cost effective services. Where collaboration extends to amalgamation, there may be economies of scale with administrative support, management and quality assurance systems, staff training and support, enhanced capacity for service development and improved funding stability.

> **4.2** It is recommended that FaCS consider piloting service delivery arrangements which are based on Model 1, collaborative arrangements between two or more providers.

Collaboration between open and supported employment services

There are many potential benefits from collaboration between open and supported employment services in rural and remote locations. Job seekers with open employment services can be temporarily employed in business services for skill identification and development, work training and experience, and to help consumers determine their preferences. This is particularly advantageous where there are limited training providers, and/or employers willing to participate in work place training. Collaboration provides pathways for job seekers with an opportunity to pursue work in which they are interested, and capable of doing.

> **4.3** It is recommended that FaCS consider piloting service delivery arrangements which are based on Model 2, open and supported employment collaboration.

Collaboration between disability employment services and day options programs

State funded day options programs can provide non-employment service components (for example, support, training) to job seekers with disabilities. This can be an effective approach in rural and remote locations where State funded services exist, but Commonwealth disability employment services do not, or are

spread thinly. In addition, State funded services are often aware of individual job seekers with disabilities and collaboration with a disability employment service in another town can facilitate access and referral for job seekers. Some day options programs already provide training in appropriate social behaviours and engage people with disabilities in pre vocational activities.

> **4.4** It is recommended that FaCS works with State and Territory disability services piloting service delivery arrangements which are based on Model 5, Disability Employment Services and Day Option Program collaboration.

Collaboration between disability employment services and schools

Many disability services recognise the benefit of establishing contact and providing support and training to young people with disabilities, while they are at school. There are specific State/Territory programs (eg Post School Options Programs) to assist young people in the transition from school to the community, and workplace. While there are existing Commonwealth/State agreements covering such programs, there are opportunities to improve services through the involvement of training organisations, and by adopting a more outcome oriented approach.

> **4.5** It is recommended that FaCS, together with other Commonwealth agencies and State/Territory Disability and Education Departments explore collaborative approaches to assisting young people with disabilities in their transition from school to the community, and workplace, particularly in rural and remote locations, including indigenous communities.

Collaboration between Disability employment services and local government

The preferred form of collaboration with local government is purchase of disability employment assistance, particularly where local government already provides services to people living in the community on an outreach basis. The involvement of local government enhances opportunities for community development, enterprise development, and possibly direct employment opportunities for job seekers with disabilities; improves funding stability under case based funding arrangements; provides peer support; and provides potential economies of scale with outreach service, administrative support, management and quality assurance systems, staff training and support.

> **4.6** It is recommended that FaCS consider piloting service delivery arrangements which are based on Model 7, joint project with Local Government.

Collaboration between disability employment service and Job Network providers

Job Network providers and disability employment services are complementary components of the Commonwealth's labour market program, both providing employment assistance to job seekers with disabilities. In rural and remote locations where there is only one type of employment service, job seekers with disabilities would benefit from being able to access that service regardless of their level of disability. Case based funding may facilitate the purchase of Job Network provider services for placing people with disabilities in employment.

> **4.7** It is recommended that FaCS liaises with DEWRSB to explore opportunities to improve employment assistance to job seekers with disabilities in rural and remote locations.

Collaboration between disability employment services and VET providers

In rural and remote locations the availability of externally provided training courses and resources for job seekers with disabilities is often poor. As a result disability employment services often provide training in living skills, pre-vocational and entry level vocational training. At the same time they may establish their own work sites to provide in-house training opportunities or collaborate with employer organisations or supported employment services to access workplace training. Some disability employment services have diversified their training provision and become Registered Training Organisations.

Recognising a number of concerns the Australian National Training Authority has put forward a national strategy, with a number of important components for job seekers with disabilities in rural and remote locations.

> **4.8** It is recommended that FaCS work with DETYA and ANTA to identify scope for increased access to training for people with disabilities in rural and remote areas.

Service delivery structures

The way organisations structure service delivery has an important influence on access for job seekers with disabilities, as well as the costs of service delivery. Structures appear to be shaped by history, organisational policies, and by funding processes, as well as a planned response to demand for services. New organisational arrangements for providing employment assistance may facilitate increased access by job seekers who are living outside population centres in rural and remote communities.

A number of traditional structures for providing disability employment services in rural and remote locations are identified, including stand alone town-based services, town-based services with remote outlets, multi-funded/program services, mobile

outreach services, sub contracting arrangements with providers in remote locations, and the employment of casual and co-workers.

In addition, three innovative service delivery structures are identified. Each has the potential to develop employment opportunities for job seekers, as well as reduce the costs associated with training, support, and job search. Each approach (initially) involves a disability employment service as case manager.

Business coalition

In areas where there is high unemployment and low employment growth, developing a new business with the needs of job seekers with disabilities in mind may be an important option. The model involves establishing a coalition between a disability employment service, representative of the local business community, and other (government) stakeholders. Not only does the model provide employment, it provides opportunities for workplace training, reduces the costs of training and job search, and increases service productivity.

Members of the business community contribute their business knowledge to the venture covering finance, procurement, production, and marketing. The disability employment service provides support to the workers. There are also opportunities to gain broader community support.

> **4.9** It is recommended that FaCS consider piloting service delivery arrangements which are based on Model 8, business coalition initiative.

Businesses as employment assistance provider

This model involves an employer providing training and on-going maintenance support, using its own support staff, who have the required expertise. Co-workers may also be involved. Such an approach adopted by some major food retailers overseas.

The model aims to improve access and throughput of job seekers with disabilities, and minimise costs, as many disability employment functions are within the employer organisation. The model provides higher certainty about the availability of jobs, and opportunities for work place training.

Disability employment providers would collaborate with employers on an agreed basis. Employers could develop collaborate arrangements with disability employment services, possibly purchasing advisory services if and when required. An external case manager may or may not be involved depending on the arrangements made by the employer organisation.

> **4.10** It is recommended that FaCS considers piloting service delivery arrangements which are based on Model 9, employer as employment assistance provider.

Family as employment assistance provider

Where job seekers live some distance from service providers, and their family operates (or may operate) a business, the family would provide employment assistance, with case management (brokerage) provided by a disability employment provider.

From the job seeker's perspective there is a guaranteed job in a familiar environment, and there is no need to travel to a workplace. From the perspective of a disability employment assistance provider, this approach reduces the need for job placement, may reduce the need for training, and reduces the need for travel to provide on going support.

Case management would ensure that the support services provided and conditions of employment meet appropriate standards.

> **4.11** It is recommended that FaCS considers piloting service delivery arrangements which are based on Model 10, family as employment assistance provider.

Developing integrated disability employment services

As the disability employment service industry matures, and in the context of welfare reform, a more analytical, planned and collaborative approach to service delivery appears warranted, in order to enable the most cost effective arrangements in rural and remote locations. Key elements would include collaboration between Commonwealth and State government departments, involvement of non-traditional service providers, and expanding the role of traditional service providers to include complementary services.

> **4.12** It is recommended that Commonwealth and State departments jointly plan service provision for people with disabilities in rural and remote areas to facilitate service integration and enhance viability.
>
> **4.13** It is recommended that the planning and development of disability employment assistance in rural and remote locations include innovative services involving non traditional service providers, and the development of more cost effective services through complementary service funding and closer collaboration between relevant services.

Community development

Community development is an important role for disability employment services and might include promotion, resourcing and training volunteers, fundraising and participating in community events.

Community development can result in the establishment of a new disability employment service or a new organisation proving disability employment assistance as one of several services, either managed by a new organisation or an existing organisation.

Community development approaches involve partnerships between disability employment assistance providers, other disability services, government and the local community. The Commonwealth supports community development through the Stronger Families and Communities Program, and through other initiatives such as Area Consultative Committees, and regional development initiatives.

> **4.14** It is recommended that FaCS consider piloting service delivery arrangements which are based on Model 4, community development initiative.

Transport

Physical access to disability employment assistance and employment opportunities by job seekers with disabilities is clearly a major issue. Where there is no public transport and family and/or carers are occupied during the day, many disability employment services visit job seekers with disabilities in their home territory, which can be hundreds of kilometres away.

Employment assistance providers consider a joint approach to promoting improved transport options for people with disabilities in rural and remote locations, involving other Government Departments, and local government.

> **4.15** It is recommended that employment assistance providers consider a joint approach to promoting improved transport options for people with disabilities in rural and remote locations, involving other jurisdictions, and local government.

Technology

Video conferencing has the potential to facilitate timely and lower cost contact between disability employment services and job seekers with disabilities. Administrative functions can be completed without job seekers or workers having to travel. In addition, video conferencing can more readily provide continual support, rather than infrequent visits (eg. once every 2 weeks). This technology

can also be used to maintain contact with casual workers and co-workers. While videoconferencing will not completely replace visiting, it has the potential to significantly reduce the amount of time spent travelling.

Accessible video conferencing facilities located within a community can also promote linkages between related services within the community (human services, employment services, businesses).

To date, videoconferencing has been used very little in remote locations. Effective videoconferencing systems are expensive and costly to maintain, and are not yet widespread. Videoconferencing requires that job seekers with disabilities arrange to visit facilities in the offices of service providers. Many disability employment assistance providers in rural and remote locations are not comfortable using videoconferencing until the quality of the systems improves.

4.16 It is recommended that employment assistance providers further examine the value of videoconferencing and computer based training as strategies to improve service delivery in rural and remote locations, and explore opportunities with employers for remote workplaces.

Providing services to Indigenous people

While Indigenous people represent 2% of Australia's population, the proportion in rural and remote Australia is much higher. There is also a higher incidence of disability in Indigenous communities. The provision of appropriate disability employment assistance to Indigenous people needs to take into account a range of issues including the way disability is perceived by Indigenous people, isolation and access to services, Indigenous concepts of work, and community priorities.

A regional approach to service provision is required, which is likely to involve several Indigenous communities. At the same time services should respond to the needs of individual communities through a consultative process, building on the community's capacity and strengths. Indigenous people should be involved in service provision, and culturally appropriate promotion of the benefits of employment for people with disabilities is required.

In many of the more remote communities, where there is little or no opportunity for mainstream employment, Community Development Employment Projects have been established. CDEP provides income support, community development, skill acquisition and a potential pathway to employment. Indigenous people receiving the Disability Support Pension are eligible to participate in CDEP. However a lack of CDEP places, lack of financial incentives for job seekers (or for CDEP), and a lack of suitable support structures for job seekers with disabilities has meant limited participation to date. Policies and practices are required to enhance prospects for job seekers with disabilities.

An alternative to CDEP is to establish businesses which are aligned to the interests, cultural heritage and infrastructure of the community. This has proven a successful employment creation strategy in many communities.

4.17 It is recommended that FaCS works with DEWRSB and ATSIC to develop and implement policies and practices which will improve CDEP employment opportunities for people with disabilities.

4.18 It is recommended that FaCS develop a promotional program aimed at rural and remote communities and indigenous communities in particular to promote the employment of indigenous job seekers with disabilities.

4.19 It is recommended that FaCS consider piloting service delivery arrangements which are based on Model 3, the Indigenous Model.

Proposed models

Proposed models are described according to a framework designed to highlight innovative approaches. The proposed models are not intended to be prescriptive, nor the only models that may meet the needs of a local community. Rather they service to illustrate service provision and funding arrangements which will both improve access to disability employment assistance, and promote cost effective service delivery.

It is expected that some of the proposed models will be piloted and feed into the Case Based Funding Trial.

5.1 It is recommended that FaCS proceeds to pilot selected innovative disability employment assistance service delivery arrangements which are based on the models outlines in Section 5 commencing with planning and feasibility studies, where appropriate.

5.2 It is recommended that priority be given to proposed arrangements involving collaboration between FaCS funded services, and FaCS funded services and disability services funded by State/Territory governments (including services to Indigenous communities).

5.3 It is recommended that appropriate protocols and resource materials be developed to support the collaborative models outlined in Section 5.

5.4 It is recommended that FaCS establishes an information strategy to encourage innovative service delivery in response to needs of job seekers with disabilities in rural and remote locations, including Indigenous

communities, in the context of current reform, and that this could include:

– a description of various employment assistance delivery models that could operate in rural and remote locations, emphasising flexibility for local communities; and

– best practice open and supported employment examples, including outcome definitions, conditions of work, opportunities for worker integration, worker satisfaction, and durability and development opportunities for positions.

1 Introduction

The Commonwealth Government funds a range of disability employment assistance measures for people with disabilities through the Department of Employment, Workplace Relations and Small Business (DEWRSB) and the Department of Family and Community Services (FaCS).

The objective of the FaCS Disability Employment Assistance Program is to foster the development of environments and supports which maximise opportunities for participation and choice in work for people with disabilities. The program is administered by the Department of Family and Community Services (FaCS) and assists in developing individuals' independence and their ability to participate in the labour market.

In 1997 the Commonwealth Government embarked on a process of reform of disability employment assistance. The principles underpinning reform are to:

- enhance job seeker access, choice and employment outcomes;
- make funding more equitable;
- provide employment assistance to as many people as possible within existing funding; and
- promote flexibility and innovation.

Fundamental to the reform of disability employment assistance is the development of appropriate funding arrangements. Consequently the Department of Family and Community Services (FaCS) is trialing a particular approach to funding called Case Based Funding. This is an approach to purchasing employment assistance based on the level of need of individual job seekers with disabilities, and the achievement of specified outcomes. Such an approach is designed to utilise existing funding more equitably and effectively, and at the same time improve access to assistance.

FaCS wishes to ensure that funding reforms can be delivered in rural and remote locations. The Case Based Funding Trial, which commenced in November 1999, and runs for two years, is being conducted in rural locations but across more traditional service delivery models.

This study is being undertaken to identify funding arrangements which will focus on individual needs and outcomes but also take into account issues specific to rural and remote locations. The results of this study will feed into the evaluation of the Case Based Funding Trial.

The findings of this study aim to inform Government consideration of the funding reforms. Innovative ways of delivering employment assistance are identified which could be developed (ie piloted) in rural and remote locations over the next two years.

Aim of the study

The aim of this study is to identify necessary funding principles to enable innovation in disability employment assistance service provision in rural and remote locations, particularly for Indigenous job seekers in remote communities.

The methodology for the study is contained in Appendix 1.

The report is set out as follows:

Section 2 provides a description of disability employment assistance in rural and remote areas, including the number and location of services, definitions of remoteness, unmet demand, operating costs, labour market conditions, and other issues.

Section 3 summarises current funding reforms including case based funding, and discusses implications for employment assistance in rural and remote locations. Three funding principles are discussed and possible mechanisms for adjusting funding levels are examined.

Section 4 describes current and potential strategies for improving access for job seekers with disabilities to disability employment assistance and employment opportunities, and improving the cost effectiveness of services. Strategies include case management, collaboration, diversified service delivery structures, expanded employment options and community development, transport and technology.

In Section 5 a number of innovative models for employment assistance service delivery are presented. These have been developed based on the funding principles identified in Section 3, and from the strategies identified in Section 4.

2 Rural and remote disability employment assistance

2.1 Describing rural and remote disability employment assistance

2.1.1 The Accessibility/Remoteness Index of Australia

While there is no clear definition of remoteness applied to disability employment assistance in Australia, the Accessibility/Remoteness Index of Australia (ARIA) [3] has been used to provide a framework for identifying the extent to which disability employment assistance is currently being provided in rural and remote areas. The ARIA system has been developed by the University of Adelaide, and is becoming accepted by governments, academic institutions and other organisations as the best available indicator of remoteness. [4] The University is continually updating the ARIA system, and has produced several advanced versions.

ARIA measures remoteness in terms of access along a road network to a service centre. Localities that are more remote have less access to service centres; those that less remote have greater access to service centres. In its original form, the ARIA database identifies 11,340 populated localities and 201 service centres, in Australia.

In the measurement of ARIA classification, population is used as a proxy for service availability. In the original version, a service centre has a population of 5,000 or more. More advanced versions recognise service centres with populations of 200. There is quite a strong relationship observed between population size and the availability of services. Road distance is used as an access indicator. Virtually any given locality can be identified by ARIA, and assigned a remoteness score. In the original ARIA version 5 categories of remoteness were identified as shown on Table 2.1.

Table 2.1: ARIA scores and classifications

Classification	Score	Description
Highly Accessible	0 – 1.84	Relatively unrestricted accessibility to a wide range of goods and services and opportunities for social interaction
Accessible	>1.84 – 3.51	Some restrictions to accessibility of some goods, services and opportunities for social interaction
Moderately Accessible	>3.51 – 5.80	Significantly restricted accessibility of goods, services and opportunities for social interaction
Remote	>5.80 – 9.08	Very restricted accessibility of goods, services and opportunities for social interaction
Very Remote	> 9.08 – 12	Very little accessibility of goods, services and opportunities for social interaction

Source: http://www.health.gov.au/ari/aria.htm

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[3]   Further information may be obtained on the Website for the Department of Health
        http://www.health.gov.au/ari/aria.htm
[4]   We understand that the Australian Bureau of Statistics may use an advanced form of ARIA.

These 5 categories were arbitrary divisions on a continuous scale, and were not related to other descriptors of remoteness, or rurality in common use (ie 'urban', 'rural', 'remote'). In more advanced versions of ARIA there may be 6 or 7 arbitrary categories.

For the purposes of this study 'rural and remote' is defined as areas with a Moderately Accessible, Remote and Very Remote ARIA classification.

2.1.2 Classifying disability employment assistance according to ARIA

There were 840 disability employment service outlets funded under Part II of the *Disability Services Act 1986* operating in Australia in 1999 (Table 2.2). About 57% of these were supported employment services, and a little over one third were open employment services. This is shown in Table 2.2.

Table 2.2: Disability service outlets: Service type by ARIA classification, 1999

Service type	Highly accessible		Accessible		Moderately accessible		Remote		Very Remote		Total	
	No	%	No	%	No	%	No	%	No	%	No	%
Open	217	71.6	55	18.2	19	6.3	8	2.6	4	1.3	303	100.0
Supported	351	73.7	94	19.7	24	5.0	6	1.3	1	0.2	476	100.0
Open and Supported	41	68.3	9	15.0	5	8.3	3	5.0	2	3.3	60	100.0
Other	1	100.0	0	0.0	0	0.0	0	0.0	0	0.0	1	100.0
Total	610	72.6	158	18.8	48	5.7	17	2.0	7	0.8	840	100.0

Source: FaCS Disability Services Census, 1999.

There are 72 service outlets indicated as being located in Moderately Accessible, Remote and Very Remote areas, or 8.5% of all services, comprising:

– 31 open employment services (10% of open employment services);

– 31 supported employment services (7% of supported employment services); and

– 10 open and supported employment services (16% of open and supported employment services).

For the 72 outlets in the ARIA 'Moderately Accessible', 'Remote' and 'Very Remote' areas there were approximately 3,000 of consumers (5.8% of total), as shown in Table 2.3 on the following page.

Table 2.3: Number of consumers (service recipients): Service type by ARIA classification, 1999

Service type	Highly accessible	Accessible	Moderately accessible	Remote	Very remote	Total
Open	25,449	3,774	1,393	401	214	31,231
Supported	13,973	1,913	443	128	9	16,466
Open and supported	3,639	386	347	38	15	4,425
Other	103	–	–	–	–	103
Total	43,164	6,073	2,183	567	238	52,225
% of total	82.7%	11.6%	4.2%	1.1%	0.5%	100.0%

Source: FaCS Disability Services Census, 1999.

The ARIA scaling system (Table 2.1) skews the population distribution to Highly Accessible and Accessible regions, compared to previous classifications of rural and remote, such as the classification used by the Australian Institute of Health and Welfare (AIHW). For example, under ARIA, many 'rural' centres are classified as 'Accessible', and are thus not included as 'rural and remote'. This has led a number of people to observe that ARIA, as currently constructed, does not adequately identify rurality.

The total number of outlets and consumers indicated in rural and remote locations appears relatively low when compared with AIHW data for open employment services, shown in Table 2.4 (for 1997–98).

Table 2.4: Number of open employment outlets and number of consumers by location 1997–98

Location	Outlets		Recorded consumers		Mean no. of consumers per outlet
	No.	%	No.	%	
Urban	207	62	21,423	71	103
Rural	111	33	8,432	28	76
Remote	16	5	535	2	33
Total	334	100	30,390	100	91

Source: AIHW, Open employment services for people with Disabilities, 1997–98, Table 2.2, 1999.

While the total number of open employment outlets indicated is similar (334 for AIHW, 303 for ARIA), AIHW data indicates there are 127 outlets in 'Rural and Remote' locations, compared to 72 for ARIA.

A similar comparison can be made with consumers. Table 2.4 shows approximately 9,000 consumers in 'Rural and Remote' areas indicated by AIHW.

Another issue which is more apparent in the ARIA system, is 'migration' of consumers from remote to less remote (ie more accessible) areas.

Data shows that job seekers with disabilities living in Moderately Accessible and Remote locations travel to more 'Accessible' service providers to obtain a service. For example, Table 2.5 shows that in 1998 there were 383 consumers living in a Remote area. Of these, 167 (or 44%) accessed services within a Remote area, and 157 (or 40%) accessed services in a Highly Accessible area.

Job seekers in Very Remote locations appear to travel relatively less outside their area for services.

Table 2.5: Consumers of disability employment services: Consumer place of residence (ARIA) by Consumer use of service (ARIA), 1998

Consumers lived in these areas	Consumers accessed services in these areas						
	Highly accessible	Accessible	Moderately accessible	Remote	Very remote	Unmatched	Total
Highly Accessible	29,254	92	9	2	6	2,685	32,048
Accessible	1,528	3,163	171	0	0	133	4,995
Moderately Accessible	337	163	954	18	0	102	1,574
Remote	157	12	35	167	12	0	383
Very Remote	3	20	5	15	143	0	186
Unmatched	146	104	6	8	37	197	498
Total	31,425	3,554	1,180	210	198	3,117	39,684

Source: FaCS Disability Services Census, 1998, Table 9, p 18, 1999.

Thus, in addition to the 72 service outlets identified as 'rural and remote', there are many services located in 'Accessible' areas that provide services to job seekers with disabilities living in more remote areas. Reasons for this phenomenon include: [5]

• it is natural that a proportion of job seekers with disabilities are living in more remote areas than where services are located (eg. living on a farm some distance outside a town centre);

• job seekers with disabilities may choose to travel to a major centre (by-passing a smaller town which has a disability employment service) and obtain a range of services (this may also be a choice made by their family); and

• a lack of disability employment services in the remote areas in which job seekers with disabilities are living, or a lack of adequate outreach services.

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[5] Based on discussions with disability employment services.

On the other hand there are relatively few consumers with disabilities living in 'Highly Accessible' and 'Accessible' areas which access services in 'Moderately Accessible', 'Remote' and 'Very Remote' areas.

The number of service outlets in rural and remote locations, as defined by ARIA, appear relatively low, compared to previous measures.

MDS data collection assigns services to urban, rural and remote based on postcodes. Postcode data are collected in two formats depending on whether data is collected on an outlet basis or on a more aggregated level. Collection at an aggregate level will understate the number of services in rural and remote areas.

While the focus of this study is on Moderately Accessible, Remote and Very Remote area, as per the ARIA classification, it needs to be recognised that there are likely to be service outlets in Accessible areas which experience remoteness. The numerical range which defines inclusion of a service for the purposes of a program response requires further investigation. The next versions of ARIA to be produced by the University of Adelaide may address this issue.

2.1.3   Rural and remote services in States/Territories

New South Wales and Queensland have the highest number of consumers and outlets in rural and remote areas, as shown on Chart 2.1.

Chart 2.1: Number of consumers and outlets in 'Rural and Remote' areas in each State/Territory, 1999

Source: FaCS Disability Services Census, 1999
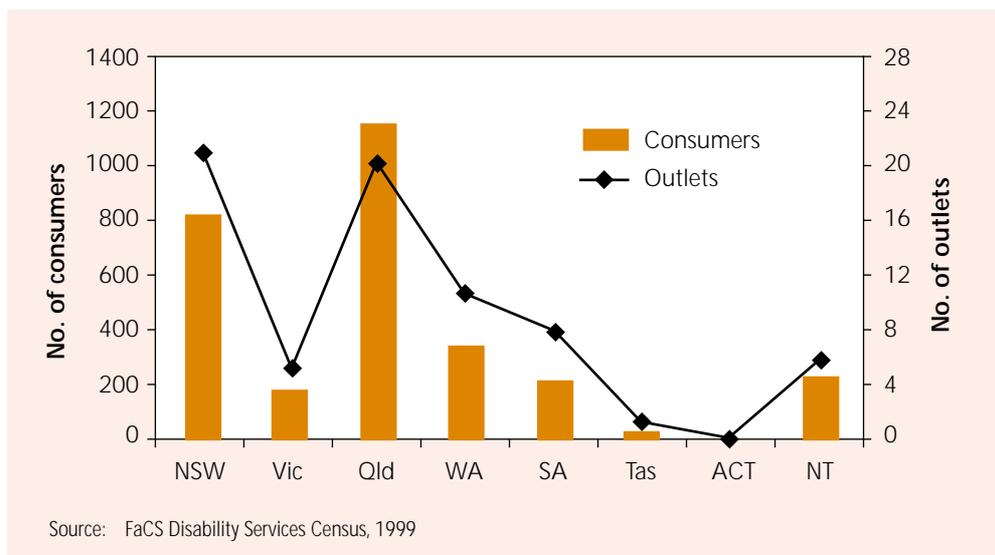
However, rural and remote outlets and consumers are more highly represented in Northern Territory than any other State. Chart 2.2 on the following page shows the proportion of outlets and consumers in rural and remote areas in each State/Territory.

Chart 2.2: Proportion of outlets and consumers in 'Rural and Remote' areas

Source: FaCS Disability Services Census, 1999
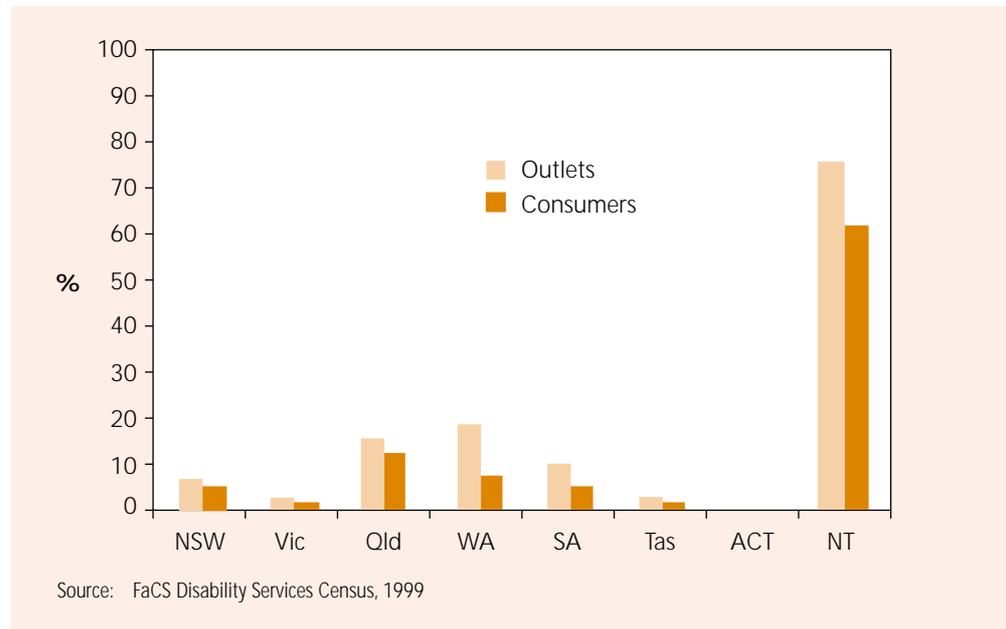
Data tables from which these charts were derived are shown below.

Table 2.6: Disability employment services, number of outlets by ARIA classification, 1999

	Highly accessible		Accessible		Moderately accessible		Remote		Very remote		Total	
	No	%	No	%	No	%	No	%	No	%	No	%
NSW	220	68.3	81	25.2	14	4.3	6	1.9	1	0.3	322	100.0
Vic	163	86.7	20	10.6	5	2.7	0	0.0	0	0.0	188	100.0
Qld	86	66.2	24	18.5	14	10.8	5	3.8	1	0.8	130	100.0
WA	48	76.2	4	6.3	6	9.5	2	3.2	3	4.8	63	100.0
SA	59	71.1	16	19.3	6	7.2	2	2.4	0	0.0	83	100.0
Tas	22	64.7	11	32.4	1	2.9	0	0.0	0	0.0	34	100.0
ACT	12	100.0	0	0.0	0	0.0	0	0.0	0	0.0	12	100.0
NT	0	0.0	2	25.0	2	25.0	2	25.0	2	25.0	8	100.0
Total	610	72.6	158	18.8	48	5.7	17	2.0	7	0.8	840	100.0

Source: FaCS, Disability Census, 1999.

Table 2.7:   Disability employment services, consumers by ARIA classification, 1999

	Highly accessible		Accessible		Moderately accessible		Remote		Very remote		Total	
	No	%	No	%	No	%	No	%	No	%	No	%
NSW	12,376	77.9	2,680	16.9	653	4.1	168	1.1	9	0.1	15,886	100.0
Vic	14,018	95.0	548	3.7	187	1.3	0	0.0	0	0.0	14,753	100.0
Qld	6,860	72.5	1,451	15.3	841	8.9	199	2.1	113	1.2	9,464	100.0
WA	4,519	88.1	260	5.1	187	3.6	64	1.2	101	2.0	5,131	100.0
SA	3,779	85.7	423	9.6	169	3.8	41	0.9	0	0.0	4,412	100.0
Tas	747	56.7	560	42.5	11	0.8	0	0.0	0	0.0	1,318	100.0
ACT	865	100.0	0	0.0	0	0.0	0	0.0	0	0.0	865	100.0
NT	0	0.0	151	38.1	135	34.1	95	24.0	15	3.8	396	100.0
Total	43,164	82.7	6,073	11.6	2,183	4.2	567	1.1	238	0.5	52,225	100.0

Source: FaCS Disability Census, 1999

2.1.4   Rural and remote outlets and areas selected for the study

A significant part of the study involved undertaking case studies and focus groups in rural and remote areas. These were selected to provide a reasonable spread and diversity of rural and remote circumstances.

Table 2.8 shows ARIA classifications for locations which were included in the study. Case studies were selected by the Steering Committee based on nominated outlets and services in each State/Territory. There were 4 case studies (ie service outlets) in Accessible locations, 3 in Moderately Accessible locations, 4 in Remote locations, and 3 in Very Remote locations.

Focus group locations were selected in order that a range of providers from the surrounding area would be able to attend. This shifted the focus away from Very Remote locations to more 'Accessible' locations. There was 1 focus group conducted in a Highly Accessible location, 5 in Accessible locations, 1 Moderately Accessible, and 3 in Remote locations.

Table 2.8: ARIA Classifications of selected locations (included in the study as case studies or focus groups)

	Score	Highly accessible	Accessible	Moderately accessible	Remote	Very remote
Northern Territory						
Darwin (visit)	3.0		▨			
Alice Springs (fg, cs)	6.0				▨	
Tiwi Islands (cs)	11.0					▨
Tennant Creek (cs)	12.0					▨
Nhulunbuy (cs)	12.0					▨
Queensland						
Cairns (fg)	3.0		▨			
Innisfail	4.0			▨		
Mareeba	3.6			▨		
Rockhampton (fg)	1.5	▨				
Mount Isa (cs)	6.0				▨	
Roma (cs)	5.1			▨		
Goondiwindi (cs)	4.9			▨		
NSW						
Bega (cs)	4.1			▨		
Nyngan (cs)	6.4				▨	
Orange (fg)	1.6		▨			
Dubbo (fg)	2.4		▨			
Young (visit)	2.0		▨			
Western Australia						
Broome (fg, cs)	9.0				▨	
Port Hedland (fg, cs)	9.0				▨	
Victoria						
Nhill (cs)	4.2			▨		
Warracknabeal (cs)	3.7			▨		
St Arnaud (cs)	2.5		▨			
Horsham (cs)	2.8		▨			
Maffra (visit)	2.0		▨			
Mildura (cs)	2.5		▨			
South Australia						
Mount Gambier (cs)	2.2		▨			
Bordertown (fg)	4.8			▨		
Port Pirie* (fg)	2.6		▨			
Tasmania						
Burnie (cs)	2.1		▨			
Strahan	6.2				▨	

Source: ARIA at www.health.gov.au/ari/aria.htm.
Note: fg = focus group location, cs = case study location, visit = outlets which were visited. Those locations with no qualifier are included as they are areas to which case study outlets provide outreach services.

Note that service outlets in Horsham, Port Pirie, and Burnie are classified as 'Accessible', yet they each provide services on an outreach basis to job seekers with disabilities living in areas classified as Moderately Accessible or Remote.

2.2 Unmet demand in rural and remote locations

2.2.1 Historical studies

There is no reliable data which estimates demand for disability employment assistance, or which indicates whether there is higher demand in rural and remote locations compared to urban areas.

In 1996 Baume and Kay used a theoretical estimate based on ABS data, suggesting that unmet demand for employment by persons with a disability, for the whole of Australia was 38,800 people. [6] Baume and Kay also noted that 21% of DSP clients were in rural and remote areas, compared to 28% of the total population who live in rural and remote areas, suggesting that there were insufficient services in rural and remote locations. [7]

Note that this does not necessarily demonstrate that there are insufficient services in rural and remote areas. As discussed below, many job seekers with disabilities travel to less remote disability employment services, or relocate to less remote areas in order to access a range of services, and possibly improved employment prospects.

In 1996 the then Department of Health and Family Services developed estimates of unmet demand for employment support for 'people with severe and profound handicaps and those with employment limitation'. The study estimated that demand for employment assistance was 44,000 to 48,000 clients, while the service provision was 38,000 to 40,000. This suggested an unmet demand of 4,000 to 10,000 people who were actively looking for work (in 1996). Thus unmet demand for assistance was estimated to be about 15%.[8] There was no separate analysis of unmet demand in rural and remote locations.

Soon after the Unmet Demand Study, another study conducted by the Department of Social Security[9] observed similar levels of unmet demand. Contrary to expectations this study observed slightly lower levels of unmet demand in rural and remote locations. However, the study found that the most important factors restricting the employment of people wishing to work included suitable transport, education and training programs, and labour market factors.

While funding for disability employment assistance has increased capacity for some 10,000 additional consumers since 1996, it is not known what increase in demand may have also occurred during this periods, or where this may have occurred.

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[6] Baume and Kay, Working Solution, Report of the Strategic Review of the Commonwealth Disability Services Program, AGPS, 1995, p54.

[7] Baume and Kay, op. cit., p. 90.

[8] Yeatman, A. 'Getting Real: The Final Report of the Review of the Commonwealth State Disability Agreement', AGPS. 1996. p 71.

[9] DSS, Factors Assisting the Employment of People with Disabilities, Consultation paper, July 1997.

2.2.2 Comparison of current consumer distribution with disability population

In order to determine whether there is higher unmet demand in rural and remote locations current consumer distribution was compared with estimated population of people with a disability.

ABS synthetic estimates[10] of the population of people with a disability in 1998 (aged 15–59), were grouped according to ARIA classifications.

Table 2.9 shows that consumers with disabilities appear to be under represented in employment services rural and remote areas. The number of consumers as a proportion of the disability population in Moderately Accessible, Remote and Very Remote areas were 2.85%, 2.47% and 1.17%, respectively compared to 3.12% and 2.79% in Highly Accessible and Accessible areas, respectively.

The number of consumers in Moderately Accessible, Remote and Very remote areas was 5.7% of the total. This is less than the proportion of the population of people with a disability living in these areas (7.0%).

While the analysis is inconclusive, data does suggest that there is higher unmet demand in rural and remote areas. Using different (or additional) ARIA categories to increase to the number of consumers in 'rural and remote' categories would assist in further analysis.

However, lower than average representation does not necessarily mean that demand is unmet, as many job seekers with disabilities 'migrate' from one classification to another to receive service, as noted above. This may take place as part of the job seeking process, or job seekers may re-locate, thus reducing the number of consumers in rural and remote locations.

Table 2.9: Proportion of disability population provided with employment services

	Highly accessible	Accessible	Moderately accessible	Remote	Very Remote	Total
Population of people with a disability (severe and profound)	1,380,619	217,683	76,557	22,997	20,257	1,718,113
No. of consumers	43,164	6,073	2,183	567	238	52,225
Proportion of population served	3.12%	2.79%	2.85%	2.47%	1.17%	3.03%

Source: Department of Family & Community Services, estimates of disability population, 1998, and Disability Census 1999.

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[10] ABS estimates the population of people with disabilities based on available data. Because these are estimates rather than a census of the disability population, they are referred to as 'synthetic'.

Feedback from service providers in rural and remote locations concerning the level of unmet demand was equivocal in relation to unmet demand. Most providers either had waiting lists or were aware of people in their community who could benefit from employment assistance. While they were not able to quantify the level of unmet demand, there were some who suggested that their current service provision could be increased by 25–50%, given additional funding. However, it is likely that this is not solely a characteristic of rural and remote locations. (Nor was it clear that these services were operating at maximum efficiency).

While waiting lists provide one indication of unmet demand the use of formal waiting lists varies. Some providers have waiting lists, others do not. Those with waiting lists nominated waiting times of between 1 and 6 months. Other service providers are reluctant to include people on a waiting list if they consider people will have to wait so long they will become discouraged. Providers generally are reluctant to seek new job seekers, and promote their services unless they are able to deliver assistance within a reasonable time frame. On the other hand many job seekers may be on more than one waiting list.

Possible sources of unmet demand identified by providers in rural and remote locations include:

- job seekers living in remote towns not serviced by disability employment services;

- people who would like to work, but who are unaware of the existence of disability employment assistance;

- people who are currently involved in supported employment, or in day options programs, who are seeking open employment, but find it difficult to access services and the employment market;

- Indigenous people with disabilities who are not recognised as having disabilities, or who choose not to disclose their disability; and

- young people with disabilities leaving school, who would like to work, but who are not encouraged (by parents, school, others) to pursue employment.

While information from several sources suggests that there is relatively higher unmet demand for disability employment assistance in rural and remote locations, further analysis of demand is required to establish whether this is the case. Such analysis would need to address the 'migration' of job seekers with disabilities. Unmet demand as evidenced by waiting lists, is mainly due to limited capacity to provide services within existing funding levels, and a lack of employment opportunities.

2.3 Costs in rural and remote communities

2.3.1 Recognising higher costs in rural and remote communities

The higher cost of operating in rural and remote communities is widely recognised. [11] However, there is no definitive system by which government funded services are compensated for the higher cost of service delivery in rural and remote communities. At a local level higher costs of living experienced by individuals are recognised by the Australia Taxation Office through a Zone Rebate Scheme. Higher costs are recognised at a State level by the Commonwealth Grants Commission. Both these are summarised below. The cost of operating in rural and remote locations is described using case study information. This illustrates the relative importance of particular costs and the potential difference in cost, compared to urban areas.

ATO Zone Rebates

The Australian Taxation Office uses a zoning system to provide rebates for individuals living in rural and remote communities. Zone rebates apply in a number of nominated localities.

There are effectively 3 zones – A, B and Special areas, within the meaning of sub-section 79A(3D) of the Income Tax Assessment Act. Zone rebates are calculated based on a range of eligibility criteria and individual circumstances. The zone rebate includes other rebates (spouse, sole parent) plus a zone allowance.

Table 2.10: Examples of localities within zones and special areas

Zone A (allowance = $338)	Zone B (allowance = $57)	Special area (allowance = $1173)
Broome	Kalgoorlie	Exmouth
Port Hedland	Bourke	Nhulunbuy
Alice Springs	Broken Hill	Tennant Creek
Darwin	Cairns	Amata Aboriginal Community
Katherine	Atherton	Jabiru
Mount Isa	Queenstown	Milikapati

Source: Australian Taxation Office, see for example Withholding declaration, p 23.

The dollar value of Zone and Area allowances is arbitrary and is not correlated with cost conditions within a particular town. As a result they do not provide a useful framework for establishing comparative costs with urban areas.

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[11]   See for example, Department of Family & Community Services, Report of the Disability Industry Reference Group, July 1999, pp. 37–41. See also Yeatman, Op cit. p.63: *'The issue of equalisation needs to be considered also in relation to the question of whether there should be an additional funding formula loading for service development in the remote areas of Australia. Acknowledgement that costs in these areas are a good deal higher than in urban areas has been made already in the tax system'.*

Commonwealth Grants Commission

The Commonwealth Grants Commission establishes funding formulae in order to calculate the level of State Grants. [12] The formulae used are complex and include weights for input costs, socio-demographic composition, dispersion, isolation and Aboriginality. The Commission also undertakes specific inquiries.

State/Territory data is available for various government funded programs. However, the Grants Commission does not generally publish information disaggregated below State/Territory level.

One way of using Grants Commission information is to assume that the 'worst case' scenario is reflected in the data for Northern Territory, for selected programs, as shown in Table 2.11 below.

Table 2.11: Examples of Standardised expenditure ($ per capita) 1998/99

	Northern Territory	Western Australia	Queensland	Australia
Disability Services	205	117	111	110
Vocational education and training	309	165	156	155
Community health	770	303	252	

Source: Commonwealth Grants Commission, Working Papers, Volume 4, pp. 106, 208, 356. 2000.

The approach to estimating standardised expenditure involves identifying various factors which affect cost, and measuring these relative to the Australian average. For example a higher proportion of older people, or people with disabilities in a State, would increase the weighting. Standardised expenditure is the expenditure that each State would incur to provide the average level of service to its target population.

In the Northern Territory the standardised expenditure for disability services and other community service areas are increased due to the dispersed nature of the population, and a higher proportion of Indigenous people. The data suggests that disability services in the Northern Territory, and in similarly remote parts of other States where there is a high Indigenous population, require nearly twice the average Australian expenditure.

The Commission's data suggests that the training component of disability employment assistance in Northern Territory might be 3 times that of the rest of Australia. The expenditure in Community Health in Northern Territory is more than double Western Australia and Queensland. [13]

While the Grants Commission publishes aggregate State/Territory information, it maintains considerable data bases of cost information related to specific geographic locations. It can also use data provided by other government organisations to

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[12] See www.cgc.gov.au

[13] Further analysis by the Grants Commission shows that standardised expenditure in the Northern Territory is equivalent to the actual community health expenditure.

conduct analyses, although this is not its primary role (nor can it be relied upon to conduct such analyses).

The Grants Commission is currently conducting an Inquiry into Services for Indigenous people.[14] The Inquiry includes an examination of the effect of geographic location on costs. The Commission notes that the costs of providing services in remote and isolated areas is the result of *'many factors including the high costs of transport, communication, freight and general maintenance and the necessity to offer more attractive salary and conditions (including housing) to attract and keep staff'.*[15]

The Commission has completed locationally specific analyses as part of the Inquiry. Relative costs have been calculated for the delivery of secondary education, at a postcode level. In general, the analysis indicates that costs increase with distance from State capital city, except in Queensland where distance from the coast predominates. The Grants Commission intends to develop this work for health and other sectors.[16] Relative cost indices are shown in Table 2.12 for delivery of secondary education.

Table 2.12: Relative cost index for delivery of Secondary Education

Relative cost index	No. of schools	% of total	Examples of locations
135 – 175	41	4	Alice Springs, Tennant Creek, Nhulunbuy, Broome, Port Hedland
115 – 135	137	12	Katherine, Mount Isa, Nhill
102 – 115	428	38	Darwin, Cairns, Mildura, Kalgoorlie
90 – 102	442	39	Outer urban Melbourne, Adelaide, Brisbane, Sydney, Hobart
79.3 – 90	89	8	Urban areas of capital cities

Source: Commonwealth Grants Commission, Indigenous Funding Inquiry, 2000.

Table 2.12 indicates a range in relative cost index from about 80 up to 175. Because secondary schools are centre based, these data may mainly reflect relative input costs. That is, costs are 'contained' within the secondary school where virtually all services are delivered. Service delivery activities and associated costs are not influenced by local or regional geography.

While Grants Commission information may be useful in determining relative costs for a particular location, the information is also useful to assist in the allocation of resources to each State/Territory, including employment assistance funding.

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[14] Commonwealth Grants Commission, Indigenous Funding Inquiry, Interim Report, 2000.
[15] Commonwealth Grants Commission, Indigenous Funding Inquiry, Interim Report, 2000, Chapter 4, p. 39.
[16] Commonwealth Grants Commission, op cit. p. 39.

State/Territory resource allocation

States and Territories recognise rurality is various ways in providing community services. In many programs weightings are applied for rurality. This can be a reflection of higher input costs, and or lower productivity.

For example, higher input costs are recognised by hospitals in their funding formulae. In Victoria additional payments of $14 and $35 per separation are made for hospitals operating in rural and isolated areas.

Of particular interest is the Rural and Remote Equity Formula, used by the Victorian Government in allocating resources to HACC clients.[17] The formula includes rural weightings based on density of HACC population. The weightings are shown in Table 2.13 below.

Table 2.13: Rural weightings applied to funding formula – HACC services in Victoria

Target population persons per sq km	Weighting
> 10	Nil
5 – 10	10%
2 – 5	20%
< 2	30%

Source: Department of Human Services, Victoria, 2000.

Funding is allocated on an LGA basis. The Table shows that LGAs with target populations less than 2 persons per square kilometre are treated as though their target population is 30% greater. When funding is allocated on a per capita basis, an LGA with less than 2 persons per square kilometre would receive a higher share of funds than otherwise.

The use of population density recognises the additional travel time and costs in rural and remote locations. However the formula is only used for resource allocation across LGAs, and not for individual services. Indeed RREF is considered to become less reliable for small populations.

Other Victorian programs which include weightings for rurality are shown on Table 2.14.

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[17] The RREF is currently being reviewed by the Department of Human Services.

Table 2.14: Examples of Victorian Government programs which incorporate weightings for rurality

Program	Basis for weighting
Post Acute Care	Geographic isolation
Maternal and child health services	Rurality, based on catchment area size, population density and isolation from support services
Disability programs	Rural regions receive a weighting of 5%. Indigenous population is weighted by a factor of 2.
Pre school programs	An additional $1,188 per place in the rural pre-school category for up to 45 enrolments, and $1,782 per child to a maximum of $17,820 in a small rural pre-school.

Source: Department of Human Services, Victoria.

2.3.2 Factors affecting viability

Based on the research undertaken for this study there appear to be four key factors impacting on the viability of disability employment service providers in rural and remote locations - operating costs, productivity, economies of scale, and community support. The discussion below focuses on open employment services. FaCS funded business services are discussed in Section 2.5.

Operating costs structure of case study organisations

There has been relatively little analysis and comparison of costs between rural and remote and urban locations for disability services. In 1996, a cost study was undertaken as part of the review of the CSDA. The analysis examined the service cost by type of location of the service outlet. The average cost per hour for City, Country and Remote services for selected service types (excluding employment services) was examined, but findings were inconclusive.[18] This was due in part to a relatively small sample size (n=155, with 28 services in Country and 5 in Remote areas).

This study involved conducting detailed case studies in selected areas. The costs of providing services in rural and remote locations was discussed with each case study organisation, in more or less detail, depending on information to hand.

The estimates which are provided below should be regarded as indicative only, as they are based on the opinions and data from a small selection of organisations. In some instance data was obtained from annual reports and financial statements, and key activity data such as kilometres travelled, which was specifically sought.

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[18] Australian Health Care Associates. CSDA Evaluation, The Cost Study, Supporting paper No. 4, January 1996.

The assessment of costs is largely based on the understanding that providers have of their cost structures, relative to urban services. In some cases this understanding could be readily substantiated (eg petrol prices, staff training costs), in other cases it was more difficult, and based on discussions rural and remote providers had had with other rural and urban providers.

Depending on remoteness, the additional operating costs are estimated by providers to be 10 – 20% higher than in urban areas (excluding lower productivity). Some providers indicated that costs were higher still, particularly in very remote areas.

Table 2.15 provides a summary basis for these estimates, and each expense category is discussed in more detail below. Note that the sample size and quality of data do not permit more detailed analysis of costs. A more comprehensive analysis would develop estimates for Moderately Accessible, Remote and Very Remote areas, as well as take into consideration the size and structure of services.

Table 2.15: Input costs of services in rural and remote locations compared to urban areas

Expense item	Relative cost compared to urban services (per consumer) (times)	% of total operating costs of agency	Level of input costs compared to urban agency
Travel costs	1.5 –2.0	5 – 10%	4 – 10% higher
Telecommunications costs	1.5	3 – 8%	2 – 4% higher
Rental	-1.2 – +1.2	3 – 7%	–
Salaries and wages	1.05 – 1.10	45 – 55%	2 – 4% higher
Staff training	1.5	2 – 3%	2 – 2% higher
Other	varies	20 – 40%	not applicable
Total			10 – 20% higher

Source: Thomson Goodall Associates, based on discussions with case study participants and others.
Note: The total 10 – 20% higher is the sum of each of the expense items. However, cost proportions may be interdependent. For example a mobile outreach service may have higher travel costs, but less rent; higher communications costs may lead to lower travel costs.

Travel costs (5–10% of total expenses)

Travel costs are generally higher in rural and remote locations due to:

– higher fuel prices;

– longer distances travelled (due to location of consumer, service provider, and employer);

– lack of public transport; and

– cost of overnight accommodation on some trips.

A few service providers consider that more vehicles per staff member are required in rural and remote services, leading to higher vehicle costs. Motor vehicle repairs and maintenance costs are higher.

Travel costs may represent 5% of total costs in rural areas, and 10% in more remote areas. Anecdotally, travel costs may be 50–100% higher per consumer compared to urban locations. One service provider noted:

'Organisations must be prepared to travel. In rural and remote communities, there is often no public transport, and many people with disabilities do not drive, their parent/ families/carers work or are not able to drive to services, or places of employment.'

Telecommunications costs (3–8% of total expenses)

Telephone, fax and email are generally higher due to higher call rates (ie STD), conference calls, and higher numbers of calls (as a substitute for travel, where possible). Some services with remote outlets have dedicated ISDN lines for communication and data transmission.

Rental (3–7% of total expenses)

Rents vary considerably in rural and remote communities, depending on economic circumstances, and available accommodation. In some depressed areas such as Burnie, rents are relatively low. In mining towns (such as Mount Isa) or towns with tourism such as Bega, rents can be quite high.

Salaries and wages (45–55% of total expenses)

Staff salaries and wages, including on-costs represent 45–55% of total expenses. The majority of service providers pay staff according to the SACS Award. Some services offer salaries and benefits at a (higher) level within this Award in order to attract competent and qualified staff to live and work in an isolated region. However no data is available. Some providers pay staff according to other awards (for example, local government awards) which offer less remuneration.

Staff training (2–3% of total expenses)

Staff training costs are relatively high due to travel and overnight accommodation costs, as well as backfill, if required. The requirement for staff training is increased due to higher staff turnover in rural and remote communities.

Other costs

The costs of stationery, printing, supplies, and other services are generally higher in rural and remote locations due to transport and storage cost premiums.

Overall impact

While the data is not based on a detailed cost analysis, discussions with providers suggest that the overall cost of operating disability employment services in rural and remote locations could be 10–20% higher than urban locations (for a service of the same size, or number of employees).

Lower service productivity

In rural and remote locations, costs per consumer can also be higher as a result of lower caseloads compared to urban based services, combined with less capacity to achieve economies of scale and community support.

Lower caseloads are a consequence of lower staff productivity due to:

– time spent travelling – provider estimates of time spent 'on the road' ranged from 12% for a town based service (town pop. of 25,000) with a remote outlet, to 30% for a service in a smaller remote town (population around 5,000), with no separate outlets;

– time spent providing additional training and support services such as arranging transport, assisting with paying bills and tax returns, shopping for food and clothing for consumers (ie in the absence of other community services);

– lower 'throughput' (ie employment outcomes) due to longer times required to find employment in areas of high unemployment, and where labour markets are seasonal; and

– higher staff turnover, involving recruitment, periods with staff shortages, and lower productivity of new staff.

The total effect may be that staff productivity (ie time spent to achieve outcomes) is 10–30% lower than urban services.[19] Productivity may be improved by developing innovative service models, which reduce the amount of time spent travelling, and enhance employment opportunities.

Economies of scale

Unit costs are generally higher in rural and remote communities because services are smaller, and there are fixed overheads associated with operating the service such as rental, motor vehicles and office equipment, etc. However, many existing providers in rural and remote communities are either outlets of larger organisations or part of a larger organisation (ie multi-program agency), and are thus able to achieve some economies, as administrative costs are spread across more than one outlet and/or program area.

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[19] Based on estimates provided by case study participants, including caseloads, and estimates of the proportion of time spent travelling. Disability Census data records hours spent providing support to consumers. Travel time is usually included, and not separately recorded.

Community support

The use of volunteers to reduce costs is not common among smaller remote disability employment services, unless they are part of a larger auspice organisation, or an organisation with a name well known to the community. Similarly, fundraising is not common (based on discussions with service providers participating in case studies). Larger urban services have the capacity to recruit volunteers and seek donations from a much larger population base, particularly those which are visible in the community. [20]

Combined effects of input costs and productivity

Combining the effects of higher input costs, and lower productivity across the ranges identified above, would indicate a net effective increase in cost per consumer, as shown in Table 2.16.

Table 2.16: Estimated net increase in unit cost

Reduction in productivity (p)	Increase in input cost (c)		
	10%	15%	20%
10%	1.18	1.28	1.39
20%	1.24	1.34	1.44
30%	1.31	1.41	1.51

Source: Thomson Goodall Associates estimates, based on information collected during the course of the study. Estimates are calculated assuming the cost of providing direct services are 70% of total costs. Refer CSDA Evaluation, The Cost Study, Table 1.1. Estimates are based on the formula: net increase = $(1+c)(1 + 0.7p)$.

Note that these are theoretical amounts, based on a range of values for input costs and productivity, based on a limited sample of organisations in rural and remote locations. Nevertheless they are broadly consistent with Grants Commission data (refer Tables 2.11 and 2.12).

It is clear that traditional service models in rural and remote locations are subject to higher costs, and this needs to be taken into account in case based funding (or allowed for as part of alternative funding systems). However there is no readily available formula which can be simply applied.

Ideally an approach is required which is simple and administratively workable, equitable, and which promotes efficient and effective provision of disability employment assistance.

The Grants Commission data provides a potential basis for establishing additional input costs in a case based funding system. However it does not address productivity. Productivity considerations are matters for policy makers and service providers. Such decisions about how to provide services are determined locally, depending on local circumstances.

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[20]   One example is Bedford Industries in South Australia, which receives donations of up to $500,000 pa.

Lower productivity in this situation relates to accessibility of services, which suggests that ARIA measures could be used to determine additional resources required if additional costs cannot be offset by other (innovative) measures to increase accessibility and productivity. This is discussed further in Section 3.

2.4 Labour market conditions in rural and remote areas

2.4.1 Unemployment

There are regional disparities in economic conditions, and hence employment, with generally higher levels of unemployment in rural and remote areas compared to urban areas. However this varies according to local circumstances.

Regional disparities in employment may be due to a wide range of factors. In resource based regions such as the Pilbara, Mount Isa and Broken Hill economic conditions are influenced by world prices as well as the stock of natural resources. Rural or agricultural regions are affected by commodity prices, which have been decreasing in real terms. In lifestyle/tourism regions economic circumstances are affected by tourism. Some rural manufacturing industries, formerly based on agricultural products (textiles, clothing, timber, foodstuffs) have suffered due to the progressive removal of tariff protection (examples include Burnie, and Port Pirie). [21]

Some rural and remote locations have low unemployment due to one or two major local organisations developing or enjoying high levels of production. For example Mount Isa (Qld) and Nhill (Vic) have relatively low levels of unemployment. In many of the case study areas unemployment rates were higher than the Australian average.

Not surprisingly, regions with high unemployment tend to experience lower employment growth rates and consequently job seekers often encounter greater competition for available vacancies (including entry level positions and, in some cases, places in Work for the Dole schemes). People with disabilities in regions with high unemployment may also encounter greater competition for both higher skilled and low paid, labour intensive positions. Nevertheless, unemployment rates in isolation should not be interpreted simplistically as an indication of labour market disadvantage. For instance, a region with a high unemployment rate may actually be experiencing strong employment growth, with job seekers facing far less competition for available jobs due to the dynamic nature of the labour market.

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[21] For further perspectives concerning employment in regional areas, see Senate Committee Reference Committee, Employment Workplace Relations, Small Business & Education, *'Jobs for the Regions'*, September 2000.

2.4.2   Seasonal work

Work opportunities are often seasonal in rural and remote communities due to seasonal farming cycles. There is usually a high influx of itinerant professional workers during planting, harvesting and other key times. Opportunities for people with disabilities also increase at these times. Seasonal jobs are generally a few months in duration, and seasonal workers often require replacement jobs which may require re-training.

2.4.3   Industrial reform

Industrial reforms have reduced employment opportunities in many rural and remote communities in recent decades. Not only has this led to higher unemployment, but also the structure of work has changed. Mechanisation has continued to reduce opportunities for labour intensive work (for example fruit and vegetable harvesting, grape picking). Processing industries (textiles, food and other manufacturing) have restructured. More mines are now operating on a fly in/fly out basis, reducing the economic activity of the local community, and job opportunities for people (for example, Strahan).

The development of information technology in many industries provides opportunities for work outside urban centres, or away from the factory floor.

2.4.4   Barriers for people with disabilities

Some industries are reluctant to employ people with disabilities for occupational health and safety reasons (eg in mining and mineral processing where the work environment is considered more dangerous). The location of a prospective work site may be remote and difficult to access for people with disabilities. Employment prospects may also be limited by conservative attitudes and prejudices within the local community towards people with a disability. This may occur in rural and remote areas.

The Disability Discrimination Act prohibits employers from discriminating on the basis of disability. Employment decisions are to be made on the basis of the 'best person for the job'.

Government funded organisations are often major employers in rural and remote communities. However there are no government programs which actively promote employment of people with disability. [22]

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[22] Promoting the employment of people with a disability has been a major initiative in USA in the last two years. A Presidential Task Force was established in 1998 and has produced 3 reports titled 'Re-charting the Course'.
See http://www.dol.gov/_sec/public/programs/ptfead/2000rpt/chapt1.htm

2.5 Business services in rural and remote communities

FaCS funded business services in rural and remote communities also experience higher input costs. However, cost structures are different to open employment services, and as most services are 'centre based' they do not experience lower productivity due to travel. Specific business service issues include: [23]

- the markets for products and services tend to be local, due to the high cost of transport to population centres. This limits the capacity for volume production. Markets can also be seasonal/variable when related to local conditions – primary production, work gangs for maintenance, nursery production, or tourism;

- business services in rural and remote locations are labour intensive rather than capital intensive with a higher proportion of total costs comprising salaries and wages. Urban based business services are more likely to be involved in packaging and assembly operations, and rural and remote involved in laundry, production of artwork, food, sewing and plant nurseries;

- due to the smaller size of business services in rural and remote communities there are limited opportunities to achieve economies of scale and a more capital intensive operation;

- business services may be the only disability service in the community, and are often expected to provide a range of support needs outside employment. They may effectively provide day options and respite. They may also provide other support services which are not available in the local community, including training, recreation, health and transport services;

- the business service may be regarded by the local community as a welfare organisation rather than a business, deserving of charitable support, rather than commercial support. This may also apply to some urban services; and

- rural and remote business services may find it more difficult to attract and retain managers, board members, and staff with requisite knowledge and skills.

The Business Services Review found that the location of business services does not appear to significantly influence the performance and efficiency of business services. However, the Business Services Review [24] did not consider the issue of location of business services in detail, and conclusions were based on a relatively small sample of business services operating in rural and remote locations. There were 2 services in Very Remote, 5 services in Remote and 11 services in Moderately Accessible areas, out of a total of 344 services.

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[23] Based on discussions with business services in rural and remote areas, and reports of Industry forums held in rural and remote communities, as part of the Business Services Review. See for example Tamworth Industry Forum Record of Meeting–September 1999 (http://www.facs.gov.au/internet/facsinternet.nsf/aboutfacs/programs/disability-tamworth.htm)

[24] KPMG, Business Services Review, 'Achieving Results – Business Services now and in the future', September 2000,.

The use of ARIA classifications to 'locate' business services was also misleading. ARIA is intended to measure access by individuals to community services, and not as a proxy for locational disadvantage for businesses. Using ARIA to identify regional variations in business performance is inappropriate. For example, a business service operating in a town of 5,000 people hundreds of kilometres from major markets would be considered Highly Accessible.

2.6 Conclusions

The case study approach adopted for this study does not permit the development of a cost model for disability employment services. It does however allow a reasonably comprehensive exploration of the cost issues associated with providing services in rural and remote locations. A number of conclusions can be drawn, which need to be taken into consideration in developing innovative models to ensuring better delivery of employment assistance in rural and remote locations. These are:

- the ARIA classification provides a number which is a measure of remoteness. Based on ARIA classifications, in rural and remote areas, 8.5% of total disability employment services assist 5.7% of total consumers, and 7% of people with severe and profound disability live in these areas. While there appears to be higher unmet demand in rural and remote areas, data is inconclusive, as some job seekers with disabilities travel and relocate from more remote to less remote areas, in order to access a range of services and improve prospects for employment;

- a higher number of services (possibly 10–15% of services) experience remoteness by providing services to rural and remote locations from a more 'Accessible' location;

- analysis of various data including disability employment assistance data suggests coverage is more limited in rural and remote locations. However further analysis is required applying Census data to an expanded ARIA scale. If unmet demand is relatively higher in rural and remote locations, then additional resources are required in rural and remote locations in order to improve funding equity;

- case study data, supported by Grants Commission information indicate that input costs for disability employment services in rural and remote locations are 10–20% higher than in urban areas, mainly due to higher travel and communications costs. Salaries and wages may also be slightly higher. Grants Commission information suggests even higher relative costs in very remote locations;

- staff productivity in open employment services in rural and remote locations is reportedly lower due to a number of factors, particularly longer travel times. In addition, a lower 'throughput' of job seekers with disabilities may occur in those regions with low or inconsistent employment growth; and

• business services in rural and remote locations experience higher input costs, and have different issues than those in urban areas, in terms of access to markets, size, management knowledge and skill base, links with day care and status in the local community.

Recommendations:

2.1 It is recommended that FaCS seek to establish a system for collecting improved data and information on unmet demand for disability employment assistance, including improved categorisation of rural and remote locations, with a view to improving service coverage in rural and remote locations.

2.2 It is recommended that FaCS seeks the assistance of the Commonwealth Grants Commission to establish cost indices for selected rural and remote locations, where disability employment assistance is provided.

3 Funding principles to enable innovation in service provision in rural and remote locations

3.1 Introduction

Case based funding aims to better link funding to the needs of individuals and their outcomes. Following a consultation process,[25] a two year trial of case based funding commenced in November 1999. The Case Based Funding Trial is examining the impact of this funding model on employment outcomes for job seekers with disabilities, and on service providers. The trial takes into consideration a range of job seeker factors (disability type, location and level of assistance required) and service provider factors (service types, size, location).

The trial is a dynamic process, and the funding model will be reviewed and evaluated before final decisions are taken by Government on implementation.

The Trial is being conducted in two phases. In Phase One, the trial was conducted in 15 regions, including a few which are classified as rural and remote. Partly due to eligibility criteria, and partly due to agency choice, there were relatively few agencies operating in rural and remote areas, which participated in Phase One. Several of those which did participate, did so as an outlet of a larger town based organisation.

Phase Two of the Trial commenced in January 2001, with many additional rural and remote services participating.

Phase Two of the Trial will provide considerably more data concerning the effectiveness of a case based approach in rural and remote areas. More importantly, a number of concerns expressed by service providers in relation to the operation of case based funding are being addressed, with changes having been made to the assessment tool, funding levels and payment stages (these are noted below). While these changes will apply across the board (ie urban, rural and remote areas), they may prove particularly important for rural and remote services.

The new case based funding approach is planned to replace the current system of block grants, whereby service providers are paid an agreed amount in accordance with a Service Outlet Performance Plan.

The primary concern about the application of case based funding in rural and remote locations relates to the adequacy of payment in covering the cost of achieving required outcomes after taking into account higher input costs, lower staff productivity due to travel required and lack of related support services, and lower 'throughput' of job seekers with disabilities due to difficult labour markets.

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[25]   Department of Family and Community Services, *'Disability employment assistance case based funding trial'*, Consultation Paper, July 1999.

While service providers in rural and remote services favour a case based funding approach, believing that it will be more equitable, they are keen to see a funding approach which recognises the additional costs associated with these circumstances.

Thus, three important funding principles are proposed:

• funding should recognise the higher costs of operating in rural and remote locations;

• funding should be appropriate to the circumstances of the rural and remote location; and

• funding should promote a viable, efficient and innovative service system.

3.2 Funding should recognise the higher costs of operating in rural and remote locations (Principle 1)

3.2.1 Introduction

There are various ways to recognise the higher cost of operating in remote locations. As described in Section 2, operating costs (per job seeker/consumer) are higher in rural and remote locations due to higher input costs and lower productivity.

The current approach involves:

– establishing a score based on classifying job seekers according to the relative difficulty expected in finding a job; and

– applying this score to a table of unit costs to arrive at a funding level for a particular job seeker.

In order to recognise higher costs, higher levels of funding could be provided by increasing the score (as a result of remoteness), or by using higher standard unit funding levels. Other funding approaches are possible, each with different impacts in rural and remote locations. Each of these possible approaches is discussed in more detail below.

3.2.2 Assessment processes and the recognition of remoteness

Case based funding is directly linked to the level of need, and outcomes for individuals, including those in rural and remote locations. The extent to which this occurs depends on the accuracy of assessment and the efficiency and effectiveness of service provision.

In the Case Based Funding Trial the Job Seeker Classification Instrument (JSCI) has been used to determine funding levels for job seekers. The JSCI was developed by DEWRSB to stream the most disadvantaged job seekers in the labour market to Intensive Assistance. The Instrument identifies the relative difficulty job seekers have in finding employment because of their personal circumstances and labour market skills.

The JSCI is a relative and not an absolute measure of job seeker disadvantage in the labour market. Job seekers may have similar levels of disadvantage measured by the JSCI but each may have different needs and a different profile of skills and circumstances. However, the JSCI was not developed to determine the cost of providing employment assistance for people with disabilities, rather it assigns a weight or points which indicate the difficulty of placing a job seeker in employment. It thus focuses on the circumstances of the individual job seeker rather than the way in which an outlet decides to provide services. In addition the JSCI was designed for use by the general population of long term unemployed and people disadvantaged in the labour market, and not specifically for job seekers with disabilities.

There are two main factors included in the JSCI which account for remoteness – geographic location and proximity to the labour market.

Geographic location factor

The geographic location factor is based on labour market disadvantage. The 29 labour market regions of the first Job Network contract period were split into four categories based on the relative disadvantage of each region as assessed by a combination of rates of unemployment and rates of employment growth. [26] Points available are:

Low disadvantage regions	0
Moderate disadvantage regions	3
Moderately high disadvantage regions	4
Very high disadvantage regions	6

The Post Implementation Review (PIR) of the JSCI not only recommended an update of the geographical location factor weights, but also the development of a new model. The old geographic factors were based on Australian Bureau of Statistics (ABS) labour force data that is at least three years old (1995–97) and therefore, did not reflect the current labour market situation.

A new model for the 'Geographic Location' factor has been developed and is scheduled for phased implementation (this began on 19 February 2001). This new model is based on the regional likelihood of remaining unemployed for 12 months and applies points at the smaller Employment Service Area (ESA) level.

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[26] See http://www.jobnetwork.gov.au/general/services/jsci/jsci.doc

There are 137 ESAs, but those in Sydney, Melbourne, Brisbane, Perth, Adelaide and the ACT-Queanbeyan region have been combined, as these areas are considered to effectively function as single labour markets. [27]

The geographic location factor is not used for Indigenous Australians. Indigenous job seekers have separate location weightings, which include the effect of geographic location.

Hence, under the current JSCI weightings and factors, a non-Indigenous job seeker can receive up to 9 JSCI points on the basis of their geographic location and remoteness. Indigenous job seekers receive 11 points as a matter of course, plus an additional 2 points if they live in a community outside a major city or regional centre.

Proximity to the labour market

Proximity to the labour market is weighted separately in the JSCI through the 'Proximity to the Labour Market' factor. Job seekers not living within 90 minutes travelling time of a population centre of 10,000 or more people receive an additional 3 JSCI points. In addition 2 points are available if there is no adequate public transport.

Case Based Funding Trial

The difficulty of accurate classification in a wide range of circumstances is well recognised, and to accommodate differences in individual need and circumstances in rural and remote locations is a complex task.

During Phase One of the Trial, there were concerns about solely using the JSCI to determine funding for job seekers with disabilities. These concerns mainly related to a single point in time assessment, inadequate recognition of support needs, and the use of the JSCI to measure on going maintenance support needs. [28]

In addition, disability employment services participating in this study through case studies and focus groups expressed the view that the JSCI did not adequately recognise higher costs of service provision in rural and remote areas. This was seen to be a combination of insufficient weighting for rurality in the JSCI, and inadequate funding levels. In addition, the stepwise funding levels meant that one point could make a difference of $2,500 or $3,500 in base funding.

Feedback from Phase One of the Case Based Funding Trial indicated that 61% of service providers considered the JSCI as a 'poor match' in assessing the level of assistance required by each job seeker. There was also little correlation between JSCI and WATs. [29]

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[27] The aim of the new model is to ensure that the proportion of job seekers eligible for Intensive Assistance matches as closely as possible the proportion of long-term unemployed job seekers in each of the 99 regions; the rationale being that Intensive Assistance is targeted at job seekers who are most likely to become or remain long term unemployed.

[28] See ACROD Response to the FaCS Consultation Paper on the Case Based Funding Trials, http://www.acrod.org.au/employment/casebase.htm

[29] Australian Healthcare Associates, Evaluation of the Disability Employment Assistance Case Based Funding Trial, 'Interim Evaluation Presentation', October 2000.

As previously discussed, the perception that funding levels are too low relates to both higher input costs and lower productivity. It was considered that while the factors within the JSCI which recognise geographic location (ie remoteness) might (on average) address higher input costs, they did not recognise lower productivity associated with operating disability employment services in rural and remote locations.

Towards the end of Phase One an interim evaluation was conducted by FaCS which included an assessment of the suitability of the classification process, the appropriateness of the funding levels, and other factors.

The Government agreed to enhance the assessment process to include an assessment of job seeker disability-related support needs. In addition funding levels have been altered, with 5 levels, instead of 3, and the highest level increased. This has been incorporated in Phase Two of the Trial.

Funding for employment assistance will be determined by a combination of job seekers' JSCI scores and their Disability Pre-employment Instrument (DPI) scores. The JSCI will still be completed by Centrelink. The DPI will be completed by the outlet after staff have worked with the job seeker for at least four weeks, and will be scored by FaCS.

Funding for employment maintenance will be determined by a Disability Maintenance Instrument (DMI) score, which is completed by the service provider, and is independent of previous assessments. This will be completed by the service outlet after staff have supported the job seeker in employment for 26 weeks.

As Phase Two is about to commence, and the new model for the geographic location factor within the JSCI has recently been implemented, the impact will need to be monitored. Many of the concerns of service providers have been addressed and the classification process remains focused on the individual job seeker. The JSCI is intended to identify an individual's risk of becoming long-term unemployed based on their individual circumstances, not membership of a specific group. It remains up to service providers to decide the best way to deliver services, which will determines their productivity.

Analysis of Phase Two of the Trial should demonstrate the extent to which this process provides adequate funds for services. The analysis should examine the extent to which points related to rurality, lead to higher scores and funding levels.

It is unclear how much an impact the new geographic location factors will have on Phase Two funding levels given the JSCI will only contribute 50% to employment assistance funding levels. It may be necessary for FaCS to look at increasing the weighting of these factors in its overall classification process.

3.2.3 Unit funding levels

If Phase Two of the Trial demonstrates that the current classification approach does not adequately address costs:

– base funding levels could be adjusted to account for higher input costs (eg using Grants Commission information); and

– a further adjustment to base funding levels could be made according to remoteness to compensate for lower productivity.

The latter could be achieved using a formula based on ARIA, as ARIA measures accessibility, and new versions will be capable of accommodating virtually any location in Australia.

Table 3.1 illustrates this approach. It is assumed that 70% of the funding relates to direct service delivery, and that the arbitrary productivity reductions of 10%, 20% and 30% are correlated with the 3 ARIA classifications for remoteness Moderately Remote, Remote and Very Remote.

Table 3.1: Illustration of increased unit funding levels for rural and remote locations

| | Highly Accessible | Accessible | Moderately Accessible | Remote | Very Remote |
	Nil	Nil	10%	20%	30%
Level 1	$3,000	$3,000	$3,210	$3,420	$3,630
Level 2	$5,000	$5,000	$5,350	$5,700	$6,050
Level 3	$7,500	$7,500	$8,025	$8,550	$9,075
Level 4	$11,000	$11,000	$11,770	$12,540	$13,310
Level 5	$15,000	$15,000	$16,050	$17,100	$18,150

Source: Thomson Goodall Associates calculation. Estimates assume that compensation for lower productivity is correlated within ARIA classifications.

Service providers would be assigned to one of the ARIA classifications according to the remoteness of the service outlet. Increased unit funding levels would be designed to (on average) offset productivity effects.

A more detailed variation would be to establish unit funding levels which are characteristic of a particular service. Rather than assigning service providers to a single ARIA group, each service could have a table of unit prices corresponding to a remoteness factor. While this may appear administratively onerous, the total number of services potentially involved may be less than 40.[30]

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[30] ARIA classification records only 72 employment services, including 31 open employment services in the Moderately Accessible, Remote, and Very Remote categories (refer Table 2.2).

While ARIA is an attractive concept, providing an accessibility index for a large number of locations, and intuitively higher costs are associated with more difficult access, this needs to verified. [31]

It is clear that the current classification process goes some way to meeting the higher costs, but further assessment is required.

The appropriateness of addressing productivity is somewhat dependent on the service model adopted by a particular outlet. As described in Section 5 of this report, innovative models can significantly improve productivity.

3.2.4 Impact of funding approaches

In addition to case based funding, other approaches include block grant funding, output based funding (unit price or cost reimbursement), and negotiated rates. Each of these has a potential impact on the service system, and services to consumers in rural and remote locations.

Block grant funding

Under block grant funding, services are funded based on a budgeted aggregate cost and number of consumers. This requires agreement between funder and provider (ie Funding Agreement), with an annual acquittal. Suitable monitoring processes are also required to ensure quality.

Block grant funding allows service providers flexibility within a total budget. It provides funding certainty which is particularly important for smaller outlets in rural and remote communities.

On the other hand the current system of block grants does not appear to promote equitable distribution of resources among providers, can limit access by some job seekers with higher needs, can limit collaboration with other service providers and provides limited financial incentives to improve efficiency, increase service volume, or demonstrate improved outcomes.

Output based funding

Under output based funding services are paid a unit price (eg. hourly rate) for service provision. Output based funding usually includes a fixed component which recognises that a proportion of the providers' costs are fixed. The unit of service needs to be defined, and unit prices are based on analysis of benchmark costs of service provision by the funding body. This may recognise higher costs of operating in rural and remote loctaions. Total funding for a particular provider is usually limited by an agreed budget, and the provider has flexibility within the budget. The health aged care sectors uses output based funding extensively.

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[31] The University of Adelaide is aware of one study which gave good correlation, and intends to undertake more work in this area.

A primary advantage of output based funding is that consumers are central – resources are focused on consumers, rather than agencies. As a result this funding approach can provide greater flexibility in service delivery.

Negotiated rates

Unit prices are established by negotiation, which may include competitive tendering, rather than by analysis and benchmarking. Negotiations may establish hourly (or daily/weekly) rates, or rates per specified outcomes. Negotiated rates may be based on specific cost formulae, or through formal/informal discussions with the funding agency, providing the opportunity to recognise particular rural circumstances, and service models.

Services may prefer negotiated rates because it allows the unique nature of the provider an its target population to be taken into account; and flexibility and responsiveness to meet the needs of job seekers with disabilities.

However the capacity of some smaller agencies to effectively negotiate and arrive at an appropriate unit price may be limited, with the risk of subsequent failure of the organisation, either financially or in terms of service quality.

On the other hand many services do not consider competitive tendering to be appropriate in rural and remote communities. Reasons include:

- in many rural and remote areas competitors are not always available, and a market price cannot be established by bidding;

- competitive tendering has the potential to dilute the community basis for service provision either by a competitive imperative which reduces collaboration, or through services which are provided by a successful tenderer from outside the community; [32]

- there is disruption when services are re-tendered limiting service continuity, and impacting relationships which are established between providers and consumers;

- there may be reduced innovation and risk taking (in service development); and

- there may be reduced volunteer/community support for the organisation, due to increased professionalisation of services.

Impacts of funding on service system

There are other potential impacts of the method of funding on disability employment services. Funding methods have been recognised as having a variety of impacts, including: [33]

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[32] See Taylor, J. *'Rural Social Service Provision and Competitive Tendering: Against the Heart',* Rural Social Work, Vol 4., April 1999.

[33] M West, W G Revell, and Y Cheng, *'Funding Supported Employment',* Journal of Disability Policy Studies, pp. 59–79, 1998.

– discouraging servicing people with the most severe disabilities;

– discouraging basing services on consumer needs and choice;

– discouraging re-opening cases when someone loses a job;

– discouraging movement of people from supported (segregated) employment to open (community based) employment;

– setting quotas for the number of people placed; and

– pressuring agencies to close cases quickly.

3.3 Funding should be appropriate to the circumstances of the rural and remote location (Principle 2)

3.3.1 Introduction

Under case based funding service providers are paid on 'milestones' which occur on commencement of service provision, upon employment outcome (with award conditions), and during maintenance support. In rural and remote locations seasonal and weak labour markets can limit the period of continuous employment. In Indigenous communities concepts of work, and work practices suggest that alternative definitions of outcomes are required.

3.3.2 Seasonal and weak labour markets

Within the Trial (Phases One and Two), an employment outcome is defined as employment of a minimum of 8 hours per week for 26 weeks within 18 months from commencement, at a wage which has been determined in several ways – under an award, a special wage permit, an enterprise agreement, a certified agreement, an individual employment contract or workplace agreement or self employment.

A total of 26 weeks employment within 18 months of commencement may not be achievable in rural and remote locations due to high levels of unemployment and often seasonal labour markets. Thus, it may be appropriate to provide a payment on the achievement of 13 weeks employment in a 12 month period where labour markets are highly seasonal. This would be in addition to the over-riding outcomes framework.

3.3.3 Indigenous outcomes

For Indigenous people with disabilities in remote communities there is often little work that meets the outcome definition, with the implication that Indigenous job seekers with disabilities will not be able to access employment assistance.

Culturally meaningful outcomes are required for people with disabilities in remote Indigenous communities. In particular a definition of work is required which is culturally appropriate and which includes contribution to the community as part of this definition, and which is not necessarily covered by an award.

Outcome measures also need to acknowledge the intermittent and sometimes seasonal nature of work, the additional time required for training, and to obtain employment.

This suggests that:

– payments are made on the achievement of 13 weeks employment in a 12 month period. This would be in addition to the over-riding outcomes framework; and

– employment by CDEP be recognised as employment, whether or not award conditions apply, consistent with mutual obligation arrangements.

Some forms of work-based training might be included in the minimum period of employment.

3.4 Funding should promote a viable, efficient and innovative service system (Principle 3)

3.4.1 Introduction

Case based funding provides flexibility and allows service providers to be innovative in their approach to service delivery.

However, in rural and remote locations case based funding may lead to unpredictable cash flow for service providers (employing traditional service models) which are generally smaller and susceptible to peaks and troughs in demand. Service providers contacted during the study perceived that any less than about 30 job seekers per year will cause cash flow difficulties for a single outlet service, although this will depend on the number of new job seekers and the number who are working.

Service providers also noted potentially higher (ie than urban) 'up front' costs associated with visiting a job seeker to conduct an initial assessment and possible subsequent meetings prior to commencement.

Careful analysis of the Trial will be required to determine whether peaks and troughs in demand will in fact, cause cash flow problems. One approach is to retain a

proportion of funding as a fixed payment, with the balance of funding case based, thus providing a guaranteed funding level with which services can pay a component of fixed costs.

3.4.2 Fixed funding component

Cash flow difficulties relate to the number of new and existing job seekers with disabilities, seasonal labour markets, irregular demand and the capacity of a service to 'smooth out' demand (ie using waiting lists, etc). Cash flow difficulties may be addressed by funding a fixed budget amount. Such an approach is illustrated in Table 3.2.

Table 3.2:   Indicative level of funding provided on a fixed basis

Number of new job seekers with disabilities per annum	Proportion of estimated total funding provided as fixed amount
Less than 20	30%
20 – 29	20%
30 – 39	15%
40 +	Nil

Source: Thomson Goodall Associates estimates, based on input from case studies and focus groups.

Such a funding approach may be necessary for providers to remain viable in the short term, and also used when new services are being established. Over the last 10 years or so, many providers have established relatively fixed infrastructure, and can be tied into a particular way of operating, and it may be necessary to retain a fixed component in the longer term for some services.

However, improving the way resources are used through case based funding will be achieved when the fixed component is minimised.

The use of a fixed funding component in the short rather than long term, would involve the following:

- service providers would receive proportionately less case based funding. For example, a provider which elects to receive 30% fixed funding, would receive 30% less case based funding (alternatively the proportion could be negotiated under contract with the provider); and

- fixed funding arrangements would be time limited. One option would be to annually reduce the proportion of fixed funding. A time limited approach would provide an incentive for services with low numbers of job seekers with disabilities to consider collaborative arrangements with other services.

3.4.3 Other approaches to improve viability

There are other strategies which will also promote viability, and at the same time promote a more innovative and efficient service system. Strategies include sub contracting/employing casual workers, broadening the funding base, or establishing services within new providers.

These strategies are discussed in more detail in Section 4.

3.5 Conclusions

There are several funding mechanisms which could be developed which would recognise the higher costs of operating in rural and remote communities, thus satisfying funding principle 1. These rely on judgements about additional input costs and operating productivity, which can be informed by analysis of Phase Two of the Case Based Funding Trial, by Grants Commission information and ARIA measures.

In order for funding to reflect circumstances in rural and remote locations (ie principle 2), it may be necessary to make milestone payments upon the achievement of 13 weeks work in a period of 12 months, thus recognising high unemployment rates and seasonal labour markets. Similarly payments for employment assistance provided to Indigenous people with disabilities are required for work which is of value to the community, but which may not comply with the formal definition, including CDEP work, and possibly work based training.

The viability of existing smaller independent outlets may be threatened due to unpredictable cash flow resulting from unpredictable consumer demand and case based funding. While this may be addressed by providing a fixed funding component, there are several alternative strategies which may also promote service viability.

The funding principles identified in this section provide a framework for addressing the additional costs of service provision in rural and remote locations. Alternative funding arrangements to address the additional costs need to be trialed.

Recommendations

3.1 It is recommended that the principles of case based funding be applied in rural and remote locations, including indigenous communities.

3.2 It is recommended that FaCS trial funding arrangements which are designed to compensate the higher (input) costs of travel and other operating expenses, and the extra time required by staff in travelling, finding jobs in difficult and seasonal labour markets and working with remote Indigenous communities.

3.3 It is recommended that outcome measures for Indigenous people living in remote locations include culturally appropriate definitions of 'work'.

3.4 It is recommended that payments are made on the achievement of 13 weeks employment in a 12 month period, in addition to the over-riding outcomes framework in rural and remote locations.

3.5 It is recommended that the trial include a proportion of case based funding (including the additional amount) being provided as a fixed amount to independent services in rural and remote locations (including Indigenous communities) which are relatively small.

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4 Strategies to improve employment assistance for job seekers with disabilities

4.1 Introduction

The study identified a number of strategies for improving the cost effectiveness and viability of employment assistance provision in rural and remote locations while at the same time opening up new opportunities for increasing the coverage of employment assistance for job seekers with disabilities.

The development of innovative strategies or models of service provision requires an understanding of what disability employment services are currently doing to improve access and viability in rural and remote locations, as well as what might be done to promote further innovation, particularly in the context of the funding reforms.

Strategies currently put in place by disability employment services are discussed under the following headings:

Case management and brokerage (4.2)

Collaborative relationships (4.3)

Service delivery structures (4.4)

Community development (4.5)

Transport (4.6)

Technology (4.7)

Indigenous specific services (4.8)

Each section identifies and discusses strategies in the context of current practice, and explores how these strategies may be further developed under case based funding.

4.2 Case management and brokerage

4.2.1 Introduction

Case management is an approach to service delivery premised on providing an individualised, needs based response to each job seeker. The elements of a case management approach in human services can include identification, intake, assessment, planning, plan implementation/service delivery, monitoring and review, coordination/linking/referral, evaluation and follow up. Some case management approaches involve considerable 'hands on' service delivery, and application of

most of the case management elements. Others focus more on coordination and linking, and still others combine both approaches.

Without case management, services can be fragmented, unco-ordinated and lack accountability. A case management or brokerage approach is one way to ensure improved access to and coordination of services for people with disabilities.

Table 4.1 below provides a description of how case management can operate at various levels.

Table 4.1: Case management models in rural and remote locations

Type of 'case management'	Role of case manager	Service provision
Case management including brokerage	Assessment and referral, monitoring. Case management with (control of) funds to purchase services	Outreach, with a high proportion of services provided by others
Case management	Assessment and referral, monitoring, support	Package of services provided by agency itself
Case management co-ordination	Area co-ordination, community development	Two or more agencies arranging for case management to be provided, co-ordination
Gateway service, eg Local Area Coordinator	Area co-ordination, community development, advocacy, and case management.	Regional over sight. Services provided by agencies at next level, possibly brokered through Coordinator.

The different forms of case management services may be related to various rural and remote locations.

For example, in small communities and towns (eg less than 5,000 people) case management may be provided by a disability employment assistance agency, linking job seekers to other services as appropriate. The approach may be classified as 'case management' due to the holistic and flexible approach provided by each of the workers, who often provide additional supports in the absence of other community services.

Case management can also be provided on an outreach basis to very small communities.

In larger communities where there is more than one agency actively assisting people with disabilities to obtain employment, there are benefits to be gained by case management co-ordination, including improved job seeker access and clarification of different agency/provider responsibilities. Participating organisations might include disability employment services, Centrelink, CRS Australia and State/ Territory funded disability services.

Coordination may also be provided across a rural and remote region by an individual area coordinator who undertakes assessment, referral and monitoring acting as a gateway to agencies which provide direct services. For example, these services are provided by Local Area Coordinators in Western Australia for State funded services (see below).

4.2.2 Brokerage

A brokerage approach involves a case manager purchasing required services on behalf of a consumer. Case management may or may not include a brokerage component.

A brokerage component allows the case manager to respond more flexibly to meet the specific needs of the job seeker with a disability.

Important aspects of a brokerage approach include:

– ensuring quality services are provided;

– ensuring access to the required range of support services;

– maintaining an integrated and seamless approach which is sensitive to the needs of the job seeker;

– identifying and negotiating with appropriate service providers;

– providing employers with a single person/organisation who they can relate to pre and post employment; and

– performance monitoring and identifying responsibilities if things don't work out.

Brokerage models are already in use in disability services, for example day options and respite. In addition, most service providers already act as brokers by purchasing training, and sub contracting support services as co-workers or casual workers providing maintenance support. The success of brokerage depends on skilled case management and a carefully defined package of services tailored to individual needs and circumstances and budgeting of services purchased to ensure they operate within available funding. In addition outcomes need to be defined and monitored through feedback from consumers and their families/carers

Clearly a funding approach which is based on individual need (such as case based funding), and which incorporates payments for outcomes, may be applied using case management/ brokerage. However payments made through case based funding need to be capable of being reasonably matched to brokerage payments in terms of timing and amounts paid.

4.2.3 Gateway case management services

In order to provide an effective local response where geographic distances and population distribution obviate program specific agencies in every community, Western Australia and South Australia have established disability case management approaches at a system-wide or regional level. While they are State funded positions, they work with and refer people to the diverse range of State funded and Commonwealth funded services, as required.

In Western Australia about 100 Local Area Coordinators (LACs), each living and working in local communities, conduct needs assessments, coordinate services, assist with advocacy and brokerage, and monitor the services provided. LACs also have a community development role, and foster partnerships between local services, and stimulate new services where there are service gaps. In addition, Coordinators can provide consumer funding direct to individuals to purchase the services or support they require.

In South Australia, the Options Coordination program provides a similar service. Options Coordination provides case management with brokerage, purchasing services on behalf of consumers.

These programs operate effectively in more populated areas, but appear to be under resourced and spread thinly in rural and remote areas.

4.2.4 Conclusion

There is increasing interest in area based case management (ie based on the LAC model), with Queensland and NSW both considering such arrangements. Western Australia has expressed interest in collaborating with the Commonwealth to provide disability employment services through its Local Area Coordinator network. In this context it would appear worthwhile further exploring such an approach in selected regions.

Where it is not cost effective to establish a separate disability employment service, area based case management appears to be a cost effective way to increase access to disability employment assistance to job seekers with disabilities. This approach enhances the opportunity for people in State/Territory funded services to access disability employment assistance. The current coverage of area case management in some States implies that this may only be an option in selected areas.

Recommendation

4.1 It is recommended that FaCS consider piloting service delivery arrangements which are based on Model 6, case management and brokerage.

4.3 Collaborative relationships

4.3.1 Introduction

In order to improve access to employment assistance by job seekers with disabilities, and to maximise the use of limited resources in rural and remote locations, it is important that collaborative relationships between disability employment services and other organisations are established, and operate effectively.

Disability employment services already have collaborative relationships with a wide range of services. Relationships may include protocols, joint projects, partnerships, co-location, and membership of regional committees and councils, etc.

The opportunity for disability employment services to form collaborative relationships, which will benefit job seekers with disabilities, may be facilitated by funding reforms, where funds are linked to individual needs and outcomes. This may potentially change the roles and responsibilities of disability employment services and other service providers, increasing flexibility and opportunities for job seekers.

Opportunities may also be facilitated through an integrated approach between Government Departments in terms of policies and programs. Key Commonwealth Government Departments and organisations are:

– Department of Family & Community Services;

– Department of Employment, Workplace Relations and Small Business;

– Centrelink;

– Aboriginal and Torres Strait Islander Commission;

– Department of Education Training and Youth Affairs;

– Department of Transport and Regional Services; and

– Australian National Training Authority.

Opportunities for collaboration, and the potential benefits for job seekers with disabilities are discussed below.

4.3.2 Collaboration between open employment services

Because open employment services are relatively dispersed in rural and remote areas, with hundreds of kilometres separating them, there are limited opportunities for collaboration. Where there is more than one service, it is either because the population is sufficiently large (eg Alice Springs), or because one agency offers specialist services, for example services to people with psychiatric disabilities (eg Mount Gambier).

Many of the disability employment services in remote areas are not fully aware of the activities of their neighbouring service, perhaps not surprising due to the large distances between the two services (which could be 1000 km). However, this can lead to job seekers with disabilities somewhere between the two services missing out.

There are a number of benefits from improved collaboration including improved access to services for job seekers with disabilities, and a more cost effective service delivery system.

Collaboration may range from joint projects, through to sub contracting and possibly amalgamation of provider organisations.

Where collaboration extends to amalgamation, there may be economies of scale with administrative support, management and quality assurance systems, staff training and support; enhanced capacity for service development and improved funding stability.

Some disability employment services in rural and remote locations collaborate with CRS Australia, to provide services to joint consumers. CRS provides formal assessment, rehabilitation, training services and employment placement; disability employment services provide vocational training, job search, employment placement and maintenance support. This occurs in response to the needs of particular job seekers and where management of the two services share common values and goals.

Recommendation

4.2 It is recommended that FaCS consider piloting service delivery arrangements which are based on Model 1, collaborative arrangements between two or more providers.

4.3.3 Collaboration between open and supported employment services

In rural and remote areas where there are both open and supported employment services, collaboration provides a number of benefits.

Job seekers with open employment services can be temporarily employed in business services for skill identification and development, work training and experience, and to help consumers determine their preferences. This may involve ongoing support by an open employment support worker. This is particularly advantageous where there are limited training providers, and/or employers willing to participate in work place training. However, some job seekers of open employment services may be reluctant to work in supported employment, regarding this as a retrograde step. It is important that open and supported employment services collaborate to

encourage job seekers with disabilities to access work experience in this way, and supported employment services need to develop specific strategies to promote the value of short term work experience in their communities.

For some job seekers, a mix of both open and supported employment may be appropriate. They might work 3 days a week in supported employment and 2 days in open employment. Collaboration of this nature provides job seekers with an opportunity to pursue work in which they are interested and capable of doing.

Currently collaboration between open and supported employment providers is less common in rural and remote areas, and may be inhibited by ideological differences between the two service types. Nevertheless there are a number of precedents:

- some open and supported employment services cooperate to explore opportunities for particular consumers in open and/or supported employment (Workability and Tulgeen, Bega);

- Endeavour Foundation (Qld) is funded to place some of its clients in open employment. Instead of establishing a separate open employment service it sub contracts open employment services such as job placement and maintenance support;

- a supported employment service may be established specifically as a transitional program aiming to place workers in open employment, and collaborates with open employment services accordingly (Gambier Contracts Inc.); and

- integrated disability organisations incorporating both supported and open employment services provide both options in a flexible way (there are about 30 combined services recorded).[34] These are mostly not combined services but outlets of one type of service that has diversified to provide a wider range of services.

Under case based funding FaCS has established protocols to facilitate forms of collaboration which will allow the best possible outcomes for job seekers with disabilities, regardless of which employment service is involved.

Recommendation

4.3 It is recommended that FaCS consider piloting service delivery arrangements which are based on Model 2, open and supported employment collaboration.

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[34] Refer Table 4.3, AIHW, Disability support services provided under the CSDA: National data 1998, 1999.

4.3.4 Collaboration with State funded disability services

Collaboration with day options programs

Some disability employment services currently collaborate with State funded disability services in rural and remote locations, where one or the other type of service is not available.

Sub contracting particular functions to State based services (for example support, training) can be an effective approach in rural and remote locations where State funded services exist, but Commonwealth disability employment services do not, or are spread thinly. A good example of this is CQ Personnel, based in Rockhampton. CQ sub contracts training and maintenance support to State funded disability services. CQ provides training and support to staff (who work for State funded services on a part time basis), to enable them to work with job seekers with disabilities. The contract is with the State funded organisation, so separate employment contacts are not required. CQ pays for sessional services. State funded services are often aware of individual job seekers with disabilities and may make referrals to CQ if they become aware that a person is interested in employment.

Thus sub contracting can also facilitate referral, and promote cooperation between Commonwealth and State funded services which may not otherwise occur.

Many people with disabilities are involved in activities (which may be Commonwealth or State funded) which prepare them for living and working independently. In particular, Commonwealth and State funds are provided for training in appropriate social behaviours and for engaging people with disabilities in productive and meaningful activities.

Linkages between Commonwealth funded employment services and State funded day options have been identified previously as a significant issue in the implementation of the CSDA.[35]

Another form of collaboration occurs where Commonwealth and State/Territory programs are provided by a single multifunded organisation (eg. Woodbine at Warracknabeal, and Cooinda at Nhill). These services can provide opportunities for job seekers with disabilities to progress to their preferred level and type of employment. Cooinda, for example, has day options which includes sorting and repairing clothing and goods for the Opportunity Shop, as well as nursery and recycling activities. The Opportunity Shop (State funded), provides people with disabilities the opportunity to experience a work like environment. Cooinda also operates a café in the main street (Commonwealth funded employees).

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[35] See Yeatman, Op Cit. pp 27–30.

Recommendation

4.4 It is recommended that FaCS works with State and Territory disability services piloting service delivery arrangements which are based on Model 5, Disability employment services and day option program collaboration.

Collaboration with schools

It is important that young people with disabilities are able access appropriate community services while still at school. There are benefits from adopting an early intervention approach, and providing pre-vocational training and work experience opportunities while young people are still at school. [36]

Many disability employment services have developed a partnership approach with schools, though special education teachers, and other staff as appropriate.

Disability employment services work collaboratively with schools, State/Territory funded services, and the families of student with disabilities to explore interests and work options, and provide support in work experience and other vocational training opportunities.

Options for people with disabilities leaving school is recognised as an important area by the Commonwealth (including FaCS and DETYA) and all States/Territories, and there are specific programs established to provide assistance, particularly for young people with high support needs.

While there are existing Commonwealth State/Territory agreements covering this area, a more comprehensive and outcome oriented approach appears warranted. The potential role of disability employment services needs to be clarified.

Recommendation

4.5 It is recommended that FaCS, together with other Commonwealth agencies and State/Territory Disability and Education Departments explore collaborative approaches to assisting young people with disabilities in their transition from school to the community, and workplace, particularly in rural and remote locations, including indigenous communities.

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[36] The National Strategy for increasing opportunities for people with a disability in vocational education and training recognises the need to improve pathways from school to workplace. See ANTA, *'Bridging Pathways'*, National Strategy, p.13 2000. See also ANTA, *'Bridging Pathways'*, Blueprint for Implementation, pp.8,40. 2000.

4.3.5 Joint work with local government

Many rural and remote disability employment services work closely with local government. This takes many forms:

- joint ventures with local government auspiced disability services (State funded and HACC, eg Kyeema, Portland). This provides opportunities for day options clients to access employment services;

- auspice by local government (eg. Roma District Employment Service is one of several services operated by the Roma Town Council). This provides infrastructure support, economies of scale, peer support, greater community support, etc.);

- local government representation on Board or Committee of management (eg. Workability, Bega has a close relationship with Bega Shire which provides a range of home based services to people with disabilities. Bega is represented on the Board of Workability);

- local government supporting businesses which employ people with disabilities (eg. contracts for cleaning, maintenance, car cleaning, recycling. A number of providers have such contracts including North West Employment in Burnie);

- business partnerships to establish new enterprises (eg. MacKillop Rural Community Services, Balranald Shire, Department of Natural Resources and Environment and Employability established a native seed collection and propagation business); and

- community development initiatives.

Local government often provides services to people living in the community on an outreach basis, for example HACC and child and family services. Such an approach may be complementary to open employment projects which are outreach in nature.

Other potential benefits of joint work with local government include opportunities for community development, enterprise development, and direct employment opportunities for job seekers with disabilities in local government; improved cash flow stability where case based funding may be unpredictable; peer support; and potential economies of scale with administrative support, management and quality assurance systems, staff training and support.

Collaboration with local government can allow for provision of employment assistance where it is not economically viable for employment assistance to be provided by a stand alone service.

> **Recommendation**
>
> **4.6** It is recommended that FaCS consider piloting service delivery arrangements which are based on Model 7, joint projects with local government.

4.3.6 Collaboration with employers

Good relationships with employers are essential, in order to minimise time spent job searching and in provision of maintenance support. Providers have various strategies to contact and engage prospective employers, including contact through Board members, personal contacts, participation in community activities, and membership of service clubs. Financial incentives may also be an important part of the relationship. These include wage subsidies, supported wages, payment for co-workers and funding for workplace modifications.

There are considerable benefits from establishing a long term relationship with employers which involves work place training, and a positive approach towards employing people with disabilities. Benefits include:

– reduced training resources required (where work place training is provided);

– reduced effort in job search and establishing a relationship with prospective employers;

– better matching of job seekers with positions;

– greater understanding by the employer, with potential development of a specialised support based within the employer organisation; and

– more secure employment opportunities.

Financial incentives for employers can also facilitate a collaborative approach, especially in a very competitive labour market. These include wages subsidies, supported wages, payments for co-workers, traineeships and workplace modifications.

Collaboration with employers is further explored in Section 4.4.9.

4.3.7 Collaboration with Job Network providers

Both Job Network providers and disability employment services provide employment assistance to job seekers with disabilities. They are complementary components of the Commonwealth's labour market program. There are however, differences in the level of disability in each market, and in the motivation of job seekers. Most job seekers entering disability employment services do so because they are voluntarily seeking work (ie most are receiving Disability Support Pension and are not required to participate in the labour market). Job seekers entering Job Network providers mainly receive Newstart Allowance and are required to look for work.

There are also differences in the way the providers in each market conduct their business. Disability employment services provide a holistic case management approach (focused on obtaining and maintaining employment), and offer on going maintenance support.

Nevertheless, in rural and remote locations where there is only one employment service, job seekers with disabilities would benefit from being able to access that service regardless of their level of disability. Thus there could be benefits in Job Network providers being able to place a FaCS funded job seeker, and for a disability employment service to place a Job Network job seeker. This would result in improved outcomes for job seekers with disabilities, regardless of which agency achieves an 'outcome'. Case based funding may facilitate the purchase of Job Network provider services for placing people with disabilities in employment.

The current level of cooperation varies considerably. The majority of disability employment services have limited contact with Job Network providers. Some collaborate to exchange information about vacancies, and have explored the establishment of a job search partnership (as employers become tired of multiple frequent contacts by agencies). A job search partnership comprising disability employment services and Job Network providers could provide a single contact with prospective employers, and more effectively match job seekers with jobs.

There are a few Job Network providers with disability employment services as part of their organisation (eg. Employment Now).

Recommendation

4.7 It is recommended that FaCS liaises with DEWRSB to explore opportunities to improve employment assistance to job seekers with disabilities in rural and remote locations.

4.3.8 Collaboration in vocational education and training

Job seekers with disabilities have a variety of training needs, depending on their individual capabilities, and job requirements. There are several organisations which can provide training including disability employment services, TAFE Colleges, Registered Training Organisations, employer organisations, schools, State funded disability services and others.

Disability employment services often provide training in living skills, as well as pre-vocational and entry level vocational training, depending in the availability of other training providers in the community. Generally, the smaller the community the less external training resources and relevant courses are available.

As a result many service providers in rural and remote areas have, or are keen to upgrade staff training skills. In rural and remote locations where case workers are multi-skilled, this implies a significant investment in formal training, which may be compounded by higher levels of staff turnover.

In order to provide training opportunities in rural and remote areas, a number of open employment services have established their own work sites (eg. nursery, work crews, garden maintenance), or by placing consumers with employers (or with supported employment services).

Some open employment services have established broader training functions within their organisation (examples include Competitive Employment, Mount Isa, which provides a range of training programs, and Community Bridging Service, Port Pirie). Becoming established as a Registered Training Organisation, and providing training to the broader community is seen to promote and add to the standing of the organisation in the community, develop alternate/complementary income sources, and complement quality improvement initiatives. [37]

Most service providers in rural and remote communities regard access to appropriate training for job seekers with a disability a major area of concern. The development of courses and training approaches, which are more conducive to training people with disabilities to be a matter of high priority. TAFE Colleges are the most likely providers. Concerns include:

- TAFE courses are not sufficiently flexible to cater for the needs of job seekers with disabilities, they may be too prescriptive and students with disabilities are not able to undertake select particular course components;

- courses are not adequately promoted, and do not address the barriers for people with disabilities, for example some people with disabilities reportedly associate TAFE negatively with their experience of school;

- resourcing and funding arrangements make it difficult for TAFE to accommodate job seekers with disabilities; TAFE requires a minimum number of people for a course, which is often difficult to organise in rural and remote locations;

- TAFE Colleges are not set up for job seekers with disabilities – many teaching staff are not particularly skilled in training people with disabilities, the classroom approach is often inappropriate, and agency staff accompanying people with disabilities need to be accommodated. Appropriate TAFE courses may only be available in larger rural communities;

- there are generally poor education and training facilities for Indigenous people, and relatively high levels of illiteracy;

- there needs to be enhanced VET in schools, in order to improve access of young people with disabilities to employment;

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[37] The Association of Competitive Employment (ACE) is keen to see the establishment of a more formal approach to training job seekers with disabilities. This would include the use of competency based assessment, and accredited training delivered by Registered Training Organisations.

- there is insufficient use of innovative communications technologies. While some TAFE Colleges have developed appropriate courses, the use of innovative technologies can be limited by a lack of communications and computer infrastructure, and tutors; and

- providing suitable VET for Indigenous people presents particular challenges. Many Aboriginal people lack education and an understanding of the expectations of the work place, and consequently Aboriginal people with disabilities may require an extended period of training. There needs to be more opportunities for Indigenous people with disabilities to become involved in training, including life skills and pre-vocational training.

Recognising a number of these issues, the Australian National Training Authority has recently put forward a national strategy for increasing opportunities for people with a disability in vocational education and training. [38] It has also developed a strategy for Aboriginal and Torres Strait Islanders. [39]

The key premise is that people with a disability are not accessing vocational education and training, and are thus less likely to be become employed. [40] The strategy aims to build on partnerships involving people with a disability, training providers, industry, policy makers and planners.

Relevant strategies include:

- increasing access to VET for people with a disability by developing links between schools, pre-vocational initiatives and disability employment assistance services;

- improving participation and attainment in VET by providing client focused training, improving the flexibility and responsiveness of VET to people with a disability, and incorporating disability considerations into the delivery of training to consumers in rural and remote areas, those with cultural needs, women and students of all ages;

- equipping the VET sector with skills in providing inclusive training, ensuring appropriately skilled specialist learning support staff are available and resourced to provide support, particularly in rural/remote areas; and

- revising VET resourcing arrangements to include identification and implementation of appropriately weighted funding models.

In progressing these strategies ANTA is undertaking further research and pilot projects. Research into purchasing arrangements will include consideration of mechanisms which will provide equitable training provision including in regional, rural and remote locations. Research into learning supports required by people

[38] Australian National Training Authority, 'Bridging Pathways', National Strategy for increasing opportunities for people with a disability in vocational education and training, 2000–2005, 2000.

[39] Australian National Training Authority, 'Partners in a Learning Culture', National Aboriginal and Torres Strait Islander Strategy for vocational education and training, 2000–2005.

[40] The proportion of the Australian population with a disability aged between 15 and 64 who participate in vocational education and training (VET) is estimated to be less than 2.5%, yet the proportion of all Australians in this age group who participate in VET was 11% in 1998.

with a disability will include consideration of rural and remote locations. To progress improvement in coordination across government agencies 5 pilot projects are proposed.

> **Recommendation**
>
> **4.8** It is recommended that FaCS work with DETYA and ANTA to identify scope for increased access to training for people with disabilities in rural and remote areas.

4.3.9   Other opportunities

Other opportunities to promote collaboration include:

- co-location of agencies, or single worker or workers (disability employment service employees) in community based facilities, for example a Shire operated community centre, or neighbourhood house. Co-location improves access for consumers, provides peer support for a single worker, and provides lower cost/ shared infrastructure;

- establishing a regional group of disability employment services, eg. the South Eastern Vocational Employment Group. This enhances the collaborative relationship between services, and provides support linkages to the more isolated services; and

- staff working on secondment, or single worker employed part time by two separate organisations, working in complementary areas.

4.4 Service delivery structures

4.4.1   Introduction

The way organisations structure service delivery has an important influence on access for job seekers with disabilities, as well as service viability. Structures appear to be shaped by history, organisational policies, and by funding processes, as well as a planned response to demand for services.

New organisational arrangements for providing employment assistance may facilitate increased access by job seekers who are living outside population centres in rural and remote communities.

Strategies for structuring services to improve access is discussed below in the context of the following existing service types, in rural and remote locations:

– stand alone centre/town based services;

- centre/town based with remote outlets;

- multi-funded/program services;

- mobile outreach services;

- sub contracting arrangements with providers in remote locations;

- casual employees;

- co-workers;

- businesses providing support; and

- families providing support.

4.4.2 Small stand alone service (town based)

There are numerous relatively small independent disability employment services operating in rural and remote locations. These services are town based, and provide outreach to smaller outlying towns and communities. Staffing may be 3–5 EFT, or more.

For smaller service providers, service viability and access for job seekers with disabilities to services can be enhanced through:

- complementary funding, including State/Territory (Post School Options, Moving Ahead Program), Centrelink (eg. information and referral agency which assists all job seekers with information about eligibility, processes and documentation, as well as providing a referral service to the nearest Centrelink office), etc.;

- utilising co-workers and casual workers for support, particularly in outlying towns, thus reducing the requirement to travel to provide support; and

- co-locating with other agencies to share resources.

Access to employment may be enhanced by developing close relationships with selected employers to obtain jobs, establishing work crews, developing community based employment projects, or assisting job seekers into self employment.

Examples of this model include Western District Employment Service (Nyngan, NSW), and Roma District Employment Service (Roma, Queensland).

4.4.3 Central office with remote outlets

A central office with remote outlets improves access and may provide economies of scale, as well as a range of management and administrative supports for staff. Remote outlets may be staffed by 1–2 people.

Compared to a visiting (or outreach) service, an established outlet provides a permanent visible local presence. Benefits include:

– increased level of disability support and assistance which can be provided to job seekers;

– enhanced relationship with prospective employers;

– an improved basis on which to develop community support; and

– improved opportunities to develop collaborative relationships with other service providers.

Appropriate co-location of a remote outlet with other services can also improve access for job seekers, provide peer support for workers, and other opportunities for sharing resources, for example, administrative support, motor vehicles, and overheads.

Remote outlets appear to be viable with 1 person full time, although 1.5 EFT is preferred, providing greater flexibility and mutual support and coverage for staff leave. The cost of maintaining 1.5 EFT in a remote outlet may be $80,000–100,000. The number of consumers assisted could be 15–20, depending on distances required to be travelled and support needs of consumers. [41]

Specific strategies are required to manage and support staff from a distance, and ensuring that service standards continue to be met. Regular contact is required, which includes daily telephone calls, monthly meetings, training and professional development opportunities.

Examples of this type of service model include Competitive Employment (Mount Isa with Longreach outlet , Qld), Workability (Bega, with Cooma outlet, NSW), CBS (Adelaide with Port Pirie outlet, SA).

4.4.4   Multi-funded disability agency

Integrated disability organisations

Some disability employment services are part of larger integrated organisations which provide a range of services to people with disabilities. Typically these organisations are funded by both the State and Commonwealth to provide day options, supported accommodation and respite as well as employment assistance.

Access is provided to a range of options, including joint programs, in a seamless way, and may allow people with disabilities to move from one program to another as desired and appropriate.

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[41]   Based on case study discussions.

Integrated organisations may be found in rural and remote communities with populations of 5,000 and more. They are well connected to, and supported by the community, in terms of Board membership, volunteer support, and donations. In some cases the organisation is one of the major employers in the town.

However some of these organisations are somewhat centre-based with well established facilities and infrastructure, and access for job seekers with disabilities may need to be improved for:

– all job seekers with disabilities, not just those with higher support needs; and

– job seekers with disabilities living in remote locations outside of town.

Examples of integrated disability organisations include Woodbine (Warracknabeal, Vic), Murdoch House (St Arnaud, Vic).

Disability employment services with complementary programs

Many disability employment services have diversified to improve access to job seekers with disabilities, as well as improve viability. In some cases employment or disability organisations have diversified to include disability employment services.

The provision of additional programs and services which are complementary to disability employment assistance can improve access to job seekers with disabilities. This can range from a single funded program to a multi-funded organisation, of which disability employment services are only one part (as above).

For disability employment services, complementary programs include:

– post school programs (State and Commonwealth funded);

– Centrelink information and referral agency (Centrelink funded);

– training services (TAFE, Work for the Dole, Job Network Services);

– employment services for long term unemployed including State funded programs such as the Queensland Community Employment Assistance Program,[42] and Commonwealth Job Network Services and Job Placement Employment and Training (JPET);

– Disability services (State funded); and

– Indigenous employment programs – Community development Employment Program (ATSIC), Indigenous Employment Program (DEWRSB), State/ Territory funded programs.

Apart from improving access, other advantages of this approach include:

– improved financial viability, and opportunity to develop the organisation;

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[42] The Community Employment Assistance Program assists long term unemployed or those at risk of long term unemployment. The Program funds community and other organisations to provide pre and post employment support.

– a broader range of options from one organisation, and a more integrated response to the needs of job seekers with disabilities;

– opportunities to enhance worker skills; and

– peer support for staff, and enhanced flexibility of staffing arrangements.

Challenges include:

– maintaining separate accountability and performance reporting systems for different funding;

– ensuring that the quality of disability employment services is not affected; and

– integrating services in a balanced way.

4.4.5 Mobile services (outreach)

Provision of mobile outreach services is clearly designed to improve access for job seekers with disabilities in rural and remote areas.

This model essentially involves a worker delivering services from a vehicle supported by a central office. Workers from a regional base travel the country to wherever the person with a disability is located and provide a range of services. It is considered to be less expensive than establishing a remote office, especially where people with disabilities are living in a number of smaller remote towns (ie. population less than 1,000 people).

It is more accessible and responsive to meeting the needs of people wherever they are located.

In addition to mobile staff providing case management and direct services, staff utilise locally based trainers, casual support workers or co-workers. These need to be carefully selected, trained and supported. In some smaller communities this can be a challenge. Identifying employment opportunities can also be challenge, particularly if the outreach worker is not a 'local'.

Travel costs are particularly high, and worker productivity relatively low (as a single worker can travel 80,000 km per year). This model requires a particular sort of individual, as workers may find it difficult to sustain this lifestyle for more than 1 or 2 years. Anecdotally, total costs might range from $6,000 to 10,000 per job seeker (for job placement).

The model may be limited in its capacity to provide services to people with high support needs, unless appropriate support services can be provided locally by co-workers, State funded disability services, HACC services, family members, and allied health services, etc.

Other mobile services such as Northern Territory Health Services may be able to support people with disabilities, given appropriate training and support.

Examples include South West Integrated Employment Service, Young, NSW and NPYIL, Alice Springs, NT.

4.4.6   Sub contracting

Sub contracting services in rural and remote locations is a possible strategy to improve access by job seekers with disabilities to disability employment services, as well as provide services only when required, thus potentially improving viability. Case based funding could lend itself to sub contracting, especially where demand does not justify a full time service.

The capacity to sub-contract depends on the availability of trained staff. While it is possible that other services may be able to provide support on a fee for service basis (eg. health service State/Territory funded disability service, school), suitably trained staff may not be available, particularly in very remote locations.

Many disability employment services already use casual employees, or co-workers to provide maintenance support, effectively on a sub contract basis. These two strategies are summarised below.

4.4.7   Casual employees

Casual staff are employed to provide maintenance support to consumers who are employed within their local community. Casual workers are recruited, trained and supported by disability employment service staff. Casual workers provide support to consumers as and when required, according to an agreed contract. Some service providers enlist State funded disability workers (who are working part time) as casual staff.

The use of casual employees as support workers can be cost effective in two ways. Firstly it minimises the cost of supporting consumers, by effectively paying for only the amount of support required. Secondly it reduces the need for disability employment agency staff to travel to provide support, reducing travel costs and increasing staff productivity.

Some employers may be reluctant to allow a casual support worker who lacks appropriate industrial experience on to their work site. On the other hand, some casual employees can have particular skills, and greater understanding of the 'way things work' around the workplace and community, for example a casual employee working in an Indigenous community who has become known and trusted.

4.4.8 Co-workers

Most open employment services are familiar with the co-worker model, and many have used co-workers from time to time. Establishing a co-worker support model involves obtaining agreement and commitment from an employer, identifying and training a suitable co-worker, and subsequently providing on-going support to the co-worker and consumer.

Co-worker approaches are relatively cost effective particularly in rural and remote areas, and reduce travel and associated costs of agency staff providing support. Co-workers may be partly funded by employment assistance funding, although some employers may not require additional funds to offset their co-workers time spent supporting the consumer.

The need for co-workers to receive on going support by the disability employment service, depend on the particular placement and consumer attributes.

The appropriateness of co-worker approach depends on the level and type of support required. It is less appropriate where consumers with high needs require close and constant support. To some extent the co-worker model relies on the consumer developing and improving skills and productivity in the workplace, reducing the amount of support required. The success of this model ultimately relies on willing and committed employers and co-workers.

Under case based funding the employer might receive part of the on-going maintenance payments (in addition to the wage subsidy).

4.4.9 Businesses providing support

Business partnership/coalition

In many rural and remote communities there are limited job opportunities, and long travel distances may be particularly problematic for people with disabilities.

In some areas new business development may be an option to provide employment for people with disabilities. This model would set up a new business to employ a proportion of people with disabilities. The development of the business would be managed by members of the business community, and the disability employment service who provide support to workers with disabilities.

This model differs from current business services as the people with disabilities would be supported by an external service. The new business would be established on a proper commercial basis with sound management structures.

A component of case based funding might be used to provide training and support or to obtain expert advice.

Recommendation

4.9 It is recommended that FaCS consider piloting service delivery arrangements which are based on Model 8, business coalition initiative.

Employers providing support

This model involves an employer providing on-going maintenance support to a worker with a disability, using its own support staff.

Many large employers have staff capable of supporting people with disabilities in the workplace. These staff may be employed in human resources departments. Co-workers may also be involved. This is the approach adopted by some major food retailers overseas. Job seekers with disabilities could be assisted to obtain employment by a range of organisations (disability employment services, CRS Australia, Job Network providers, or State/Territory funded services such as LACs).

An external case manager may or may not be involved depending on the arrangements made by the employer organisation. The employer could receive payment directly for training, support, placement and maintenance. If a case manager was involved then brokerage funds could be used to pay the employer.

The viability of this model is improved if several people with disabilities are employed, by the one employer, and that the level of support required is not 'excessive'.

There were no examples of this model identified in the fieldwork for this project The (smaller) size of employer organisations in rural and remote communities may mean that there is limited capacity for businesses to establish a in-house support functions.

Larger retail outlets (eg supermarkets) and mining companies are considered a possibility for this model, although mining companies reportedly tend to limit opportunities for people with disabilities for occupational health and safety reasons. Local government is another possibility.

The model would need to be established with the roles of employer and support provider separately identified, with the services provided meeting disability service standards. If FaCS was to pursue this model, the initial approach might involve employers providing support (may or may not be a co-worker), with case management by a disability employment assistance provider to ensure quality services are provided.

Recommendation

4.10 It is recommended that FaCS consider piloting service delivery arrangements which are based on Model 9, employer as employment assistance provider.

4.4.10 Families providing support

Families are recognised as a key resource in providing direct employment in remote areas, eg on the family farm.

Clearly there are number of advantages. From the job seeker's perspective there is a guaranteed job in a familiar environment, and there is no need to travel to a workplace. From the perspective of a disability employment assistance, this approach reduces the need for job placement, may reduce the need for training, and reduces the need for travel to provide on going support.

Family employment of people with disabilities needs to be established in a way which is consistent with disability service standards. Opportunities for the job seeker to become independent of the family, and for broader social interaction would need to be addressed. This may require the involvement of a disability employment assistance provider. Elements of the model need to include:

– case management role for the disability employment assistance provider, including training and support, as required;

– wages and conditions paid under an Award or industrial agreement, including workplace conditions, etc.;

– opportunities for broader social integration, as per Standards;

– case manager purchases supports from the family; and

– clear accountability for standards with prime responsibility with the case manager.

Under case based funding the support person (ie family) would receive part of the on-going maintenance payment

> **Recommendation**
>
> **4.11** It is recommended that FaCS consider piloting service delivery arrangements which are based on Model 10, family as employment assistance provider.

4.4.11 Conclusions

Disability employment assistance is provided through a variety of structures which have been developed over the past 10 years in responses to identified need, funding, organisational policies and other factors. As the industry matures, a more analytical and planned approach to service delivery appears warranted, in order to enable the most cost effective arrangements in rural and remote locations. Key elements would include:

• joint planning by Commonwealth and State departments of service provision in rural and remote regions to facilitate service integration and promote viability;

- involvement of non traditional providers, especially where is it not cost effective to establish a stand alone disability employment service. This may involve a separate case management function. A range of potential providers exists and their capacity to provide case management, training, job search/placement and ongoing support needs to be evaluated; [43]

- service providers attracting additional funding to provide complementary services (eg. Commonwealth and State funding in disability, education, allied health services and employment), in order to improve the cost effectiveness of service delivery; and

- co-location and collaboration with other relevant services both to improve access to job seekers with disabilities, and to create economies of scale.

Recommendations

4.12 It is recommended that Commonwealth and State departments jointly plan service provision for people with disabilities in rural and remote areas to facilitate service integration and enhance viability.

4.13 It is recommended that the planning and development of disability employment assistance in rural and remote locations include innovative services involving non traditional service providers, and the development of more cost effective services through complementary service funding and closer collaboration between relevant services.

4.5 Community development opportunities in rural and remote locations

Community support for local services is often one of the great strengths of rural and remote communities. However there are invariably many competing priorities and support for assisting people with disabilities to obtain employment may not be a priority.

Large identifiable disability agencies, especially those which can be 'owned' by the whole community often receive high levels of support.

Community support is critical to local services through contributions made by members of the Board/Committee of Management, local employers, families of people with disabilities and related service providers.

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[43] Organisations include TAFE, Job Network providers, CRS Australia, Schools, State funded disability providers, employers, CDEP, others. While their capacity to provide relevant services will vary somewhat depending on location and circumstances, information may be obtained as part of the Case Based Funding Trial, or through pilot projects.

The Commonwealth Government has developed a strategy called 'Stronger Families and Stronger Communities Strategies'.[44] This embodies several principles including working together in partnerships, more integrated and coordinated services, and community capacity building. The strategy includes measures to support the development of volunteers and leaders in local communities, and assisting communities to solve local problems. Most service providers had little knowledge of this program.

The Government has also established a number of Rural Transaction Centres which will incorporate facilities including Centrelink, banking services, Medicare, postal services, telephone/fax, and Internet facilities. [45] The recent Government response to the McClure report *'Participation Support for a More Equitable Society'*[46] indicates that job search facilities will be expanded, including through Rural Transaction Centres.

Area Consultative Committees (ACCs) exist to provide a social coalition between the government, business and local communities to generate opportunities for employment. ACCs can help facilitate partnerships between Job Network providers, business and other community groups in rural and remote areas.

Possible community development strategies to be adopted by disability employment services include:

- develop skills and knowledge in community development. Undertake a planned approach including service mapping, needs analysis, and service planning, to provide a 'authoritative' basis to community development. Develop resource materials for promotion;

- base community development on specific projects (ie bricks and mortar, or equipment). Establish community facilities, which provide opportunities for people with disabilities to obtain employment;

- obtain an ally in community development (eg. local government, or a TAFE College), which can add integrity and credibility to the service;

- raise the awareness of the community about employment of people with disabilities through events (eg fairs, open days) and projects which include people with disabilities working in the community (eg. gardening);

- access community funds and grants (eg. Arts Grants and Rural Access Grants); and

- participate in or seek to influence Area Consultative Committees, Regional development authorities, Chamber of Commerce, local government, training organisations, schools, employers, etc.

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[44] See http://www.facs.gov.au
[45] See http://www.dotrs.gov.au/rtc/info/general.htm
[46] Reference Group on Welfare Reform, *'Participation Support for a more Equitable Society'*, Final Report, P McClure, Chairperson, July 2000.

Recommendation

4.14 It is recommended that FaCS consider piloting service delivery arrangements which are based on Model 4, community development initiative.

4.6 Transport as a strategy to improve access

Physical access to disability employment assistance and employment opportunities by job seekers with disabilities is clearly a major issue. Where there is no public transport and family and/or carers are occupied during the day, many disability employment services visit job seekers with disabilities in their territory, which can be hundreds of kilometres away.

Some strategies to reduce the transport burden on job seekers, and/or service providers are noted below.

- many people with disabilities do not drive, although there are a number who could if they received appropriate training. Some disability employment services arrange (and provide) driver training to job seekers with disabilities in order to develop independence;

- disability employment services establish transport systems which job seekers with disabilities can use. This requires services identifying reliable vehicle and transport movements which job seekers with disabilities can use, for example mail trucks and milk trucks. Other approaches include organising taxis for a group of job seekers with disabilities. Many staff who live in remote locations themselves, pick up and drop off consumers;

- partnerships between service providers which optimise transport arrangements can reduce travel requirements. This involves collaboration with other services travelling to remote communities. Examples provided included Bush Nursing and HACC services;

- multi-skilling workers to provide more than one type of service on a round trip. Thus one worker might conduct employment assistance visits, HACC visits and respite visits on a trip lasting a few days; and

- providing transport vouchers is a popular approach in USA, but relies on a coordinated system of drivers and vehicles. [47]

Recommendation

4.15 It is recommended that employment assistance providers consider a joint approach to promoting improved transport options for people with disabilities in rural and remote locations, involving other jurisdictions, and local government.

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[47] Affiliated Rural Institute on Disabilities, *'Rural Transportation & Disability'*, Montana University, Fall/Winter, 1999/2000.

4.7 Technology opportunities in rural and remote locations

4.7.1 Introduction

Technology may provide significant opportunities for job seekers with disabilities to improve access to employment assistance and jobs. Disability employment assistance can be facilitated through the use of video conferencing, and training provided by the Internet (reducing the need for travel). Technology enhances opportunities for employment through assistive technologies and the capacity to work remote from the employers workplace. Technology can also assist disability employment assistance providers to provide a more cost effective service.

However there are limits to the use of technologies in terms of specific disabilities. Some job seekers with disabilities have literacy and numeracy issues, and some have limited cognitive ability. Thus the capacity to use technology will vary and strategies to facilitate use of technologies by people with particular disabilities is required.

4.7.2 Disability employment assistance

Technology enables disability employment services in rural and remote locations to provide effective case management services through communication systems (telephone and fax), email, as well as disability specific communications technologies.

In particular, video conferencing has the potential to facilitate timely and lower cost contact between disability employment services and job seekers with disabilities. Administrative functions can be completed without job seekers or workers having to travel as far as they otherwise would. In addition, video conferencing can more readily provide continual support, rather than infrequent visits (eg. once every 2 weeks). Video conferencing can also facilitate contact with casual workers and co-workers.

However, accessing video conferencing facilities is a major barrier. Unless job seekers with disabilities have personal video conferencing systems in their home, they need to access video conferencing facilities in their community. These may or may not be available. Some Rural Transaction Centres may have video conferencing facilities. Video conferencing facilities may also be available in Centrelink offices, TAFE Colleges and other larger community service organisations.

While video conferencing will not completely replace visiting, it has the potential to significantly reduce the amount of time spent travelling, and complement conventional modes of service delivery. [48]

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[48] See M Reimer-Reiss, *'Vocational Rehabilitation Counselling at a Distance: Challenges, strategies and ethics to consider',* Journal of Rehabilitation, 11–17, Jan–March, 2000.

To date, video conferencing has been used very little in remote locations. Effective video conferencing systems are expensive and costly to maintain, and are not yet widespread. Most disability employment assistance providers are not comfortable with using video conferencing until the quality of the systems improves, both in terms of conferencing equipment and telecommunications links. Particularly in remote areas telecommunications links can be costly and unreliable.

4.7.3   Training

Communications technologies, particularly computer based (ie Internet) can be used for training some consumers with disabilities (as appropriate). Computer based training needs to be supported by correspondence and tutorial support using e-mail, at mutually convenient times. Some TAFE Colleges have developed appropriate courses. However these may be limited by a lack of tutors.

Community based training facilities can assist people with disabilities to develop familiarity with, and skills on computers (eg St Helens, Tasmania). Job seekers with disabilities are assisted to write job applications using word processing packages.

Some services have provided some of their consumers with a computer, as appropriate, to assist their search for jobs, update their resume, and access training, etc. This helps familiarise job seekers with disabilities with computer technology.

4.7.4   Employment – workplace technologies

The development of assistive technologies for people with disabilities potentially enables greater access to workplaces, as well as higher levels of productivity. Such technologies can improve or substitute sensory functioning, enhance mobility, improve access to telecommunications and information technology, and improve access to the built environment.

In the workplace, technology can assist people with disabilities to participate more effectively, for example, the use of effective production technologies (tooling and equipment) to match the job requirements to the capabilities of people with a disability.

The availability of workplace technology for people with disabilities is apparently scarce in rural and remote communities. There are relatively few opportunities to introduce innovative technologies into the workplace where jobs are often entry level occupations and often associated with primary production.

Computer based technologies, rather than manual controls may allow a wider range of people with disabilities to access jobs. While in theory such control systems are available, they are often not put into practice in remote communities.

However, effective communications and information technologies (ie telephone, email) can enable some people with disabilities to work in remote places, thus reducing the need for commuting/travelling to the employers work site. While this practice is apparently not yet extensive, it is regarded as an area of opportunity by service providers.

4.7.5 Agency infrastructure

Information technology can assist agencies to provide improved services. Possible ways technology can be used include:

- common referral and information system between agencies;

- facilitate contact with Centrelink (email and videoconferencing links);

- distance learning for staff;

- communications and information systems for organisations with a central office and remote outlets (including videoconferencing);

- co-worker training, and co-workers can assist consumers with computer skills (including videoconferencing); and

- management information systems.

4.7.6 Concluding comments

There are opportunities for services to expand their use of telephone, videoconferencing and Internet, although there are limitations, and a level of personal contact will always be required. Providers note that expanding the use of telecommunications will not happen quickly without infrastructure, and incentives and staff training, as it requires changes to service practices.

Access could be improved by establishing centres in smaller remote communities (less than 3,000 people) where a range of relevant services are available, staffed by a generalist in disability and/or employment. This could include video conferencing capacity, and training facilities. It could be supported by several programs. This could be incorporated within, or complement the Rural Transaction Centres program.

Recommendation

4.16 It is recommended that employment assistance providers further examine the value of videoconferencing and computer based training as strategies to improve service delivery in rural and remote locations, and explore opportunities with employers for remote workplaces.

4.8 Strategies to provide services to Indigenous people with disabilities

While Indigenous people represent 2% of Australia's population, the proportion in rural and remote Australia is much higher. In very remote communities in Queensland, Northern Territory and Western Australia, communities are often close to 100% Indigenous. Table 4.2 on the following page provides Indigenous population data, by ATSIC Region.

It also appears that there is a much higher incidence of disability in Indigenous communities, related to health and lifestyle factors. In many communities substance abuse is causing disability (eg trauma related, Acquired Brain Injury).

It is important to note that there may be significant differences between groups of Indigenous people, in terms of their particular culture, language and lifestyle. In order to develop effective services requires some understanding of the circumstances of each community or group of Indigenous people to be served.

There are particular issues associated with improving access for Indigenous job seekers with disabilities. These include the social construct of disability, Indigenous concepts of work, remoteness and isolation of some Indigenous communities, transport and weather, and community priorities.

In rural and remote locations Indigenous people may be living in (or close to) rural towns (eg. Cairns, Alice Springs), smaller remote towns (eg Tennant Creek, Roma) or in very remote communities (eg. cross border regions).

While access to services and employment opportunities for Indigenous people in rural towns may be reasonable, access becomes progressively worse the more remote the community.

In many of the more remote communities, where there is little or no opportunity for mainstream employment, Community Development Employment Projects (CDEP) have been established. CDEP is the largest employment program for Indigenous people and has several objectives, including income support, community development and providing work skills as a pathway to employment. Participation is voluntary. The key drivers of CDEP are remoteness, and a lack of employment opportunities, and barriers faced by Indigenous people when accessing mainstream employment opportunities. During 1999–2000 there was a ceiling of 34,900 participants in the CDEP Scheme. CDEP employment represents almost one third of all Indigenous employment.

'Work' is defined broadly to include a range of activities which contribute to the community. Since March 2000, job seekers receiving the Disability Support Pension have been eligible to participate in CDEP, but there has been limited participation to date. Reasons include lack of support for job seekers with disabilities, insufficient CDEP places, perceived OH&S issues in some workplaces, transport, and the additional costs required to support people with disabilities.

Table 4.2: Indigenous Population by ATSIC Region, 1996

ATSIC Region	Indigenous resident population (a)	Proportion of total Indigenous population	Proportion of region's total population	Median age of Indigenous population (b) years
	No.	%	%	
New South Wales				
Sydney	37,117	9.6	1.0	20
Queanbeyan (includes ACT)	9,855	2.6	1.7	19
Binaal Billa (Wagga Wagga)	19,535	5.1	3.7	18
Murdi Paaki (Bourke)	7,951	2.1	14.0	20
Kamilaroi (Tamworth)	11,595	3.0	5.6	19
Many Rivers (Coffs Harbour)	27,127	7.0	2.2	19
Victoria				
Binjurru (Wangaratta)	10,938	2.8	0.4	21
Tumbukka (Ballarat)	11,660	3.0	0.6	20
Queensland				
South East Queensland (Brisbane)	30,325	7.9	1,4	19
Goolburri (Roma)	9,661	2.5	3.4	17
Central Queensland (Rockhampton)	12,436	3.2	3.4	18
Townsville	16,107	4.2	5.3	18
Cairns and District	16,144	4.2	8.8	20
Gulf and West Queensland (Mount Isa)	7,306	1.9	22.9	20
Peninsula (Cooktown)	6,184	1.6	49.9	23
Torres Strait	6,654	1.7	86.0	20
Western Australia				
Perth Noongar	19,765	5.1	1.5	19
Kaata-Wangkinyinyi (Narrogin)	6,814	1.8	2.8	19
Yamatji (Geraldton)	5,497	1.4	9.8	19
Ngarda-Ngarli-Yarndu (South Hedland)	4,721	1.2	13.7	21
Kullari (Broome)	3,760	1.0	38.5	20
Malarabah (Derby)	4,347	1.1	66.8	21
Wunan (Kununurra)	4,887	1.3	52.0	20
Western Desert (Warburton)	2,952	0,8	30.0	23
Wongatha (Kalgoorlie)	3,462	0.9	6.6	20
South Australia				
Patpa Warra Yunti (Adelaide)	13,686	3.5	1.0	20
Wangka-Willurrara (Ceduna)	2,014	0.5	5.3	19
Nulla Wimila Kutju (Port Augusta)	6,351	1.6	7.9	21
Tasmania				
Tasmania	15,322	4.0	3.2	18
Northern Territory				
Yilli Rreung (Darwin)	10,078	2.6	10.3	20
Jabiru	8,685	2.2	75.4	20
Miwatj (Nhulunbuy)	7,848	2.0	61.7	20
Garrak-Jarru (Katherine)	7,986	2.1	46.7	19
Yappakurlangu (Tennant Creek)	3,866	1.0	59.0	20
Papunya (Apatula)	8,427	2.2	79.5	21
Alice Springs	4,986	1.3	19.4	22
Total	386,049	100.0	2.1	20

(a)   Based on ABS Experimental Estimates of the Aboriginal and Torres Strait Islander Population, ABS, Cat No 3230.0.
(b)   ABS 1996 Census.

Acknowledging the diversity of Indigenous communities, the following strategies/ approaches are provided to guide service delivery in Indigenous communities.

- A regional approach to service provision is required, which is likely to involve several Indigenous communities. The region may be geographically large, with dispersed communities (eg cross border region), or may encompass a centre of population with a high Indigenous population (eg Alice Springs)

- Service responses should respond to the needs of particular Indigenous communities through a consultative process; recognise local context and distinctiveness; build upon the community's capacity and strengths; respect the wishes of the community; and deliver a range of tangible outcomes for the job seeker and the community.

- It is important that Indigenous worker(s) provide disability employment assistance in areas where there are high levels of Indigenous people. as they understand the environment, culture, language and the local community.

- It may be preferable that the initial contact with Indigenous communities is about 'disability' or 'employment' issues, rather than 'disability employment'. Employment issues are more likely to coincide with the priorities of the community, and it may be necessary to establish agreed concepts of disability before addressing disability employment.

- An extended period of training may be required, which includes work related training.

- Particularly where unemployment is high, businesses might need to be established, which are aligned to the interests, cultural heritage and infrastructure of the community.

- As a significant proportion of people have become disabled due to substance abuse an early intervention approach is indicated, which is designed to reduce the demand for disability services in the future. [49]

- Employer incentive packages are important. The 'double disadvantage' of being Indigenous and disabled may be addressed by developing an incentive package which combines available employer benefits. Indigenous people are eligible for DEWRSB wages subsidies under the Indigenous employment strategy – these could be topped up by case based funding. [50]

- It is important to promote the benefits of employment for people with disabilities in Indigenous communities. One way is to use role models. Promotion needs to be culturally appropriate. One on one, or word of mouth is much preferred to a media campaign.

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[49] Discussions with some Indigenous providers indicate that about half their consumers are disabled due to substance abuse.

[50] Assistance under the Indigenous Employment Program Wage Assistance Scheme is not currently available where other program funding is expected to be accessed. This policy is being reviewed. Wage Assistance currently pays up to $4,400 over 6 months for ongoing full time jobs and $2,200 for part time jobs of at least 20 hours per week.

- While employment within CDEP is often not ideal for people with disabilities, it may be the best option in the absence of other opportunities. However, for CDEP to be a viable option requires incentives for both the job seeker and CDEP, and enhanced awareness within CDEP of the needs of people with disabilities.

- Co-worker models can be particularly effective, including culturally appropriate training.

Recommendations

4.17 It is recommended that FaCS works with DEWRSB and ATSIC to develop and implement policies and practices which will improve CDEP employment opportunities for people with disabilities.

4.18 It is recommended that FaCS develop a promotional program aimed at rural and remote communities and indigenous communities in particular to promote the employment of indigenous job seekers with disabilities.

4.19 It is recommended that FaCS consider piloting service delivery arrangements which are based on Model 3, the Indigenous Model.

5 Innovative approaches to improving the cost effectiveness and coverage of employment assistance in Rural and remote locations

5.1 Key features of innovative approaches

There are several features required for innovative approaches for delivery of disability employment assistance to be successful. Successful approaches need to:

- meet the job seeking needs of people with disabilities, their families and carers, including responding to differing requirements for employment assistance activities—work preparation and training, job search and placement, and on-the-job support;

- promote improved access for people with disabilities, and provide equitable support in rural and remote locations, including indigenous communities;

- be financially viable and sustainable;

- be culturally appropriate for indigenous consumers;

- comply with the *Disability Services Act 1986*, including the Disability Services Standards;

- be flexible in meeting local community needs;

- enable an interface with other funded programs that is practical and sensible; and

- most importantly, innovative approaches should provide a focus on the individual job seeker with a disability.

Access (which relates to travel distance, conditions and mode of travel), employment opportunities and training for employment, are the three most significant problems faced by people with disabilities in rural and remote locations. Places of employment, residences and services are dispersed, and there is often no available transport. Unemployment rates are high, and job markets often competitive, seasonal and averse to perceived risks of employing people with disabilities. Training opportunities appropriate to the needs of job seekers with disabilities are poor.

The viability of disability employment assistance arrangements is also a significant concern, where it is recognised that in rural and remote locations it costs more to provide services compared to urban areas.

Quality assurance is also a key consideration for innovative approaches, presenting particular challenges in rural and remote locations; for non traditional service providers; and for Indigenous service delivery.

5.2 Framework for improved innovation

This following section outlines innovative approaches or models for improving delivery for disability employment assistance in rural and remote locations, including indigenous communities .

The framework for discussing each model includes each of the following parameters:

Aims of the model – Outlines the particular aim of the model, and summarises the fundamental reasons for proposing the model.

Description of the model – A description of how the model might work at functional organisational and regional levels.

Benefits – The (main) potential benefits to job seekers with disabilities, and to organisations providing services.

Geographical focus – Where the model may be most appropriate – rural, remote, very remote.

Directions for existing disability employment services - Implied directions for existing disability employment services if the model is implemented.

Roles and responsibilities – a chart identifying potential purchasers, providers and employers. This includes key organisations and individuals involved in providing disability employment assistance and other services.

Quality Assurance – describes QA issues, and how the Disability Services Standards will be met, including the organisation responsible for ensuring that Standards are met.

Funding options – possible ways in which the model might be funded.

Next steps – Whether it is feasible to pilot the model, and if so, steps to progress this.

Each of these parameters is discussed in more detail below.

Note that the models should not be viewed as prescriptive nor the only models that may meet the needs of a local community. Rather they serve to illustrate service provision and funding arrangements which would improve access for job seekers with disabilities to employment assistance and employment opportunities in a wide range of situations and promote cost effective service delivery.

Existing disability employment services in rural and remote locations may consider some aspects of some models for improving access for job seekers or for increasing

their viability. One or more of these models may be appropriate in a particular rural and remote community, depending on the local circumstances. Variations on the proposed models should be encouraged.

The following sections expand on the coverage of each parameter in the framework in which the models are presented.

5.3 Aims of the model

The aims of the model are described. These generally relate to improving access for job seekers with disabilities to disability employment assistance, to employment opportunities, or improving service viability. Several models seek to establish ways to provide disability employment assistance in areas where it is not cost effective to establish a stand alone disability employment service.

5.4 Description of the model

The ways in which the model will deliver employment assistance to job seekers is described. The description of a model includes arrangements at functional, organisational and regional/systemic levels. These levels are summarised in Table 5.1 below.

Table 5.1: Functional, organisational and regional levels at which models apply

Level	Description of level
Functional	The elements of disability employment assistance – case management, training, job search, employment and on going support.
Organisational	The way individual organisations arrange their services. Examples include independent stand alone services, organisations with remote outlets or outreach services, or disability employment assistance provided as part of multi-program organisations.
Regional/ Town	The way in which organisations work together and network at a regional and/or town level. There may be several organisations working with job seekers with disabilities. Arrangements may include joint programs, formal protocols, participation in forums, sub contracting, etc.

Source: Thomson Goodall Associates

5.5 Benefits of the model

There are a range of perceived benefits for each model, for job seekers with disabilities, for service providers and for local communities. Actual benefits should be tested as part of the pilots. Different models will have different aims and hence a different focus in terms of benefits.

For example, benefits to job seekers who are provided with support by family members (Model 10) will mean that job seekers on remote farms will be able to access employment assistance support for on farm employment.

Benefits to service providers from collaboration (Model 1) include improved viability through higher staff productivity and efficiency in resource allocation, enhanced service quality, improved access to providers of other services and improved access to employment opportunities.

Similarly, where local communities are involved in supporting job seekers with disabilities (Model 6), members of the community will be employed to provide support.

5.6 Geographical focus and aspects of service delivery

It is important to identify where models are most applicable - in rural, remote or very remote locations. For example, some service providers may not be present in remote and very remote locations. To provide a basis for understanding where particular models might be useful, Table 5.2 has been developed. Remoteness affects different aspects of service delivery in different ways.

Table 5.2: Remoteness framework for considering model development (open employment)

Aspects of service delivery	Rural	Remote	Very remote
Worker approach and skill requirements	Case management, plus direct support	Case management, worker provides range of supports	Multi-skilled to offset lack of service infrastructure
Frequency of contact with consumers (face to face)	Regular (similar to urban)	Regular but less frequent	Intermittent, depends on availability of consumers, seasonal conditions
Worker productivity due to travel requirements	Less than urban services	Low	Very low
Nature of service location	Centre/office based (with outreach)	Remote outlet (may be part of larger service)	Outreach (mobile)
Training providers available	TAFE College, schools, agency staff, Internet	Agency staff, TAFE College, Internet	Agency staff, community members
On going support providers available	Service (agency), employer based	Community and employer based	Employer and community based
Availability of specialist expertise and support	Some, through visiting specialists	Little	None
Presence of other (support) services for people with disabilities	Good	Variable	Poor
Presence of CRS Australia, Centrelink, Job Network providers	Good	Variable. Outreach based on specific need.	Variable. Outreach based on specific need.
Beneficiaries of benefits of disability employment	Mainly individual, family and community	Individual job seeker, and family and community	Individual job seeker, family and community
Nature of labour market	Poor, but diverse	Poor, limited and seasonal	Poor, very limited, seasonal. CDEP may offer opportunities.
Opportunities for business development	Participation in local economy, self employment opportunities as part of local business chain, business mentor available	Self employment opportunities as supplier to local businesses, and family businesses	Lack of existing businesses, implies innovative new enterprise development required

Source: Thomson Goodall Associates

5.7 Directions for disability employment services

Employment services operating in rural and remote locations are challenged by higher operating costs, lack of access to training and other services, by seasonal and difficult labour markets and fewer job seekers many of whom may be highly mobile. These challenges will need to be acknowledged in the context of funding reform.

While it may be appropriate for some services to continue to provide case management, training, job search and maintenance support functions the same way they have in the past, others may consider broadening their activities, or alternatively arranging for other organisations or individuals to provide one or more of these functions.

Each of these possible directions is explored on Table 5.3.

'Diversifying' implies that services broaden their role by attracting additional sources of funding. This would smooth out peaks and troughs in work load, and would potentially make travel to remote areas more cost effective.

'Divesting' implies arranging for another organisation or individual to perform case management, training, job search or maintenance support functions. Many disability employment services already appoint co-workers, employ casual workers, and sub-contract selected services. Case based funding may facilitate improved local arrangements for service provision, eg making payment to others to achieve specific outcomes for support provided to individual job seekers with disabilities in their own communities. 'Divesting' aims to provide job seekers with quality services at a lower overall cost due to reduced travel and other overheads where there are poor economies of scale.

Of course, it might be appropriate for an individual service to broaden one function and 'divest' another, depending on local circumstances. There are different directions that services may take, and not every service needs to do either.

For each of the models, there is an explicit or implied direction.

Table 5.3: Possible directions for disability employment services

'Divest' (ie. brokerage)	'Stay the same' (ie current function of disability employment service)	'Diversify' (ie. broaden role)
The disability employment service negotiates with other organisations to provide one or more elements of case management Eg. State based services, CRS Aust, or other appropriate organisations. May involve sub contracting or other purchasing arrangements	The disability employment service provides ← Case management →	The disability employment service broadens its case management role Eg. Provide case management to other job seekers, or people with disabilities with needs other than employment This would mean pursuing a range of funding sources (beyond disability employment)
The disability employment service purchases training from other organisations Eg. TAFE to provide disability specific employment programs State based services to provide Independent Living Training RTOs to provide disability specific employment programs	The disability employment service provides ← Training →	The disability employment service broadens its training role Eg. Provide Independent Living Training to State funded consumers This would mean applying for funding from State/Territory, Commonwealth governments
The disability employment service negotiates with other organisations to provide job search services Eg. CRS Australia, Job Network providers, or a joint venture job search organisation	The disability employment service provides ← Job search, placement →	The disability employment service broadens its job search role Eg. Provide job search services to people with disabilities, other than FaCS disability consumers Funding would be sourced from Job Network providers
The disability employment service purchases maintenance support from other organisations and individuals Eg. Casual support workers, co-workers, family, friends	The disability employment service provides ← Maintenance support →	The disability employment service broadens its maintenance support role Eg. provide maintenance support to people with disabilities, other than FaCS disability consumers Source funding from State/Territory

Note: Service providers might divest one service, and diversify in another. The Table serves to illustrate possibilities, it is not intended to be prescriptive.

5.8 Roles and responsibilities

Each model identifies purchaser(s) and provider(s), with each of the provider functions separately identified. FaCS is a purchaser of disability employment assistance in all models. Some models include collaboration with other service providers which are funded by other government organisations, or directly with an employer.

The proposed models are largely within the capacity of FaCS to progress and implement. While models may require the cooperation of other purchasers such as ATSIC and State/Territory governments, their cooperation is considered to be within their current program funding.

Nevertheless FaCS may wish to pursue a range of issues with these organisations in order to provide programs which improve access to disability employment assistance and employment opportunities.

The purchase of services is possible only where there are service providers who can deliver the required services in a timely manner, and at the required level of quality, for an agreed cost. Case based funding levels for the trial are based on budget costs for Australia as a whole, and thus reflect the average cost of providing services across Australia. In rural and remote locations, purchasers may find it difficult to actually purchase services, as appropriate providers often do not exist. Where they do exist, sufficient funds will be required.

For each of the key disability employment assistance functions – case management, support, training, job search and maintenance support, there are a range of possible providers. These include disability employment services, State/Territory disability services, local government, CRS Australia, TAFE, Job Network providers, and CDEP. The role of employers is also noted, as providers of open or supported employment.

5.9 Quality assurance

The proposed models are structured in order to comply with Disability Service Standards. The way in which each model would comply with Standards is summarised, including identification of the organisation responsible. In some cases there are particular QA issues which are noted.

5.10 Funding options

Funding options outlines how the funding principles outlined in Section 3 will be addressed and the implications for case based funding for the particular model.

5.11 Next steps

Next steps covers the steps that will need to be addressed by FaCS. It is expected that some of the proposed models will be investigated further by implementing pilot projects. Thus potential partners in piloting the models are identified.

Several models involve alternative funding arrangements. These need to be decided. Establishing funding levels appropriate to the circumstances of the pilot may be done arbitrarily for the purposes of initiating pilot projects in the short term, or more detailed funding formulae may be established. Otherwise some pilot projects might proceed without alternative funding arrangements, but include provision in the pilot (and evaluation) to identify the additional costs involved.

All pilots require clear management and accountability requirements, and evaluation components. FaCS will need to develop an approach to the evaluation of selected pilots, but at a minimum it is proposed pilots provide quarterly activity statements and acquittal reports, plus a final evaluation report against set evaluation criteria. It is understood that FaCS would engage an independent evaluator for the pilots.

A set of outcomes needs to be established which will enable FaCS to assess each of the models during and at the conclusion of the pilot stage. Outcomes would include:

– extent to which Service Standards have been met;

– viability of model;

– consumer/ family/community satisfaction; and

– extent to which accountability requirements to funder(s) have been met.

Model 1 Collaborative arrangements between two or more providers

Aim of the model

The aim of this model is to improve access to disability employment assistance by improving flexibility and capacity to respond to individual needs, and to improve the cost effectiveness of service delivery across a region. The model aims to improve viability, and productivity, thus addressing funding principles 1 and 3.

Description of the model

The model involves establishing collaborative arrangements between providers. These arrangements might include joint projects, sub contracting, and possibly amalgamation of provider organisations.

One possibility is for smaller outlets to become part of a larger group. For example, case managers and support workers located in remote outlets would be part of a disability employment service located in a town/centre. The larger organisation provides administrative and other management support, quality assurance systems, staff training and support.

The model operates primarily at a regional level, with the larger disability employment service linking with other relevant services in the region and engaging in community development.

Benefits

- Greater flexibility and efficiency in resource allocation across a region enabling remote resources to be moved to the areas of greatest demand (and improving productivity).

- More resources available to remote areas if required.

- Improved funding stability under case based funding arrangements (ie improved viability).

- Provide economies of scale with administrative support, management and quality assurance systems, staff training and support.

- Capacity to add value through community development and acquiring complementary funding.

- Enhanced capacity for service development.

- Provide a more planned and effective approach to employers.

Geographical focus

The model could apply across rural, remote and very remote areas, providing a link between the three levels.

Directions for existing disability employment services

The model may facilitate diversification of services. Complementary funding, and/or enhanced community support, obtained by the larger organisation could improve the viability of remote outlets.

Roles and responsibilities

Purchaser	FaCS

Provider	Disability Employment agencies (two or more)

	Case management	Support	Training	Job Search	Maintenance support
Provider of function	Agency case workers within larger organisation or staff located at outlet(s). The focus of case management is on disability employment assistance (and community development)	Agency case workers	Agency case workers TAFE, other	Agency case workers	Case workers (initially), co-workers, casual staff

Employer		Incentives
	Open employment	Supported Wage System Wage subsidies

Quality assurance

The proposed model involves existing approved disability employment services, which are assumed to comply with Disability Service Standards. Collaboration should strengthen the capacity to provide a quality service.

Funding options

Under the proposed model service providers would continue to experience higher input costs, and it is assumed that savings resulting from economies of scale would be used to broaden service delivery. While there would be some improvements in

productivity, collaborating services would still experience relatively high travel times/costs and relatively low 'throughput'. Viability would be improved where organisations collaborate financially (ie through sub contracting or amalgamation), and there would be no requirements for a fixed funding component.

Operating funding model

Case based funding to cover the costs of case management, support, training, job search and maintenance, and wage subsidies. Funding levels established through the addition of a locational loading to job seeker payments to address higher costs and lower productivity.	FaCS

Next steps

1 Identify rural and remote areas where there are smaller independent disability employment services which might benefit from collaborative arrangements.

2 Develop plan parameters, which should include:

- needs analysis of job seekers with disabilities in the region (service gaps, and overlaps);

- context of current reform for collaboration;

- key issues – geography/transport, availability of other services, labour market, etc.;

- information about the organisations, strengths and weaknesses, complementarities;

- proposed form of collaboration, arrangements;

- benefits (for the services and for job seekers with disabilities) and challenges of collaboration;

- projected outcomes; and

- implementation plan – key milestones, including piloting.

Implementation details

Pilot partners	FaCS, Committees of management of the two services involved in the pilot
New funding arrangements	Establish new funding arrangements which reflect the additional costs of operating in rural and remote locations and evaluate appropriateness as part of the pilot. A joint funding agreement would be established with each of the organisations.
Management and accountability	Single group comprised of representatives of the two employment organisations
Evaluation strategy	Quarterly reports provided to FaCS, final evaluation report

Model 2 Open and supported employment collaboration

Aim of the model

The aim of collaboration between open and supported employment is to maximise opportunities for people with disabilities to participate in employment, to develop a pathway for people with disabilities to open employment (if they wish to pursue it), and to allow people with disabilities to move from one employment environment to another. The model aims to improve viability, and productivity, thus addressing funding principles 1 and 3.

Description of the model

This aim may be achieved by joint initiatives ranging from effective referral (protocols), to collaboration on several levels (including sub contracting), to amalgamation of services. Specific arrangements would vary depending on circumstances.

The model would operate across the regions for which the services are responsible. Realistically collaboration would best occur where two services are located in the same town.

This model focuses on outcomes for job seekers, rather than services. It combines the skills of workers in two organisations and reduces the need to access external training. It provides open employment services with access to work experience for their job seekers, and to staff who are accustomed to working with people with disabilities 'on the job'. Open employment services could also be assisted to establish work crews to provide training and work experience.

Benefits

- Provides greater flexibility and efficiency in resource allocation across a region.
- Creates possible pathways for job seekers with disabilities.
- Reduces the need for external training (for open employment services).
- Facilitates training for more job seekers with disabilities.
- Improves funding stability under case based funding arrangements.
- Provides economies of scale.
- Enhances capacity to obtain community support and acquire complementary funding.
- Enhances capacity for service development.

Geographical focus

The model applies more in rural towns, and possibly remote towns, where a supported employment service exists. There are a few supported employment services in very remote Indigenous communities.

Directions for existing disability employment services

The model suggests both diversification and divestment, depending on the collaborative arrangements. Sub contracting indicates 'divesting' functions. The model may also enable diversification by establishing work crews, or through attracting complementary funding. If amalgamated, the resulting organisation may wish to divest some aspects of service delivery, for example through sub contracting.

Roles and responsibilities

Purchaser	FaCS

Provider	Disability employment agencies (open and supported)

	Case management	Support	Training	Job Search	Maintenance
Provider of function	Agency staff (open/ supported). Joint case management approach	Agency staff (open/ supported)	Agency staff. Open employment services can provide job readiness training. Supported employment can provide work experience and on the job training. TAFE, other	Agency staff (mainly open employment services)	Agency staff, co-workers, casual support workers

Employer		Incentives
	Open employment Supported employment service (appropriately established), or enclaves, work crews, labour hire	Wage subsidies Supported Wage System

Quality assurance

The proposed model involves existing approved disability employment services, which are assumed to comply with Disability Service Standards. Collaboration should strengthen the capacity to provide a quality service.

Funding options

Under the proposed model service providers would continue to experience higher input costs, and it is assumed that savings resulting from economies of scale would be used to broaden service delivery. While there would be some improvements in productivity, the open employment service would still experience relatively high travel times/costs and relatively low 'throughput'. Viability would be improved where organisations collaborate financially (ie through sub contracting or amalgamation), and there would be no requirements for a fixed funding component.

Operating funding model

Case based funding to cover the costs of case management, support, training, job search and maintenance, and wage subsidies. Funding levels established through the addition of a locational loading to job seeker payments to address higher costs and lower productivity.	FaCS

Next steps

1 Identify rural and remote areas where there are smaller independent disability employment services which might benefit from collaborative arrangements.

3 Develop plan parameters, which should include:

- needs analysis of job seekers with disabilities in the region (service gaps, and overlaps);

- context of current reform for collaboration;

- key issues – geography/transport, availability of other services, labour market, etc.;

- information about the organisations, strengths and weaknesses, complementarities;

- proposed form of collaboration, arrangements;

- benefits (for the services, and job seekers with disabilities) and challenges of collaboration;

- projected outcomes; and

- implementation plan – key milestones, including piloting.

Implementation details

Pilot partners	FaCS, Committees of management of the two services involved in the pilot
New funding arrangements	Establish new funding arrangements which reflect the additional costs of operating in rural and remote locations and evaluate appropriateness as part of the pilot. A joint funding agreement would be established with each of the organisations.
Management and accountability	Single group comprised of representatives of the two employment organisations
Evaluation strategy	Quarterly reports provided to FaCS, final evaluation report

Model 3 Indigenous model

Aim of the model

The aim of this model is to provide culturally appropriate, accessible and more effective employment assistance for Indigenous people with disabilities, looking for work. The model aims to improve viability, and productivity, thus addressing funding principles 1 and 3, as well as providing for funding payments which are related to local circumstances, thus addressing funding principle 2.

Description of the model

The model which is described below would need to be revised to meet the needs of the Indigenous community. The core elements of the model are an outreach team (case management and brokerage), support provided by people within the community, culturally appropriate outcomes, promotion, early intervention and the development of employment opportunities.

At a minimum, a two worker outreach team is indicated. This facilitates the provision of a wider range of disability employment assistance services, enhances safety when driving long distances, and provides peer support, etc. A team which comprises Indigenous and a non Indigenous workers can assist in linking the community with a range of services, as well as provide culturally appropriate services in terms of gender balance, communications etc. The outreach team would have capacity to purchase a range of services (ie brokerage).

The team would establish links with other relevant services within the town/ community, including health providers, CDEP, businesses, Government Departments and other services. Where appropriate the team would purchase required services. The team would also work more broadly across the Region with two or more towns/communities, and engage in community development.

Recognising the transient nature of outreach visits, the model also includes Indigenous support workers living in the community to:

– assist in identifying Indigenous people with disabilities;

– provide a link between the visiting outreach team, the community, the person with a disability and their family/carers; and

– provide employment support to people with a disability.

Case managers and support workers could be employed by a disability employment service (or a Job Network provider or CRS Australia) or by a larger generalist Indigenous welfare organisation located in a nearby town/centre working in collaboration with a disability employment service. Support workers could also

work for CDEP and be funded through CDEP funds with employment assistance top up.

Culturally appropriate outcomes would be defined in the context of family and community and negotiated and agreed and may include acquisition of life skills, training and work (defined by the community, as a contribution to the community).

Within this context employment opportunities would be identified. Creating new employment is a priority. In addition to other opportunities, employment within CDEP may be pursued and appropriate arrangements would be required to ensure that people with disabilities were supported in this employment as required.

The model also includes a promotional component to assist in identifying job seekers with disabilities, and to develop an awareness among community leaders of the need to provide people with disabilities the opportunity for work.

The model also includes an early intervention approach to prevent disability, as many people assisted have Acquired Brain Injury through substance abuse. This would aim to reduce demand for disability services in the future.

The viability of this model in part depends on the capacity of the team to address the needs of Indigenous people with disabilities, and/or employment needs. This relates to the population of people in the communities they work with, and the distances that need to be travelled. For example, two workers may not be able to work with more than two communities with a total Indigenous population of several thousand if more than a few hundred kilometres apart.

Benefits

- Provides Indigenous people with control of services (model is agreed with community and the community provides support).

- Builds on existing community infrastructure.

- Provides a culturally appropriate service.

- Enhances awareness of needs of people with disabilities.

- Includes an early intervention component to reduce demand for disability services in the future.

- Can provide benefits to a wider range of Indigenous people who have disabilities who are looking for employment). Services provided in this way are more likely to be aligned with the culture and priorities of the community.

Geographical focus

The primary focus is on Indigenous people living in very remote communities.

Directions for existing disability employment services

The model implies that disability employment services (where they exist) would diversify into working with Indigenous communities and organisations. It also requires that support and other functions are divested to the Indigenous community. Of course, other options include establishing new services, or funding other agencies to provide disability employment assistance.

Roles and responsibilities

Purchaser	FaCS (purchaser of disability employment services)
	State/Territory Disability Department if done as joint project (purchaser of disability services)

Provider	1 Disability employment agency (or Job Network provider or CRS Australia), or
	2 Indigenous community welfare agency

	Case management	Support	Training	Job Search	Maintenance support
Provider of function	Agency case workers (minimum 2 workers, with focus on employment, or disability) Mix of Indigenous and non Indigenous workers	Indigenous worker(s) in the community (casual), eg. through CDEP	Agency case workers TAFE, other Short term jobs to develop skills, linked with life skills development CDEP as preparation for employment	Agency case workers, liaise and negotiate with CDEP, employers, support enterprise development	Co-workers Indigenous workers in the community

Employer		Incentives
	Open employment Business enterprises (community based, other) CDEP	Supported Wage System Wage subsidies Grants to establish community based employment (FaCS, NEIS, ATSIC) Indigenous Wage Assistance - DEWRSB Life skills/ occupational skills (as an incentive) for people with disabilities to encourage skills development. This could include funding for a life skills team, jointly funded with State/Territory Funding for disability support workers within CDEP through case based funding (possibly CDEP top up)

Quality assurance

Where the outreach team is employed by existing approved disability employment services, it is assumed to comply with Disability Service Standards. Where other organisations (eg. Indigenous welfare organisations, or Job Network providers) are involved these would need to establish appropriate QA systems. For the purposes of conducting a pilot project, organisations with established QA systems would be preferred.

Funding options

The proposed model would be subject to higher local input costs, relatively low productivity (as an outreach model, with low 'throughput'). Viability would be improved where the outreach team is part of a larger organisation, however it is assumed that a fixed funding component would be required.

Payments under case based funding would be made for culturally appropriate outcomes which would include an agreed definition of work, and payments made for 13 weeks work in a 12 month period (subject to agreement with the Indigenous community).

Operating funding model

Case based funding to cover the costs of case management, support, training, job search and maintenance support, and wage subsidies. Supplementary contribution to early intervention (shared with State/Territory)	FaCS
Funding for broader range of disability services, plus supplementary contribution to early intervention (shared with Commonwealth)	State/Territory
Case based funding to cover the costs of case management, support, training, job search and maintenance, and wage subsidies. Funding levels established through the addition of a locational loading to job seeker payments to address higher costs and lower productivity, with a proportion paid as a fixed component, limited by time or by an increase in the number of job seekers with disabilities	FaCS

The fixed component, when combined with the locational subsidy may be sufficient to cover the salary costs of the outreach team.

The development of enterprises would be supported by NEIS, or State government development organisations.

Next steps

1 Discuss the findings and proposed model with ATSIC.

2 Identify areas where there are Indigenous communities where this model might be applied.

3 Obtain in-principle agreement from Indigenous community and State/Territory Disability Department to explore feasibility of the model in selected communities.

4 Seek providers who are willing pilot the model.

5 Develop planning parameters, which should include:

- needs of Indigenous people with disabilities in the region (service gaps, and overlaps);

- key issues – geography/transport, availability of other services, labour market, etc.;

- information about the organisation(s), strengths and weaknesses;

- proposed model, including options, feasibility of establishing outreach (case management and brokerage), broader disability focus, collaboration with Indigenous community, employment opportunities, etc.;

- benefits (for people with disabilities) and challenges for implementation;

- projected outcomes; and

- Implementation plan – key milestones, including piloting.

6 Implement pilot.

Implementation details

Pilot partners	FaCS, ATSIC
New funding arrangements	Establish new funding arrangements which reflect the additional costs of operating in rural and remote locations and evaluate appropriateness as part of the pilot. A joint funding agreement would be established with the service provider
Management and accountability	Management of service responsible
Evaluation strategy	Quarterly reports provided to FaCS, final evaluation report

Model 4 Community development model

Aim of the model

The aim of the community development model is to improve access to disability employment assistance, and employment opportunities, by providing support to disability employment services, and enhancing community support for employment of job seekers with disabilities. Community support may also result in a more cost effective service, improving productivity and viability thus addressing funding principles 1 and 3, respectively. In difficult labour markets milestone payments would be made for 13 weeks employment in a 12 month period.

Description of the model

The model requires that services are arranged at functional, organisational and regional/town levels in a way which maximises community involvement and input.

The model relies on a partnership approach involving disability services (ie State/ Territory funded), employment assistance providers,(which could include CRS Australia and Job Network providers), government and the local community. Commonwealth funding may be available under the Stronger Families and Communities Program, where the community can demonstrate commitment, and viable community projects.

Seed funding for project plans may be required to focus community interest, or obtain the involvement of local government or another organisation which adds weight to the community development initiative.

Community development is an important role for disability employment services and might include promotion, resourcing and training volunteers, fundraising and participating in community events.

At an organisational level, this model may include:

– community representation on the Committee of Management, possibly with links to local government, welfare organisations, service clubs, church groups, etc.;

– Area Consultative Committees (ACCs), to facilitate linkages between government agencies and the community;

– volunteers working for the organisation in appropriate roles, for example, transport, providing assistance (administrative, or assisting consumers);

– financial support from the community, service clubs etc. or low rental accommodation, transport (mini buses, etc.); and

– agency staff developing links within the community (eg attend Chamber of Commerce meetings, service clubs, etc.).

At a regional level this model may include:

– community support for business enterprises which employ people with disabilities (ie regarded as good corporate citizens);

– collaboration between disability employment services and other relevant services (through forums, networks, or common Board memberships);

– community support for provision of training; and

– community support for community facilities which employ people with disabilities.

Benefits

Community support adds to the resources of an existing organisation allowing it to do more with its funds, and improve services for people with disabilities. In addition, the involvement of the community and other related services improves access to disability employment services, as well as prospective employers.

Geographical focus

The community development model may be applied at rural, remote or very remote levels, essentially wherever there is a community.

Directions for existing disability employment services

Community development can result in the establishment of a new disability employment service or a new organisation proving disability employment assistance as one of several services, either managed by a new organisation or an existing organisation. Community development may result in an existing disability employment service moving in either direction, that is, 'diversifying' or 'divesting', somewhat dependent on the community. For example it may involve or result in collaboration with local government.

Quality assurance

Where the model involves an existing approved disability employment assistance service, it is assumed to comply with Disability Service Standards. Where a new organisation is established an approved quality assurance system would need to be established. This would be facilitated by the involvement of disability agencies, other agencies which have recognised quality assurance systems in place, certification bodies or peak bodies.

Roles and responsibilities

Purchaser	FaCS

Provider	Disability employment assistance agency

	Case management	Support	Training	Job Search	Maintenance support
Provider of function	Agency case workers with an emphasis on community development as part of their role.	Agency staff, plus agency staff enlist support from members of the community where possible. Schools CRS Aust State/Territory/ Local government agency	Agency case workers TAFE, Job Network providers, other Community may support establishing a community facility (eg. recreation centre), where job seekers with disabilities can obtain work experience, and/or training. Schools CRS Aust	Facilitated by a community supportive of employing people with disabilities Job Network providers	Co-workers, Agency staff, with casual support workers (members of the community).

Employer	Open employment Community based organisations, business enterprises	**Incentives** Supported wage system Wage subsidies New enterprise development (NEIS) Promotion of employment of people with disabilities so that employers are community minded.

Funding options

The proposed model would be subject to higher local input costs. While productivity would be potentially improved, the service would still experience relatively high travel times/costs and relatively low 'throughput'. Viability would be improved as the service is part of a larger organisation, and there would be no requirement for a fixed funding component.

Payments under case based funding would be made for 13 weeks work in a 12 month period.

Operating funding model

Case based funding to cover the costs of case management, support, training, job search and maintenance, and wage subsidies. Funding levels established through the addition of a locational loading to job seeker payments to address higher costs and lower productivity.	FaCS

Next steps

1 Establish criteria for selection of suitable community projects, consistent with Stronger Families and Communities Program.

3 Develop plan parameters, which should include:

- establish need and relevance of project to job seekers with disabilities in the region (service gaps, and overlaps);

- the level of commitment of local organisations such as service clubs, local government or church groups;

- breadth of community involvement, organisations involved;

- roles and responsibilities, nature of collaboration, arrangements;

- benefits (for the services, and job seekers with disabilities) and challenges of collaboration;

- projected outcomes; and

- implementation plan – key milestones, including piloting.

Implementation details

Pilot partners	FaCS, Committee of management of the service involved in the pilot
New funding arrangements	Establish new funding arrangements which reflect the additional costs of operating in rural and remote locations and evaluate appropriateness as part of the pilot. A joint funding agreement would be established with the disability employment service
Management and accountability	Single group comprised of representatives of the employment service and members of other agencies, and the community
Evaluation strategy	Quarterly reports provided to FaCS, final evaluation report

Model 5 Disability employment service and day options programs – collaboration

Aim of the model

The aim of this model is to improve access to employment opportunities and day options programs for people with disabilities where only one service type is currently funded in a community. This model would enable the establishment of a disability employment service in an area where it is not considered cost effective to establish a stand alone service. Thus, the model effectively substitutes for a less productive outreach service, to achieve the same result, while providing other benefits. The model addresses funding principles 1 and 3, respectively. In difficult labour markets milestone payments would be made for 13 weeks employment in a 12 month period, which addressed funding principle 2.

Description of the model

This model recognises that disability employment services and State funded disability day options programs both provide independent living training to people with disabilities. Day options program staff may provide a range of activities which assist people with disabilities to develop life skills and particular interests. Similarly disability employment services provide training in life skills focussing on employment related skills.

Some people with disabilities need independent living skills oriented to employment, others need independent living skills oriented to their living circumstances, and some people need both.

In some rural and remote locations there are day options providers and no disability employment services, and vice versa. A collaborative approach would clearly expand choices available for people with disabilities.

At an organisational level, this model may involve:

– a multi-funded organisation (State and Commonwealth) integrating day programs and employment services;

– disability employment services expanding (ie diversifying) their role as a life skills trainer; or

– day options programs becoming more oriented to pre-vocational skills development and employment support.

The model would best apply where there is only one organisation in a community that is funded to provide only employment assistance or day options by only one purchaser (Commonwealth or State).

Where there are both employment services and day options for people with disabilities the two services would collaborate to provide a more cost effective service.

Benefits

- Improved opportunities for people with disabilities to acquire skills relevant to their needs.

- Potential to establish employment assistance services in areas where it is not considered viable to establish a stand alone service.

- Improved distribution of resources across a region.

- Enhanced collaboration between disability employment services and day programs, providing a more effective range of services.

- Potential for rationalisation of training in independent living skills.

- Potential for transfer of skills between workers, and provision of peer support.

Geographical focus

The model would be suited to areas where one type of service exists and the other does not. This is more likely to be the case in remote and very remote locations. In rural towns it is more likely that both service types are present, and collaborative arrangements would be established.

Directions for existing disability employment services

The model clearly involves diversification for disability employment services.

Roles and responsibilities

Purchaser	FaCS State/Territory Disability Department (purchaser of day options programs)

Provider	Disability employment agency State/Territory Disability agency

	Case management	Support	Training	Job Search support	Maintenance
Provider of function	Agency staff	Agency staff Day options agency staff	Agency staff Day options agency TAFE	Agency staff	Agency staff Casual staff, possibly day care agency staff Co-workers

Employer		Incentives
	Open employment Supported employment	Wage subsidies Supported Wage System

Quality assurance

The proposed model involves existing approved disability services, which are assumed to comply with the Disability Service Standards.

Funding options

The proposed model would be subject to higher local input costs, relatively low productivity (as an outreach model, with low 'throughput'). Viability would be improved due an organisation enhancing its funding base and it is assumed that a fixed funding component would not be required.

Payments under case based funding would be made for 13 weeks work in a 12 month period.

Operating funding model

Case based funding to cover the costs of case management, support, training, job search and maintenance, and wage subsidies. Funding levels established through the addition of a locational loading to job seeker payments to address higher costs and lower productivity.	FaCS
Funding for day options program.	State/Territory Disability Department

Next steps

1 Identify suitable areas where there is a need for this model.

2 Obtain in-principle agreement from State/Territory Disability Department to explore feasibility of the model in selected areas.

3 Develop planning parameters, which should include:

- needs analysis – day options program (service gaps, and overlaps);

- key issues – geography/transport, availability of other services, etc.;

- information about the provider organisation(s), strengths and weaknesses, complementarities (where collaboration is indicated);

- proposed form of collaboration, arrangements (where collaboration is indicated);

- benefits (for the services, and job seekers with disabilities) and challenges of collaboration;
- projected outcomes; and
- implementation plan – key milestones, including piloting.

Implementation details

Pilot partners	FaCS, State/Territory government
New funding arrangements	Establish new funding arrangements which reflect the additional costs of operating in rural and remote locations and evaluate appropriateness as part of the pilot. A joint funding agreement would be established with each of the organisations.
Management and accountability	Single group comprised of representatives of day options and/or disability employment service, as appropriate
Evaluation strategy	Quarterly reports provided to FaCS, final evaluation report

Model 6 Case management and brokerage

Aim of the model

The aim of this model is to improve access by job seekers with disabilities to disability employment services, and other support services particularly in areas where it is not cost effective to establish a separate disability employment service. The model formally establishes case management at the appropriate level (Regional/town, or organisational level). The proposed model assumes that services will be provided through area case management. This model would enable the provision of disability employment assistance in an area where it is not considered cost effective to establish a stand alone service. Thus, the model effectively substitutes for a less productive outreach service, to achieve the same result, while providing other benefits. The model addresses funding principles 1 and 3, respectively. In difficult labour markets milestone payments would be made for 13 weeks employment in a 12 month period, which addressed funding principle 2.

Description of the model

One approach is to establish area/regional case management services for people with disabilities generally, including employment assistance. This would necessarily involve State/Territory resources.

Case management would be provided by an organisation which complies with disability standards, such as a disability employment service provider, CRS Australia or a State/Territory provider

In the case of South Australia and Western Australia, regional case management positions for people with disabilities already exist (Options Coordinators, and Local Area Coordinators respectively). These positions would need additional funding to broaden their role, and at the same time provide adequate coverage for rural and remote locations. In this case, funds would be provided for the Options Coordinator/ Local Area Coordinator to broker employment assistance services. In other States these positions would need to be created. This would involve cooperation between Commonwealth and State/Territories.

Benefits

- Improved access to services for people with disabilities.

- Improved collaboration and coordination of services.

- More cost effective service delivery.

• Provision of disability employment assistance in areas where it is not viable to establish a stand alone service.

Geographical focus

The model has a regional focus (eg Local Area Coordinators), but could also have a local/town focus.

Directions for existing disability employment services

The model would operate where there is no disability employment service and it is not cost effective to establish a stand alone model.

Roles and responsibilities

Purchaser	FaCS (purchases disability employment assistance)
	State/Territory Disability Department (purchases disability case management)

Provider	State/Territory agency (LAC, Options Coordination)

	Case management	Support	Training	Job Search	Maintenance support
Provider of function	State/Territory agency (eg LAC), CRS Australia, Job Network provider, other.	Agency staff	Agency staff TAFE Other	Agency staff	Agency staff Casual staff Co-workers

Employer		Incentives
	Open employment	Wage subsidies Supported Wage System

Quality assurance

The proposed model involves existing approved disability services, which are assumed to comply with Disability Service Standards. The contracted provider would be responsible for ensuring that standards were met by the various service provider organisations.

Funding options

Under this model, case based funding would be allocated to the case manager, ie the broker. Other services in the local community would be purchased on behalf of the job seeker.

The proposed model would be subject to higher local input costs. It is assumed that productivity would be improved, but that providers would still experience

relatively high travel times/costs and relatively low 'throughput'. Viability would be improved due services being purchased when required, and a fixed funding component would not be required.

Payments under case based funding would be made for 13 weeks work in a 12 month period.

Operating funding model

Case based funding to cover the costs of case management, support, training, job search and maintenance, and wage subsidies. Funding levels established through the addition of a locational loading to job seeker payments to address higher costs and lower productivity.	FaCS
Funding for component of case management, plus funding for other disability services.	State/Territory Disability Department

Next steps

1 Identify areas where this model might be applied.

2 Obtain agreement from State/Territory Disability Departments for implementation of the model.

3 Establish conditions under which case management and service provision will be contracted and funded. This will involve negotiation of the case management model with the State Government.

4 Agree with State/Territory government, the planning parameters with which to establish a pilot project including:

- needs of people with disabilities in the region (service gaps, and overlaps);

- potential providers;

- proposed operation – area covered, assessment and referral, and brokerage practice, links, projected case loads etc.;

- funding arrangements;

- benefits (for people with disabilities) and challenges for implementation;

- projected outcomes; and

- implementation plan – key milestones, including piloting.

Implementation details

Pilot partners	FaCS, State/Territory government
New funding arrangements	Establish new funding arrangements which reflect the additional costs of operating in rural and remote locations and evaluate appropriateness as part of the pilot. A joint funding agreement would be established with the area case management organisations.
Management and accountability	Management of area case manager
Evaluation strategy	Quarterly reports provided to FaCS, final evaluation report

Model 7 Joint projects with local government – outreach

Aim of the model

The aim of joint projects with local government is to improve access to disability employment services particularly in areas where it is not cost effective to establish a stand alone disability employment services. The model aims to improve productivity recognising that local government provides a range of outreach services (eg. family support, disability, HACC), and achieve economies of scale, thus addressing funding principles 1. The model would improve viability (addressing funding principle 2). It would also provide for payments to made based on local conditions (funding principle 2).

Description of the model

The model recognises that local government often provides services to people living in the community on an outreach basis. In rural and remote locations local government may provide family support services, community health and aged care services, HACC, as well as State/Territory disability services.

Joint projects would be outreach in nature, and would incorporate aspects of the case management role described above. That is, the outreach worker (case manager) could provide a range of disability related services.

Other benefits would include opportunities for community development, enterprise development, and direct employment opportunities for job seekers with disabilities in local government.

In the model described below local government is funded to provide disability employment assistance. Local government would organise staff positions across a region, in order to provide efficient outreach services, improve coordination across the region, and pursue community development opportunities.

Local government could develop collaborative arrangements or purchase advisory services from a disability employment service outside the community.

Benefits

- Greater flexibility and efficiency in resource allocation across a region enabling remote resources to be moved to the areas of greatest demand.

- Improved productivity (overall less travel).

- Improved funding stability under case based funding arrangements.

- Provide economies of scale with administrative support, management and quality assurance systems, staff training and support.
- Capacity to add value through community development and acquiring complementary disability funding.
- Enhanced capacity for service development.
- Provide a more planned and effective approach to employers.
- Allows provision of employment assistance where it is not economically viable for employment assistance to be provided to a stand alone service (eg because of distance to travel).

Geographical focus

The geographical focus would reflect that of local government, and potential encompass the whole municipality, including rural, remote and very remote towns and communities.

Directions for existing disability employment services

The model would operate where there is no disability employment service and it is not cost effective to establish a stand alone model.

Roles and responsibilities

Purchaser	FaCS
	(and possibly Health and Aged Care and State Government Disability Department)

Provider	Local government

	Case management	Support	Training	Job Search	Maintenance support
Provider of function	Local government disability staff with advisory support from employment service outside the community	Local government disability staff	Local government disability staff TAFE Other	Local government disability staff	Local government disability staff Casual staff Co-workers

Employer Open	employment Incentives	Wage subsidies Supported Wage System

Quality assurance

The proposed model involves existing services provided by local government which are assumed to comply with the Disability Services Standards.

Funding options

Under this model, case based funding would be allocated to local government. The proposed model would be subject to higher local input costs. It is assumed that productivity would be improved though efficiencies in travel, but that productivity would still be constrained by the outreach nature of services, and the relatively low 'throughput'. Viability would be improved due services being part of a larger organisation, and a fixed funding component would not be required.

Payments under case based funding would be made for 13 weeks work in a 12 month period.

Operating funding model

Case based funding to cover the costs of case management, support, training, job search and maintenance, and wage subsidies. Funding levels established through the addition of a locational loading to job seeker payments to address higher costs and lower productivity.	FaCS

Next steps

1 Establish criteria under which proposals from local government to provide disability employment services would be acceptable.

2 Develop planning parameters for proposals including:

- needs of people with disabilities in the region (service gaps, and overlaps);

- key issues – geography/transport, availability of other services, labour market, etc.;

- information about local government and the disability employment organisation, strengths and weaknesses, complementarities;

- feasibility of establishing outreach services, broader disability focus;

- benefits (for people with disabilities) and challenges for implementation;

- projected outcomes; and

- implementation plan – key milestones, including piloting.

3 Purchase services through case based funding from local government organisations which demonstrate capability.

Implementation details

Pilot partners	FaCS, local government
New funding arrangements	Establish new funding arrangements which reflect the additional costs of operating in rural and remote locations and evaluate appropriateness as part of the pilot. A joint funding agreement would be established with local government.
Management and accountability	Local government
Evaluation strategy	Quarterly reports provided to FaCS, final evaluation report

Model 8 Business coalition initiative

Aim of the model

The aim of the business coalition model is to create employment opportunities for job seekers with disabilities. This would improve the 'throughput' of services improving productivity, as well as viability, addressing funding principles 1 and 3.

Description of the model

The development of a business coalition which employs more people with disabilities or creates business opportunities is an important strategy in rural and remote areas of high unemployment.

There are various forms of businesses which could form partnership with disability employment assistance providers, each requiring vision, leadership and a range of skills to either create employment opportunities within existing businesses for people with disabilities or create new business opportunities.

The proposed model seeks to combine disability employment expertise with employment opportunities and/or business development expertise, in a way most appropriate to the local community. The model involves establishing a coalition between disability employment service, representatives of the local business community, and government stakeholders (eg local government, state government small business programs, ATSIC).

The coalition provides support, advice and mentoring, and business contacts in order to establish positions for people with disabilities. Linkages would be developed with Chamber of Commerce, organisations assisting small businesses to develop, and other business service providers.

Specialist assistance advice and financial assistance would be provided as required from a range of sources including business, business consultants, State Government small business programs, NEIS advisors, banks, accountants etc.

Benefits

- The model is designed to provide employment which would not otherwise be available.

- Provides a greater range of opportunities for job seekers with disabilities, in terms of type and place of employment.

- Provides higher 'throughput' for disability employment services.

- Provides opportunities for work experience, work place training.

- Potential to reduce costs of training and job search.
- Capacity to obtain community support.

There are risks associated with this approach, and is important to ensure that risks are limited through careful planning and analysis, and by establishing properly constituted businesses. Importantly business venture should be able to demonstrate considerable support, in terms of markets for products, key stakeholders (banks, guarantors, etc) and the community in general.

Geographical focus

The model may be applied in rural, remote or very remote locations.

Directions for existing disability employment services

The model would involve disability employment services diversifying to collaborate with businesses and to support job seekers employed in self employment or providing advice and support to business providing new employment opportunities.

Roles and responsibilities

Purchaser	FaCS

Provider	Disability employment service

	Case management	Support	Training	Job Search	Maintenance support
Provider of function	Agency staff	Coalition, including agency staff, business, community mentors.	Agency staff, training organisations including specialist business training providers	Agency staff represent the interests of the job seeker in ensuring an appropriate workplace, conditions, etc. Coalition may assist in developing markets.	Coalition, including agency staff Casual staff Co-workers

Employer	Open employment Self employed	Incentives Wage subsidies Supported Wage System

Quality assurance

The proposed model involves existing approved disability services, which are assumed to comply with Disability Service Standards. The service would be responsible for ensuring that standards were met by the business organisation(s).

Funding options

The proposed model would be subject to higher local input costs. It is assumed that productivity would be improved through employment opportunities created, but that productivity would still be constrained to the extent that services outreach prior to employment. Viability would be improved through higher throughput, and potentially lower training and job search costs. A fixed funding component would not be required. Payments under case based funding would be made for 13 weeks work in a 12 month period.

Operating funding model

Case based funding to cover the costs of case management, support, training, job search and maintenance, and wage subsidies. Funding levels established through the addition of a locational loading to job seeker payments to address higher costs and lower productivity.	FaCS

Next steps

1 Establish a plan for establishing a business development coalition. This would include demonstrated commitment by a group of individuals/organisations, including business, state and local governments, other members of the community, etc.

2 Develop planning parameters, which should include:

- estimated number of job seekers with disabilities seeking to establish their own business;

- key business issues – transport, availability of business services, labour market, etc.;

- information about the coalition partners;

- benefits (for people with disabilities) and challenges for implementation;

- projected outcomes; and

- implementation plan – key milestones, including piloting.

Implementation details

Pilot partners	FaCS, disability employment service
New funding arrangements	Establish new funding arrangements which reflect the additional costs of operating in rural and remote locations and evaluate appropriateness as part of the pilot. A funding agreement would be established with the disability employment service
Management and accountability	Management of disability employment service
Evaluation strategy	Quarterly reports provided to FaCS, final evaluation report

ACC networks may also be valuable to the implementation of the business coalition initiative. Engaging the business community is an important and useful way to generate jobs for people with disabilities in rural and remote areas. Again, ACCs may be able to help facilitate partnerships between business and disability employment assistance providers.

Model 9 Employer as employment assistance provider

Aim of the model

The aim of this model is to enhance access to employment by contracting directly with an employer to provide training and support services, as well as jobs for people with disabilities. The model aims to provide disability employment assistance where employers are present but it is not cost effective to provide employment assistance from a stand alone disability employment service. This model aims to improve productivity increasing the 'throughput', as well as reducing the need to provide services on an outreach basis (thus addressing funding principle 1). Viability is improved, addressing funding principle 3. Employment is provided in accordance with local conditions (thus addressing funding principle 2).

Description of the model

Case management would be provided by an organisation which complies with disability standards, such as a disability employment service provider, CRS Australia or a State/Territory provider. Disability standards would need to be met.

The employer would receive payment for training, and support, as well as wage subsidies. Support worker arrangements could be facilitated where there are 4 or 5 people with disabilities employed in the organisation. A specialist disability support person could be appointed by the employer or co-worker arrangements put in place.

Employers could develop collaborative arrangements or purchase advisory services from a disability employment service outside the community.

Benefits

- Minimises travel requirements for job seekers with disabilities, improving productivity.

- On the job training provides employer and job seekers with disabilities assess to employment options.

- Minimises cost where most functions are provided within the employer organisation.

- Allows provision of employment assistance where it is not economically viable for employment assistance to be provided by a stand alone service (eg because of distance to travel).

Geographical focus

The model may be used wherever there is an employer large enough to undertake the responsibilities of providing the required functions.

Directions for existing disability employment services

This model may involve disability employment diversifying by collaborating with an employer.

Roles and responsibilities

Purchaser	FaCS

Provider	Disability employment assistance provider (case manager) Employer

	Case management	Support	Training	Job Search	Maintenance support
Provider of function	Employer, with advise from Disability employment agency, CRS Australia, State/ Territory funded service	Employer	Employer	NA	Employer

Employer	Open employment	Incentives Supported wage system

Quality assurance

The proposed model involves case management provided by an approved organisation which complies with Disability Service Standards.

Funding options

The proposed model should not require funding in addition to case based funding.

Operating funding model

Case based funding to cover the costs of case management, support, training, maintenance, and wage subsidies.	FaCS

Next steps

- Establish conditions of employer as support worker model.

- Establish suitable/prospective locations.

- Facilitate disability employment service link to employer.

- Conduct pilot.

Implementation details

Pilot partners	FaCS, disability employment service, employer
New funding arrangements	Establish new funding arrangements which reflect the additional costs of operating in rural and remote locations and evaluate appropriateness as part of the pilot. A funding agreement would be established with the disability employment service
Management and accountability	Management of disability employment service
Evaluation strategy	Quarterly reports provided to FaCS, final evaluation report

Model 10 Family as employment assistance provider

Aim of the model

The aim of the model is to enhance access to employment by contracting with a family business to provide training and employment, and to provide support services. The model enables provision of disability assistance where it is not cost effective to provide employment assistance from a stand alone disability employment service. The model thus substitutes for outreach services, significantly reducing travel times/costs, and allows higher 'throughput' (thus addressing funding principle 1). Employment is provided in accordance with local conditions, thus addressing funding principle 2. Viability is improved as payments are made to families (thus addressing funding principle 3).

Description of the model

The model necessarily involves case management by a disability employment service, CRS Australia or a State/Territory funded disability provider. Employment would include award based wages. The arrangements would need to comply with disability standards.

Support would be provided by a family member. The support worker would be trained, and maintain contact with the case manager.

The support costs would be funded through case based funding.

Benefits

- Reduces travel once employment arrangements are in place.
- Minimises the need for job seekers with disabilities to travel to another place of employment.
- Opens up new employment opportunities for people with disabilities, particularly in remote locations and on farms a substantial distance from town.

Geographical focus

The model would be most appropriate in remote locations where a person with a disability is living with their family which runs a business (eg on a farm), and where travel to other employment sites is problematic or not cost effective.

Directions for existing disability employment services

The model may involve collaboration with other related services provided to people with disabilities living at home, including State/Territory disability services, HACC, and health services. The may be opportunities for a disability employment provider to broaden their role and provide services on behalf of others. Conversely, providers such as State/Territory disability services could provide on going case management and support.

Roles and responsibilities

Purchaser	FaCS

Provider	Disability employment assistance provider (case manager) Family member

	Case management	Support	Training	Job Search	Maintenance support
Provider of function	Employer, with advise from Disability employment agency, CRS Australia, State/ Territory funded service	Family member with advice from case manager	Family member with advice from case manager	NA	Family with advice from case manager

Employer	Open employment (Family)	Incentives Supported wage system

Quality assurance

The proposed model involves case management provided by an approved organisation which complies with Disability Service Standards.

Funding options

The proposed model should not require funding in addition to case based funding.

Operating funding model

Case based funding to cover the costs of case management, support, training, maintenance, and wage subsidies.	FaCS

Next steps

1 Establish conditions/guidelines under which the model would apply (ie in order to ensure that disability standards were met).

2 Develop an application process for funding family businesses, including capacity to meet Disability service Standards and outcomes required under case based funding.

Implementation details

Pilot partners	FaCS, disability employment service, family
New funding arrangements	Establish new funding arrangements which reflect the additional costs of operating in rural and remote locations and evaluate appropriateness as part of the pilot. A funding agreement would be established with the disability employment
Management and accountability	Management of disability employment service
Evaluation strategy	Quarterly reports provided to FaCS, final evaluation report

11 Recommendations relating to models

Recommendations

5.1   It is recommended that FaCS proceeds to pilot selected innovative disability employment assistance service delivery arrangements which are based on the models outlined in Section 5 commencing with planning and feasibility studies, where appropriate.

5.2   It is recommended that priority be given to proposed arrangements involving collaboration between FaCS funded services, and FaCS funded services and disability services funded by State/Territory governments (including services to Indigenous communities).

5.3   It is recommended that appropriate protocols and resource materials be developed to support the collaborative models outlined in Section 5. It is recommended that FaCS establishes an information strategy to encourage innovative service delivery in response to needs of job seekers with disabilities in rural and remote locations, including indigenous communities, in the context of current reform, and that this could include:

–   a description of the range of employment assistance delivery models that could operate in rural and remote locations, emphasising flexibility for local communities; and

–   best practice open and supported employment examples, outcome definitions, conditions of work, opportunities for integration, worker satisfaction, durability and development opportunities of the position.

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Web sites of interest

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http://www.nau.edu/~ihd/airrtc

State of Alaska, Division of Vocational rehabilitation
http://www.labor.state.ak.us/dvr/home.htm

Presidential Task Force on Employment of Adults with Disabilities
http://wwwdol.gov/dol/_sec/public/programs/ptfead/rpts_pres.htm

Accessibility / Remoteness Index of Australia (ARIA)
http://www.health.gov.au/pubs/hfsocc/ocpanew6a.htm

Government of Canada, Office of Disability Issues
http://www.hrdc-drhc.gc.ca/bcph-odi

Australian Institute of Health and Welfare
http://www.aihw.gov.au

Making Connections Unit, Scotland, UK
http://www.connections.gcal.ac.uk/

Syracuse University, Centre on Human Policy
http://soeweb.syr.edu/thechp/chp.htm

Disability net, UK
http://www.disabilitynet.co.uk/

National Institute on Disability and rehabilitation Research, USA
http://www.ed.gov/offices/OSERS/NIDRR/

National Centre for the Dissemination of Disability Research
http://www.ncddr.org/

University of Montana, Rural Institute
http://ruralinstitute.umt.edu/rtcrural/

Appendix 1: Methodology

The methodology for the study is summarised below.

Inception briefings

The consultants met with representatives of the Department of Family and Community Services for an initial briefing. Following the briefing and subsequent discussions the methodology was refined.

Consultation with FaCS

Consultations were conducted with key informants within the Department of Family and Community Services. Discussions included State/Territory Officers, and were aimed at identification of case study areas and key informants in each State/Territory.

Relevant information, reports, and documentation were collected and reviewed.

Consultants involved in other aspects of the development of the program were contacted, including Jenny Pearson & Associates in relation to JSCIs and Nic Bolto in relation to case based funding.

Preparation of Study tools

Tools for use by all members of the consulting team were prepared, to ensure comprehensiveness and consistency in data collection and reporting. These included:

– interview schedules for initial discussions with key informants

– the Discussion Paper, including case based funding concepts (see below);

– pro formas and materials for conducting focus groups

– pro formas (topics for discussions) for case studies.

Consultation with key informants

Discussions were conducted with a range of key informants. These were held very early in the study, and continued throughout. The early intelligence gained from key informants informed the development of the Discussion Paper.

Review of quantitative data

A range of data relating to the current service system was collected from a number of sources and reviewed. This provided context, and assisted in highlighting key issues for Rural and Remote areas.

Consultation with current service providers

Current disability employment service providers in rural/remote areas were an important focus for the study. Contact was made with many current service providers in rural/remote areas.

Discussion paper dissemination

The primary consultation tool was a Discussion Paper highlighting key issues, and posing a number of questions for consideration. The Discussion Paper was distributed to every disability employment service in Australia, and was available on the Internet. Fifty four responses were received, the majority being from rural and remote areas. The Discussion Paper was also used as a basis for discussion at focus groups and in site visits

Case studies (including site visits)

A number of case studies were undertaken. The majority were disability employment services operating in rural/remote areas. The location of case studies was decided in conjunction with the Steering Committee, based on selection criteria. Case study data was collected using standard forms. Case studies were selected to cover a range of circumstances. At least 2 case studies included services for Indigenous people.

Case studies

Location	Service provider
Bega, NSW	Workability Inc
Nyngan, NSW	Western District Supported Employment Service
Broome, WA	Kimberley Personnel
Port Hedland, WA	Hedland Personnel
Roma, Qld	Roma and District Supported Employment Service
Mount Isa, Qld	Competitive Employment
Mount Gambier, SA	Interwork, Port Adelaide Central Mission, Gambier Contracts
Port Pirie, SA	Community Bridging Service Jobnet
Burnie, Tas	North West Employment Service
Warracknabeal/ Nhill/ St Arnaud, Horsham, Vic.	Woodbine Lodge, Cooinda Association, Murdoch House, Wimmera Job Match
Alice Springs, NT	NPY Women's Council
Nhulunbuy, NT	No provider at present
Tennant Creek, NT	Julalikiri Council (no longer the provider)
Tiwi Islands	Ngaruwanajirri

Focus groups and consultations in rural/remote communities

A series of 3 hour focus groups were conducted in 12 regional locations. Regional centres were selected to maximise input from providers in rural remote areas, as well as representatives of Centrelink, Job Network providers, CRS Australia and Indigenous services. The selection of areas was finalised with FaCS.

Focus groups

Location
Sale, Vic
Dubbo, NSW
Orange, NSW
Port Hedland, WA
Broome, WA
Far North Coast (Cairns), Qld
Port Pirie, SA
Narracoorte, SA
Maffra (Centrelink), Vic
Alice Springs, NT
Nhulunbuy, NT
Rockhampton, Qld

Consultation with other key informants

There were a range of other key informants who contributed valuable ideas to the study during the course of site visits, discussions with key informants, and focus groups. Key informants included:

- people with disabilities;
- Centrelink agencies;
- State government departments responsible for providing disability services;
- representatives of CRS Australia;
- Employment agencies, especially those working with people with high support needs;
- Disability peak organisations, including ACROD, ACE and NCID; and
- other Commonwealth Government Departments with relevant programs in rural/remote areas (eg. ATSIC, DEWRSB).

Disability Employment Conference (Darwin July 18 to 20)

The consultants attended the Disability Employment Conference in Darwin and ran a Concurrent Session on Day 3. Consultants used the Conference to make contact with several key informants both at the Conference and in separate meetings.

Literature review

A literature review was conducted focusing on models of disability employment, including funding arrangements based on individual need, and tied to outcomes.

International consultation

Key organisations, authors, government departments and disability employment service organisations overseas were identified.

Review of innovative technology

During the course of consultations the current and potential importance of technology for disability employment services was identified. This issue was included in the Discussion Paper, focus groups, individual consultations, and in literature.

Collation and analysis information

All data and information was assimilated, including responses to the Discussion Paper, focus groups, case studies, and consultations with key informants.

Modelling

Current models were documented and innovative models developed. The financial viability of models was considered, including funding arrangements.

Appendix 2: Organisations contributing to the study

Disability employment assistance services

The following services provided input to the study:

Access Employment Sunraysia, Mildura

ACE, NSW

Activ Foundation, Jolimont, WA

AGJD, Katherine, NT

Bidyadanga Aboiginal Community, Broome, WA

Break O'Day Open Employment Service, St Helens, Tas

Bundaberg Clubhouse, Bundaberg, Qld

Burnie

Cape York Employment Service, Qld

Care Goondiwindi, Qld

Challenge Garden Centre, Murwillumbah, NSW

CHESS, Coffs harbour, NSW

Community Bridgeing Service, Port Pirie, SA

Community Employment Options, Rockhampton, Qld

Competitive Employment, Mount Isa, Qld.

Cooinda Association, Nhill, Vic

Employability, Swan Hill, Vic

Employment Access, Alice Springs, NT

Employment Directions Australia, NSW

Employment Now, Mudgee, NSW

Endeavour Foundataion, Cairns, Qld

Frazer Adam, Carnavon

Gambier Contracts, Mount Gambier, SA

Gippsland Personnel Open Employment Association Inc., Vic

Hedland Personnel, South Hedland, WA

Hotham Personnel, Narrogin, WA

HPA Incorporated, Darwin, NT

Hunter Labour Force Solutions, Maitland, NSW

Interwork, Adelaide, Mount Gambier, SA

Ipswich and Lockyer Valley Personnel Agency, Ipswich, Qld

Jobnet, Wodonga, Vic

Julalikari Council, Tennant Creek, NT

Kimberley Personnel, Broome, WA

Kalorama Farm, Quirindi, Qld

Kimberley College of TAFE, Broome, WA

Kyeema Centre Inc., Portland, Vic

Latrobe Personnel, Vic

Manbourin Enterprises, Werribee, Vic

Melbourne Employment Services, Footscray, Vic

Minda Incorporated, Brighton, SA

Murdoch House, St Arnaud, Vic

Murrumbidgee Enterprises, Coleambally, NSW

Nambucca Valley Phoenix Limited, NSW

Narracoorte Work Options, SA

Ngaruwanajirri, Tiwi Islands, NT

North West Employment Service, Burnie, Tas.

Noweyung, Bairnsdale, Vic

NPY Disability Employment Service, Alice Springs, NT

Orana, Glandore, SA

Peel Valley Traning Mobile Service, Tamworth, NSW

Port Adelaide City Mission, Adelaide, Mount Gambier, SA

Project Employment and Darwin Skills Development Scheme, Darwin, NT

Roma and District Supported Empleoyment, Roma, Qld

Senswide Services, Melbourne, Vic

South West Intergrated Employment Service, Young, NSW

Tablelands Employment Agency, Bowen, Qld

The Personnel Group, Leongatha, Vic

Tulgeen Group, Bega, NSW

WA Laptop, Forrest, WA

Warren Blackwood Persomnnel, Manjimup, WA

Warwick Community Training Centre, Warwick, Qld

Western District Employment Services, Nyngan, NSW

Wimmera Job Match, Horsham, Vic

Wirrawee, Kadina, SA

Woodbine, Warracknabeal, Vic

Work Solutions, Supported Employment, Fairfield Gardens, Qld

Workability Personnel Inc., Bega, NSW

Peak organisations

The following peak organisations provided input to the study:

ACROD
ACE National Network
National Caucus of Disability Consumer Organistaions