27 November 2020

Manager JobKeeper Division Treasury Langton Cres PARKES ACT 2600

Via email: <u>JobMakerHiringCredit@treasury.gov.au</u>

Dear Manager

Re: Eligibility of people with disability to participate in the JobMaker Hiring Credit Scheme

We welcome the opportunity to comment on the Exposure Draft of the JobMaker Hiring Credit Rules (the Rules). We present this joint submission to the consultation on the Rules as a collective of organisations that represent all people with disability, the disability advocacy sector, the Disability Employment Services (DES) provider sector, the disability services sector, the not-for-profit and for-profit employment services provider sector, and the community services sector.

For the purposes of this submission, the use of the term "people with disability" refers to all people with disability. However, we particularly would like to highlight in this submission the experiences of autistic people and people with intellectual and psychosocial disability, as well as women with disability and people from First Nations and culturally and linguistically diverse backgrounds, noting the particularly poor employment outcomes of these population groups.

Collectively, the below signatories are united in ensuring the JobMaker Hiring Credit Scheme benefits all, and speaks on behalf of:

- The 1 in 5 Australians with a disability, including the 680,300 people who currently receive the Disability Support Pension (DSP) from First Nations and culturally and linguistically diverse backgrounds, women with disability and young people with disability, who have the capacity to work
- 80 disability advocacy organisation that provide independent advocacy support to people with disability navigating employment
- 78 DES providers who support close to 80% of the 305, 515 people with disability currently employed by a DES provider¹
- Over 1000 non-government disability service providers
- The not-for-profit and for-profit providers who deliver the full breadth of Australian employment services, and;
- Community services providers who support people affected by poverty and inequality all across Australia.

¹ Department of Social Services, 8 November 2020 DES Monitoring Report.

The JobMaker Hiring Credit must be economic stimulus measure for all

We note the JobMaker Hiring Credit Scheme (the Scheme) announced in the Federal Budget on 6 October 2020 represents an important opportunity to stimulate the Australian economy. We support the goals of the Scheme to help young people to find and secure ongoing work following the impacts of the COVID-19 pandemic.

We also acknowledge that young people may face additional barriers to securing work in a challenging labour market brought about by the economic downturn caused by the COVID-19 public health restrictions. We welcome the concrete steps the Government has taken to introduce a clear incentive for employers to hire young people.

However, we are concerned that the Scheme, as it is currently drafted, explicitly excludes young people with disability who are currently on the DSP, particularly the young people on the DSP who have partial capacity to work and have mutual obligations under the DSP.

We also believe that the exclusion of young people with disability from the Scheme will place further barriers for young people with disability applying, obtaining and retaining sustainable employment.

JobMaker is an opportunity to address the high rates of unemployment of people with disability

People with disability experience unacceptably high rates of unemployment. According to the Australian Bureau of Statistics, people with disability (10%) are twice as likely as those without disability (4.6%) to be unemployed, with Australia ranking 21 out of 29 OECD countries for labour force participation of people with disability. For young people with disability (those aged 15-24 years), the likelihood of being unemployed is even higher, with more than 25% experiencing unemployment.²

Therefore, people with disability are at a high risk of being caught in the long tail of disadvantage following the pandemic crisis. We are deeply concerned to see the current draft Rules excludes young people who are entitled to the DSP from being eligible for the Scheme.

Improving employment outcomes for people with disability, including young people, is integral to full participation in the community. People with disability should be allowed access to the Scheme on an equal basis as others, in line with Australia's obligations under the *Convention of the Rights of Persons with Disabilities,* as well as the spirit of the Government's forthcoming National Disability Employment Strategy (the Strategy).

If the stimulus measures included in the 2020 Federal Budget fail to include people with disability, they will further entrench existing barriers to employment, and risk unintentionally reversing hard-won gains in key quality of life outcomes for people with disability.

² ABS (Australian Bureau of Statistics) 2019, Microdata: disability, ageing and carers, Australia, 2018. ABS cat. no. 4430.0.30.002. Canberra: ABS.

The Scheme can and should be designed to incentivise employers to take on young people with disability

We also note Minister Ruston's Disability Employment Advisory Committee has carriage of the development of the Strategy and the Committee has identified lifting employer engagement, capability and demand to hire people with disability, and changing community attitudes and expectations for hiring people with disability, as two out of five key priority areas for the Strategy.

Additionally, the National Disability Insurance Agency's (NDIA) 2019-2022 Participant Employment Strategy has highlighted five key focus areas, with two key focus areas on improving the confidence of employers to employ NDIS participants, and to promote market developments that improve the path to paid work and support the career development of NDIS participants.

Extending eligibility to DSP recipients in the Scheme will address these two very important priority areas in the Government's forthcoming National Disability Employment Strategy, as well as the above two NDIA focus areas of the *2019-2022 Participant Employment Strategy*, while maintaining the aims of the Scheme overall.

In drafting the Rules, there is a very clear opportunity to ensure that young people with disability are included as part of the solution, and that existing labour market barriers are addressed, rather than entrenched.

To achieve this aim, we recommend that the meaning of "eligible additional employee" at section 28(3)(c) of the Rules be expanded to include people who receive the DSP during the formal qualification period.

It is our strong collective belief that an expansion of the eligibility criteria will have an immediate, meaningful and positive impact on young people with disability, by ensuring young people with disability benefit from the JobMaker Scheme. This change will also drive meaningful engagement of, and improve the confidence of employers with young jobseekers with disability.

Signatories



Endorsements

This submission is also endorsed by the following organisations:

- Australian Network on Disability
- TBC

If you would like to endorse this submission, please email Giancarlo de Vera on the email below by midday, 27 November 2020.

Contacts

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