13. Participants aged 15 to 24 and 25 and over: employment outcomes

13.1 Key findings

Box 13.1: Key findings for participants aged 15 and over: employment

- As well as individual benefits, increased participation in the workforce of people with disability also produces wider benefits to the Australian economy. Recent economic modelling suggests that lifting employment levels to the OECD average for people with disability would result in an additional 117,000 Australians employed, and an increase in GDP of 0.5% ($11.9 billion) by June 2030[59].
- As at 30 June 2018, 23% of working age NDIS transition participants said they had a paid job at entry to the Scheme – 17% of those aged 15 to 24 and 25% of those aged 25 or over.
- For those with a paid job at baseline, 41% of 15 to 24 year olds and 33% of those aged 25 and over were in open employment at full award wages. Conversely, 35% of 15 to 24 year olds, and 49% of those aged 25 and over, were working in an Australian Disability Enterprise (ADE).
- Baseline employment levels were highest for participants aged 25 to 44, however these participants were the least likely to be in open employment at full award wages. Between ages 25 and 59, approximately one-half of all participants with a paid job were working in an ADE. The percentage self-employed is negligible at young ages, but increases to substantial levels at older ages.
- Participants with a hearing impairment were more likely to be in a paid job, and more likely to be in open employment. Participants with neurological disabilities and those with a psychosocial disability had the worst baseline employment levels. Participants with an intellectual disability or Down syndrome were the least likely to be in open employment.
- Preliminary results from linking NDIA and Centrelink data suggest that 77% of NDIS participants aged 16 to 69 were receiving the DSP at July 2018, and 7% of DSP recipients also had an NDIS approved plan at this date.
- Overall, 31% of working age participants have a work-related goal in their plan – 44% of 15 to 24 year olds and 26% of those 25 and over.
- For those who don't have a job at baseline but say they would like one, 9% subsequently had a job at review – 12% of those aged 15 to 24 and 7% of those aged 25 or over.
- Longitudinal analysis suggests that for participants aged 15 to 24, increasing independence and building capacity are important for maximising the chances of getting a job. For participants aged 25 and over, inclusion of work goals and employment funding in participants' plans, and improvement of health outcomes, appear to be more important. The SLES program is only available to the younger cohort and this may be driving some of the differences in employment success rates.
- For those who did have a job at baseline, 88% also said they had a job at review – 80% of those aged 15 to 24 and 90% of those aged 25 or over.
- Participants who are working in an ADE at baseline are significantly more likely to also be in paid employment at review than participants who are working in open employment. However, this apparently greater job security may come at the expense of lower wages and narrower social interactions.

[59] Deloitte Access Economics 2018. *Increased labour force engagement among Australians with a disability*. Report prepared for the NDIA, September 2018.

Box 13.1: Key findings for participants aged 15 and over: employment (continued)

- A primary aim of the outcomes framework is to help identify providers who are achieving good outcomes for participants, whilst recognising that participant characteristics and other factors outside the control of the provider will also have an impact on outcomes. Consistent with this aim, providers who achieve better than expected employment outcomes have been identified. One provider, Provider A, stood out for its exceptional results in helping young participants aged 15 to 24 to find paid work.

13.2 Employment experience of Australians with disability

Australians with disability experience considerably poorer employment outcomes relative to Australians without disability, and relative to other OECD countries.

Based on the 2015 ABS Survey of Disability, Ageing and Carers (SDAC), for the age range 15 to 64:

- The estimated labour force participation rate[60] for people with disability[61] was 53.4%, compared to 83.2% for people without disability;
- The estimated employment to population ratio[62] for people with disability was 48.1% compared to 78.8% for people without disability; and
- The estimated unemployment rate[63] for people with disability was 10.0% compared to 5.3% for people without disability.

In addition, increased severity of disability is strongly associated with worse outcomes. The estimated employment to population ratio for people with a core activity limitation in 2015 was 39.6% (almost unchanged from 40.2% in 2012 and 39.8% in 2009).

The OECD average employment to population ratio for people with disability was reported as 44% in 2010. The comparable figure for Australia is 39.8%, the 2009 SDAC estimate for people with a core activity limitation. On this measure, Australia ranked 21 out of 29 OECD countries.

13.3 Benefits of increased employment of Australians with disability

Employment has a considerable positive impact on the overall wellbeing of people with disability. Not only does participation in paid employment increase an individual's level of financial independence, it can also lead to a greater sense of identity and social inclusion. This in turn may lead to positive physical and mental health impacts for people with a disability who engage in the workforce[64].

More broadly, improved employment outcomes for people with disability and their families/carers is expected to contribute to long-term economic benefits for Australia through increased labour force participation and reduced costs of disability income supports. Modelling[65] of the impact on the economy as a whole of lifting employment levels to the

[60] The labour force (employed plus looking for work) as a percentage of population (in the relevant age range).
[61] As defined by SDAC.
[62] Employed as a percentage of population (in the relevant age range).
[63] Unemployed as a percentage of labour force.
[64] Australian Human Rights Commission. 2015. Issues paper: Employment discrimination against Australians with disability p. 7
[65] Deloitte Access Economics 2018. *Increased labour force engagement among Australians with a disability*. Report prepared for the NDIA, September 2018.

OECD average for people with disability (with additional increases in participation amongst carers) has found that by June 2030:

- Close to 117,000 more Australians (people with disability and their carers) would be employed – an increase of around 0.8%; and
- Real GDP would be 0.5% – or $11.9 billion – higher.

These estimates are broadly in line with the original Productivity Commission (PC) estimates of the economic impact of the NDIS[66], namely:

- An increase in real GDP of around 0.2% resulting from lifting employment participation of people with disability to the OECD average.
- An increase in real GDP of around 1% resulting from the combined effects of higher employment participation of people with disability and their carers, increased hours worked by carers, and the impact of a set of proposed reforms to the Disability Support Pension.

13.4 Employment experience of NDIS participants: baseline

The results in this section are based on SF data collected for working age (15 and over) transition participants. Baseline responses to the question “Are you currently working in a paid job?” from the adult SF work domain contribute to the analysis.

For the above participant cohort, on entry to the Scheme:

- Overall, 23% said they were working in a paid job.
- 17% of 15 to 24 year olds said they were working in a paid job.
- 25% of those aged 25 and over said they were working in a paid job.

A more detailed breakdown by age is shown in Figure 13.1.

[66] Productivity Commission 2011. *Disability Care and Support*.

Figure 13.1 Percentage in a paid job by age at baseline, participants aged 15 and over

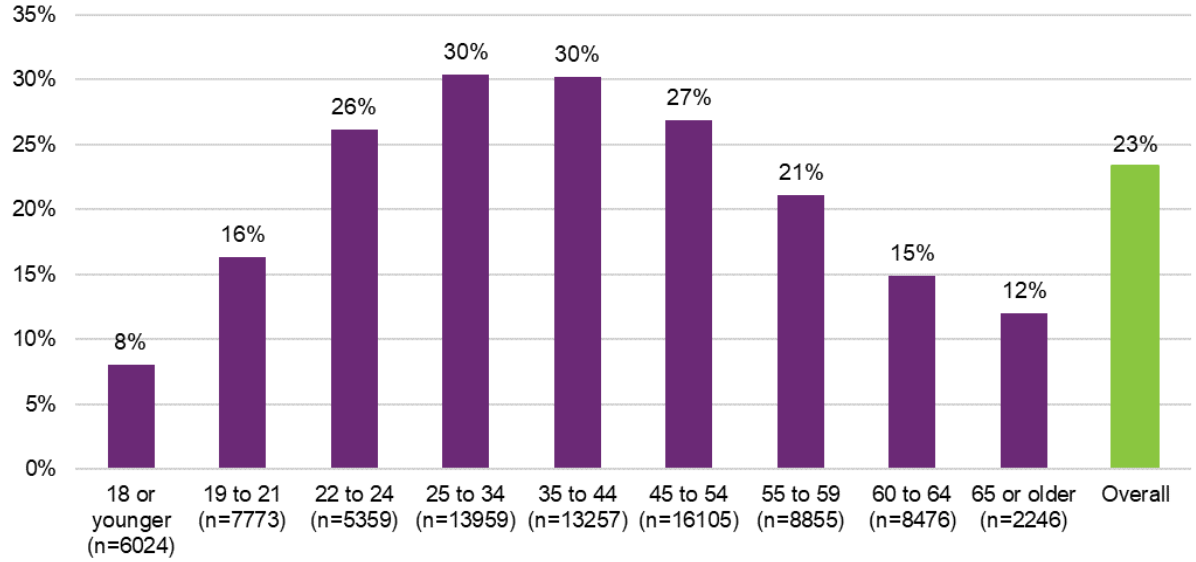
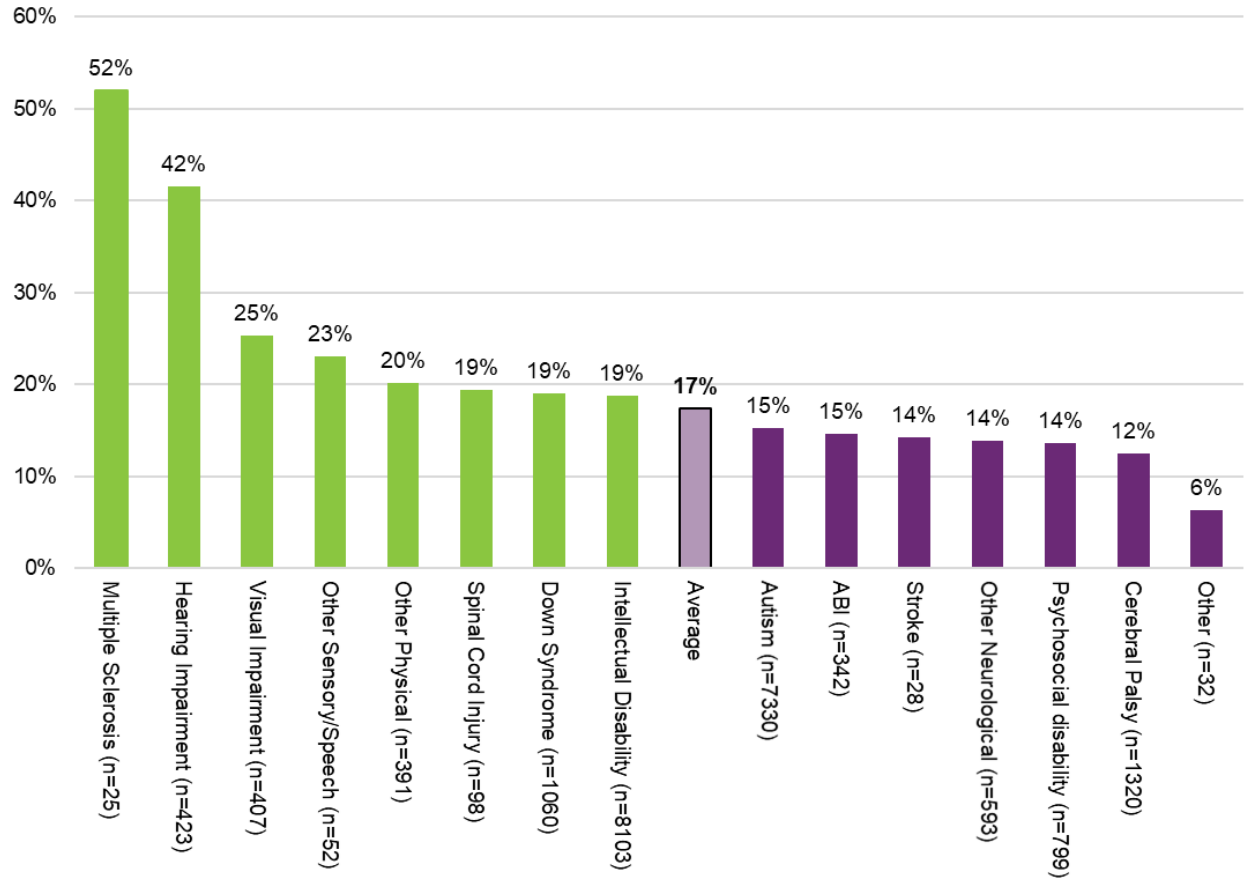


Figure 13.1 shows that the percentage in a paid job increases from very low levels at the youngest ages (8% for those aged 15 to 18) to a peak of 30% for those aged 25 to 44, before declining to 27% for those aged 45 to 54, then declining more rapidly as participants approach retirement, to 12% for those aged 65 or older.

Figure 13.2 shows the percentage in a paid job at baseline by disability type, for participants aged 15 to 24. Percentages are shown in decreasing order, with those above the overall rate of 17% coloured green, and those below the overall rate coloured purple. The corresponding graph for participants aged 25 and over, where the overall rate is 25%, is shown in Figure 13.3.

Figure 13.2 Percentage in a paid job by disability at baseline, participants aged 15 to 24

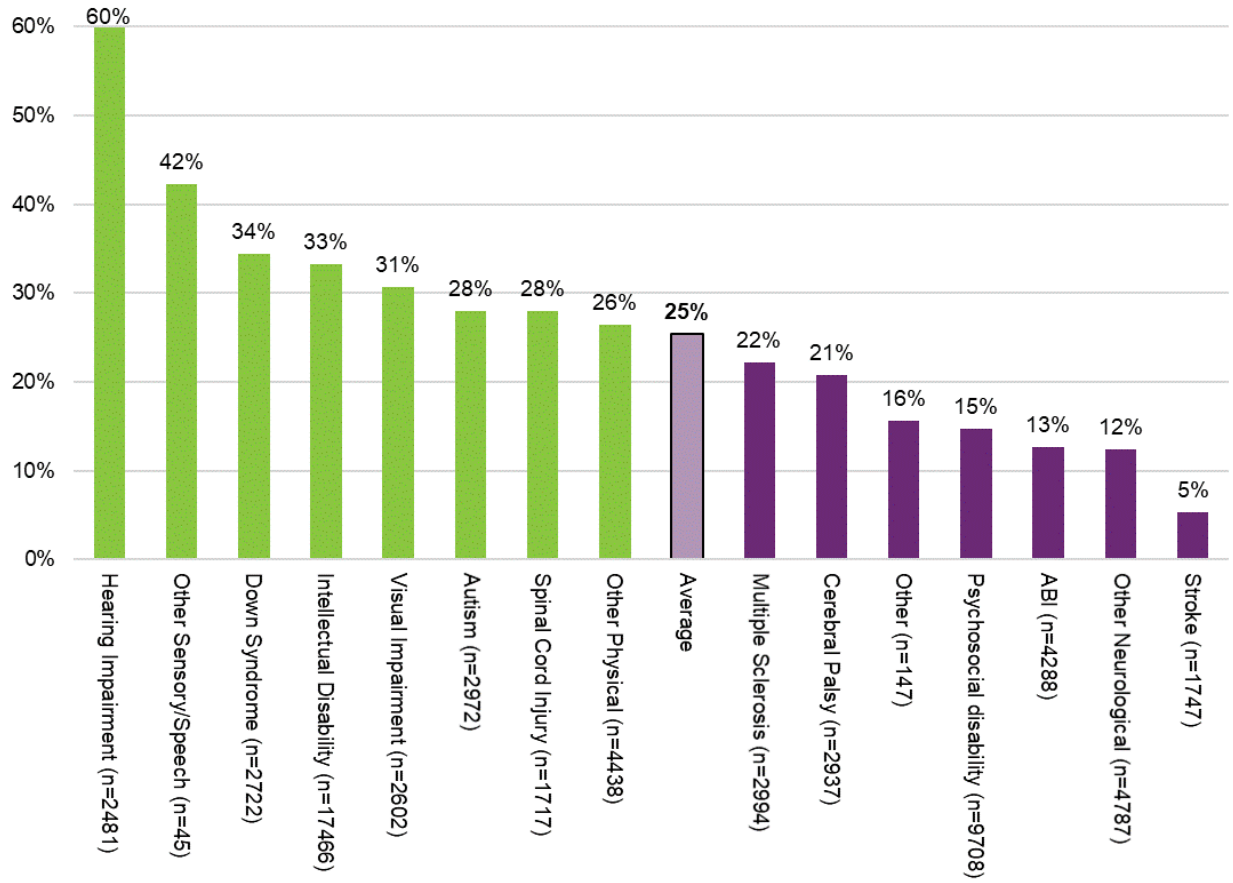


The very high percentage for multiple sclerosis in Figure 13.2 may not be a true representation for this disability since it is based on only 25 participants. Apart from this group, participants with a hearing impairment (N=423) have the highest employment levels for the 15 to 24 age group, with 42% saying they are in a paid job at baseline. This is 2.4 times the overall percentage of 17%. Whilst much lower than for participants with a hearing impairment, percentages are higher than average for participants with other sensory disabilities, at 25% for those with visual impairment (1.5 times the overall percentage, N=407) and 23% for those with another sensory/speech disability (1.3 times the overall percentage, N=52).

Percentages for Down syndrome and intellectual disability are slightly above average (19%, around 1.1 times the overall percentage), and the percentage for autism is slightly below average (15%, around 0.9 times the overall percentage).

Neurological disabilities (ABI, stroke, cerebral palsy and other neurological disabilities) and psychosocial disabilities have the poorest baseline employment levels (12%-15%).

Figure 13.3 Percentage in a paid job by disability at baseline, participants aged 25 and over



The highest percentage in a paid job for the 25 and over age group occurs for participants with a hearing impairment. At 60%, this is 2.4 times the overall percentage of 25%, the same multiple as observed for the younger adult cohort. The next highest percentage is for Other Sensory/ Speech, at 42% (1.7 times the overall percentage), although with 45 participants this group is relatively small.

Visual impairment (31%) has slipped behind Down syndrome and intellectual disability (33%-34%), although this likely reflects higher employment in ADEs (rather than in the open market) for participants with an intellectual disability.

The percentage for multiple sclerosis is 22%, much lower than the 52% for the 15 to 24 age group, likely reflecting a combination of much higher numbers (almost 3000 participants) and the degenerative nature of the disability. On the other hand, the percentage for autism is relatively better, at 28% or around 1.1 times the overall rate.

Neurological disabilities and psychosocial disabilities again experience the poorest outcomes, although cerebral palsy is somewhat improved relative to average compared to the younger age group.

Age becomes more of a factor for the older adult cohort (due to the impact of approaching retirement), and in particular the average age for participants who have experienced a stroke is 56, compared to an overall average age of 47 for participants aged 25 and over, which will contribute to the very low percentage in paid employment (5%) for this group.

The SF adult work domain also asks about type of employment. For those who say they are in a paid job, baseline responses to this question are summarised in Figure 13.4, separately for the younger and older adult cohorts.

Figure 13.4 Type of employment, participants 15 to 24 and 25 and over

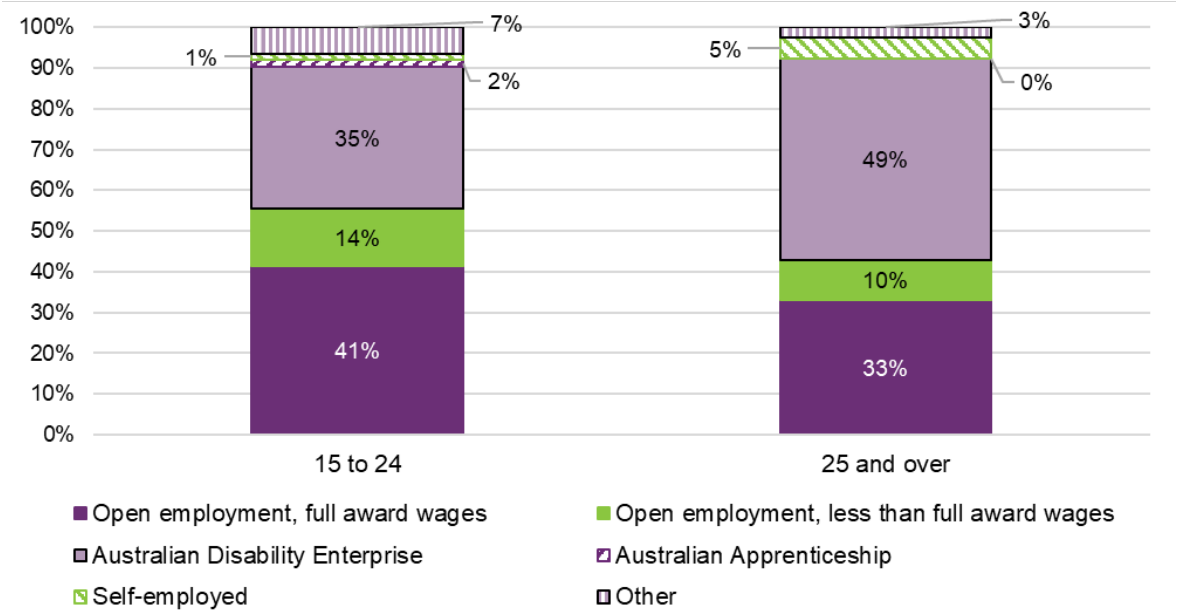


Figure 13.4 shows that the percentage in open employment is higher for 15 to 24 year olds than for those aged 25 and over. 41% of 15 to 24 year olds with a paid job are in open employment at full award wages, with a further 14% in open employment at less than full award wages. The corresponding percentages for the 25 and over cohort are 33% and 10%. Conversely, 49% of older adults are working in an ADE, compared to 35% of younger adults.

Figure 13.5 further breaks these distributions down by age.

Figure 13.5 Type of employment by age, participants 15 and over with a paid job

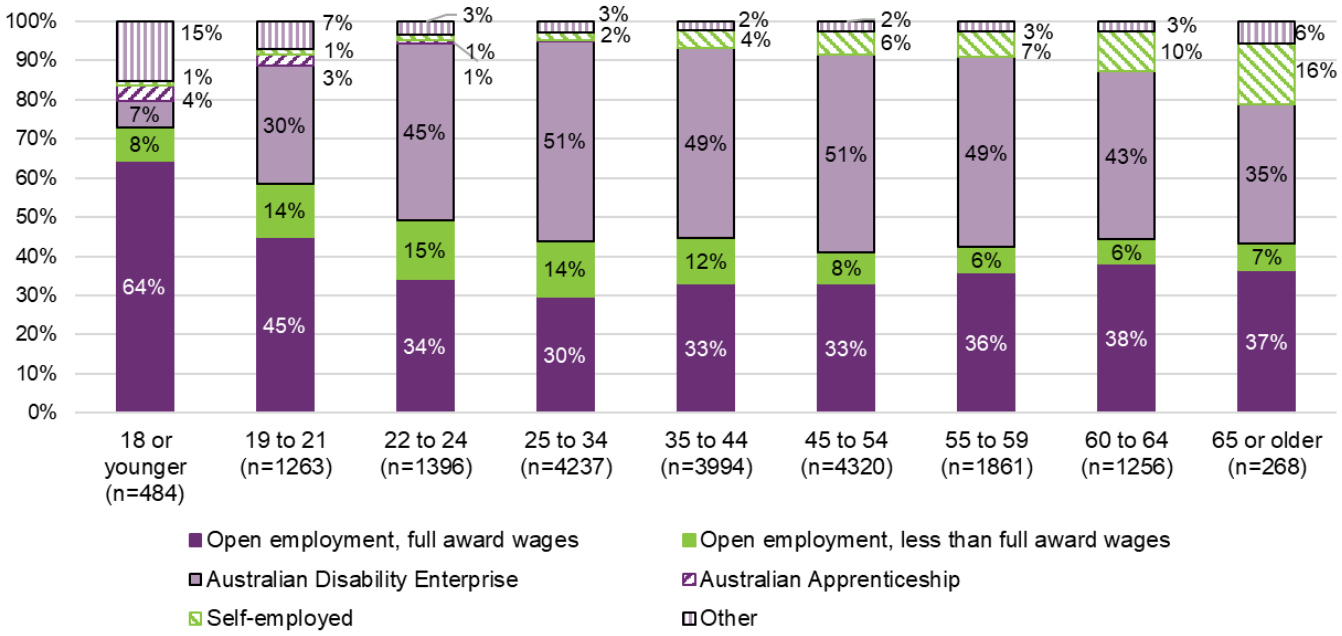
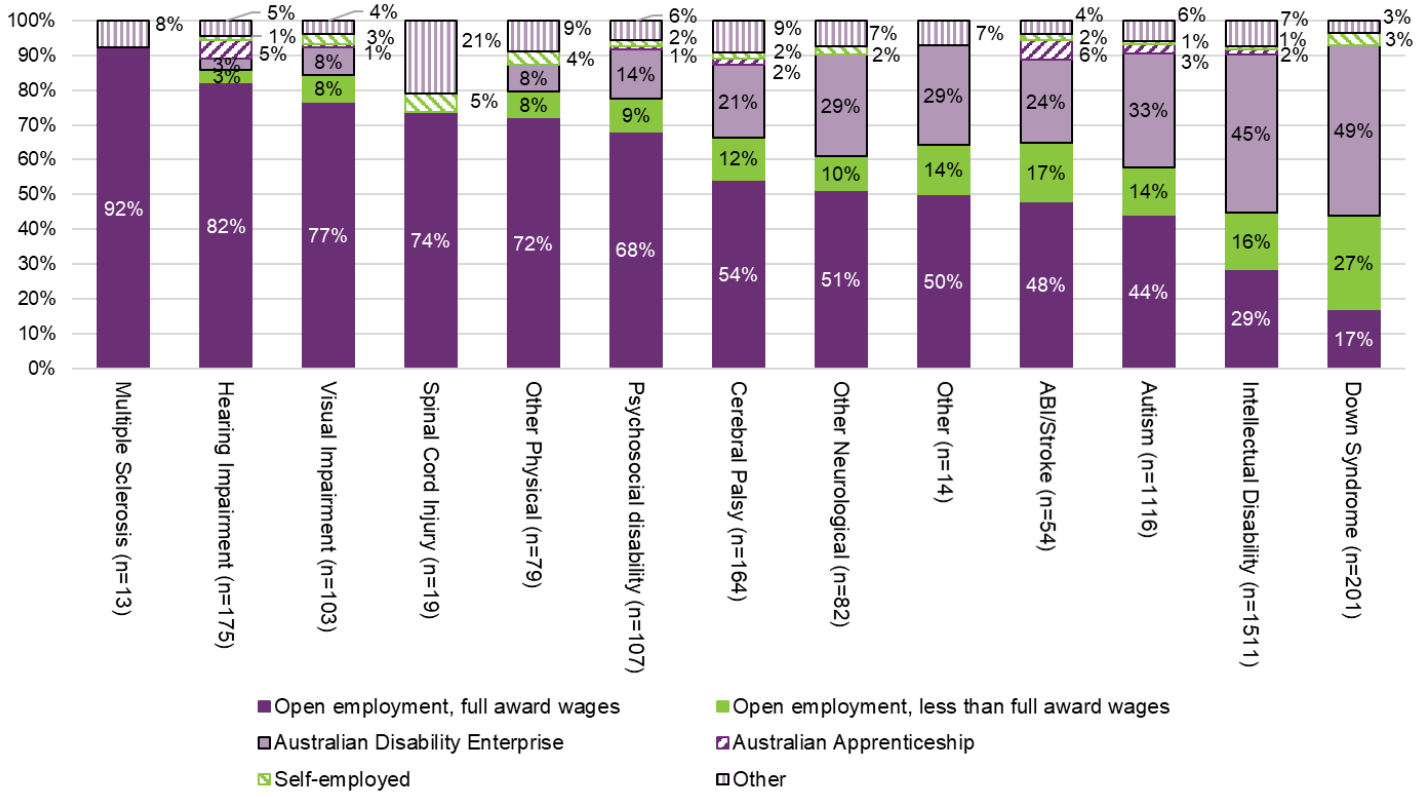


Figure 13.5 shows that the percentage in open employment at full award wages initially declines with age, from 64% for those 18 or younger to 30% for those aged 25 to 34. This is followed by a slight increasing trend, to 37%-38% for those aged 60 or over. The percentage in open employment at less than full award wages tends to decrease with age. The percentage working in an ADE initially increases strongly with age, from 7% for those 18 or younger to 51% for those aged 25 to 34, after which it remains at approximately this level before declining for those aged 60 to 64 (43%) and 65 or older (35%). Also of note is the percentage self-employed, which shows an increasing trend for older age groups, from about 2% for those aged 25 to 34, to 10% for those aged 60 to 64 and 16% for those aged 65 or older.

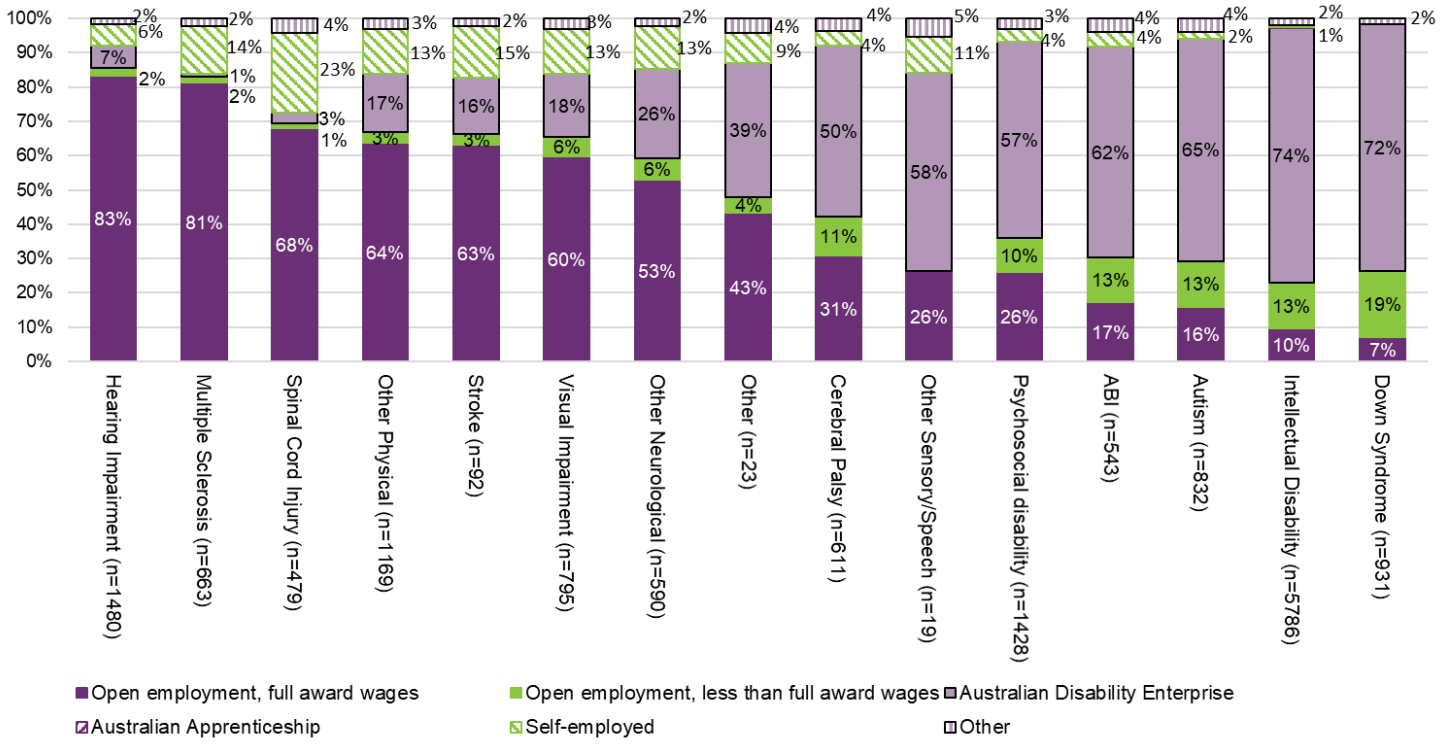
Figure 13.6 (15 to 24) and Figure 13.7 (25 and over) show employment type distributions by disability, ordered by decreasing percentage in open employment at full award wages.

Figure 13.6 Type of employment by disability, participants 15 to 24 with a paid job



Apart from the small group with multiple sclerosis, for the young adult cohort, participants with hearing impairment are the most likely to be in open employment at full award wages (82%), followed by those with visual impairment (77%), a spinal cord injury (74%), another physical disability (72%), and a psychosocial disability (68%). Participants with autism have the third lowest share of open employment at full award wages (44%), but this is still slightly above the overall share (41%). Only two disability groups, Intellectual Disability and Down syndrome, are below this overall percentage, but they make up a large proportion of the total cohort and have shares considerably below the other disability groups (29% for Intellectual Disability and 17% for Down syndrome). Participants with Down syndrome have a much higher percentage in open employment at less than full award wages (27% compared to 16% for Intellectual Disability, for example), bringing the total in open employment to a similar level to Intellectual Disability. Participants with Down syndrome (49%) and intellectual disability (45%) have the highest percentages working in an Australian Disability Enterprise.

Figure 13.7 Type of employment by disability, participants 25 and over with a paid job



For participants aged 25 or over, those with a hearing impairment are the most likely to be in open employment at full award wages, maintaining a similar percentage as for the younger adult cohort (83% compared to 82%). The percentage in open employment at full award wages is also high for those with multiple sclerosis (81%), followed by those with a spinal cord injury (68%). Participants with a spinal cord injury are much more likely to be self-employed than those with other disabilities (23%, with the next highest percentage being for stroke, at 15%). For the older adult group, seven disability groups are below the average of 33% in open employment at full award wages, including cerebral palsy (31%), psychosocial disability (26%), ABI (17%), Autism (16%), Intellectual Disability (10%) and Down syndrome (7%). Older participants with psychosocial disability fare worse in terms of open employment than younger participants, with the percentage in open employment at full award wages declining from 68% for 15 to 24 year olds to 26% for those 25 and over. The percentage working in an Australian Disability Enterprise is highest for participants with an intellectual disability (74%), followed by those with Down syndrome (72%), autism (65%) and an ABI (62%).

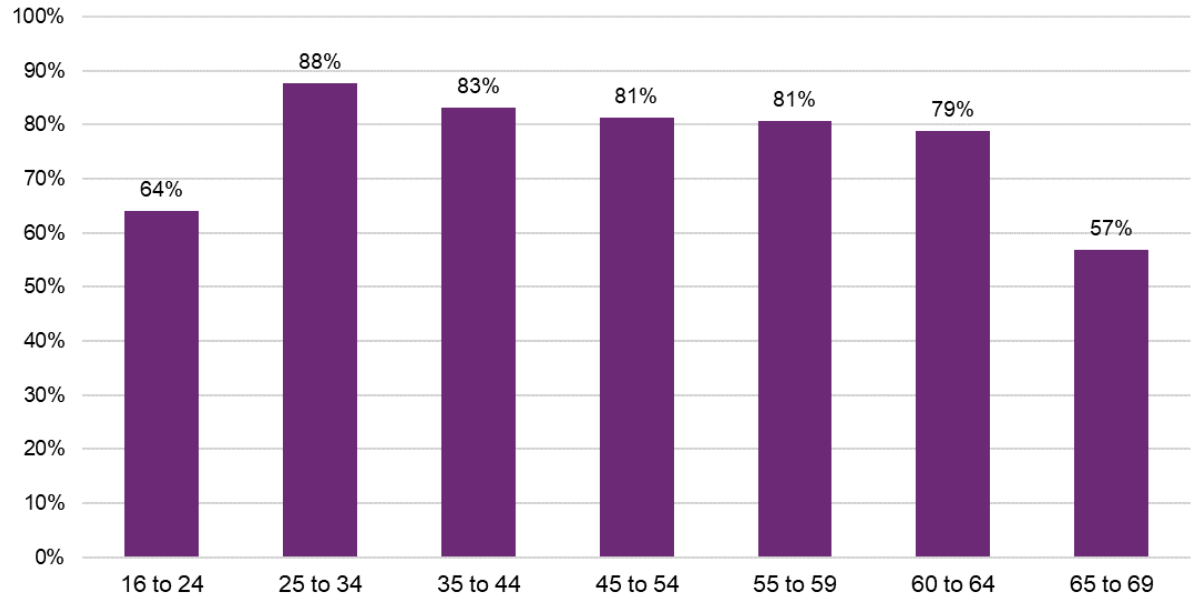
13.5 NDIS participants and the Disability Support Pension: preliminary data linkage results

Increased employment for people with disability is expected to lead to decreased reliance on the Disability Support Pension (DSP), which will have a positive flow on effect on the wider economy.

Measuring the economic impact of reduced reliance on the DSP will require linking of NDIA data with Centrelink data, and a data linkage agreement has been established for this purpose. The economic benefits from this source are expected to be long-term in nature, and not fully realised (or measureable in the longitudinal data) for a number of years. Nevertheless, some preliminary cross-sectional results are presented here to illustrate the current DSP utilisation of NDIS participants.

Overall, 77% of NDIS participants aged 16 to 69 are estimated from the data linkage to be receiving the DSP as at July 2018. Figure 13.8 shows the trend in utilisation by age.

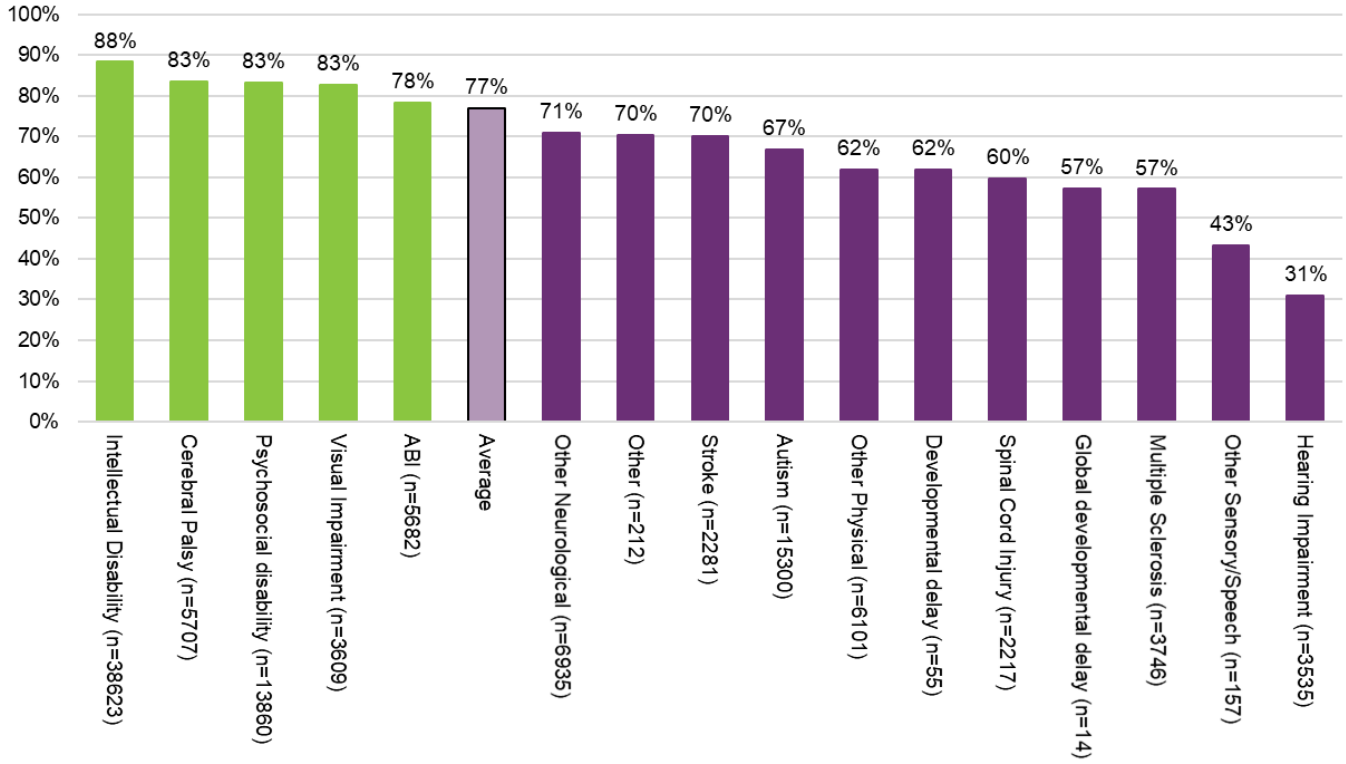
Figure 13.8 Percentage of NDIS participants receiving the DSP by age, as at July 2018



The percentage of participants aged 16 to 24 receiving the DSP is 64%, which is low relative to older age groups since many of these participants will still be studying and not in the workforce. The highest percentage is for the 25 to 34 age group, at 88%, after which the percentage declines gradually to 79% for those aged 60 to 64, then sharply to 57% for the 65 to 69 age group, reflecting the cut-off of the DSP at retirement age.

Figure 13.9 shows DSP utilisation of NDIS participants by disability.

Figure 13.9 Percentage of NDIS participants receiving the DSP by disability, as at July 2018



Participants with an intellectual disability (including Down syndrome) are the most likely to receive the DSP (88%), followed by those with cerebral palsy, a psychosocial disability, or visual impairment (all at 83%). The high percentage for those with a visual impairment is influenced by the automatic DSP qualification rules for those who are blind. Participants with hearing impairment are the least likely to receive the DSP (31%), reflecting their high employment levels relative to participants with other disabilities. DSP utilisation is also low for participants with other sensory/speech disabilities (43%) or multiple sclerosis (57%).

Reversing the focus, overall 7% of DSP recipients at July 2018 also had an approved NDIS plan. Figure 13.10 shows the trend by age[67].

[67] The Centrelink primary disability variable is not yet available to the NDIA. Results by this variable will be analysed once it is received.

Figure 13.10 Percentage of DSP recipients with an approved NDIS plan, as at July 2018

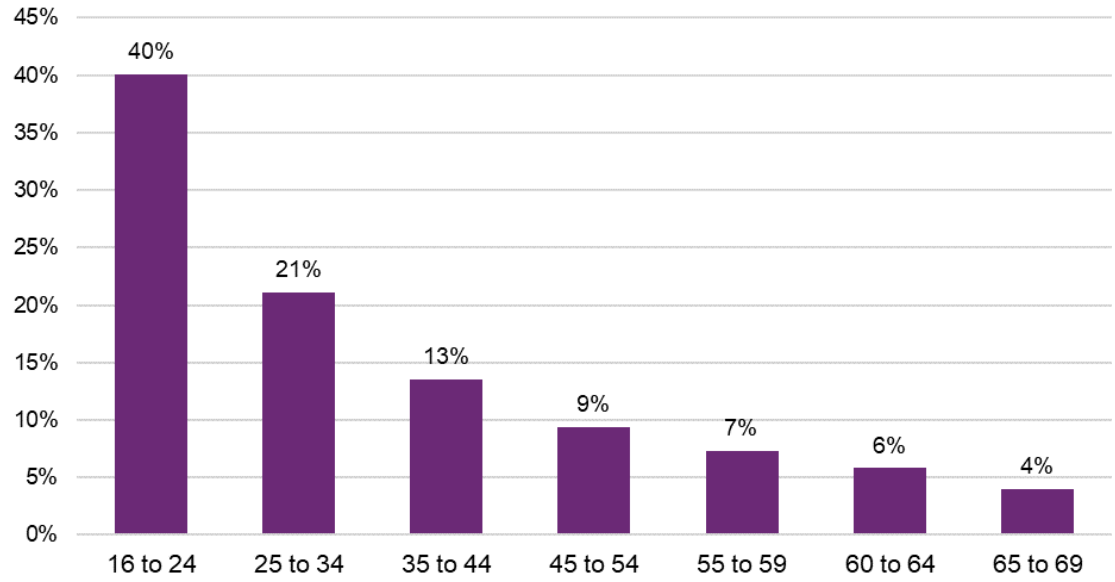


Figure 13.10 exhibits a clear decreasing trend with age. As at July 2018, 40% of all DSP recipients aged 16 to 24 are found by the data linkage to have an approved NDIS plan at that date. This decreases to 21% for DSP recipients aged 25 to 34, with more gradual decreases to 6% for those aged 60 to 64, and 4% for those aged 65 to 69. It should be noted that these results will change as more people enter the NDIS during transition to full scheme. However, they may suggest that older DSP recipients tend to have milder levels of disability, and hence are less likely to be eligible for individual NDIS funding.

As discussed, the results in this section represent a preliminary snapshot only. As well as deeper investigation of the DSP data, the analysis will be extended to include other Centrelink benefits, such as Carer Payment and Carer Allowance. Linkages will also be pursued with other data sources, such as health and ATO data.

13.6 Employment goals in participant plans

During planning conversations, participants discuss their life goals and are encouraged to choose at least two goals that are most important to them. These selected goals are recorded in their plan, and categorised according to the eight domains of the adult outcomes framework.

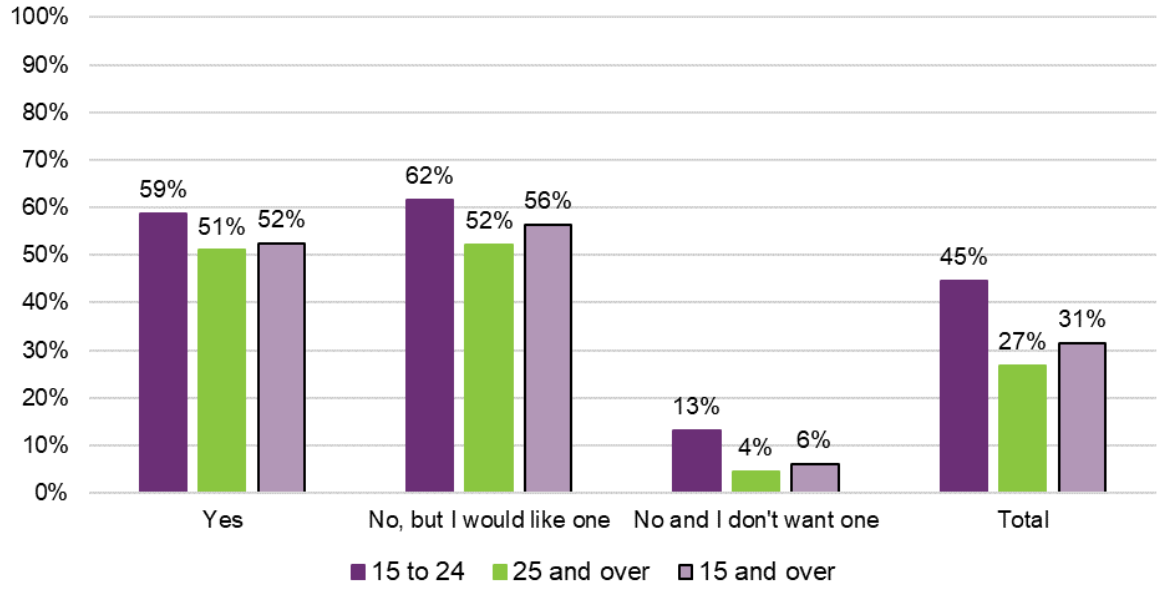
This section investigates the frequency of work goals in the plans of participants aged 15 and over as at 30 June 2018, overall and in relation to SF responses.

Overall, the percentage of active plans at 30 June 2018 with a work-related goal was:

- 44% for participants aged 15 to 24;
- 26% for participants aged 25 or over; and
- 31% for participants aged 15 or over.

The above percentages include all participants, regardless of employment status. Figure 13.11 shows how percentages vary by the three possible responses to the SF work domain question “Are you currently working in a paid job?”.

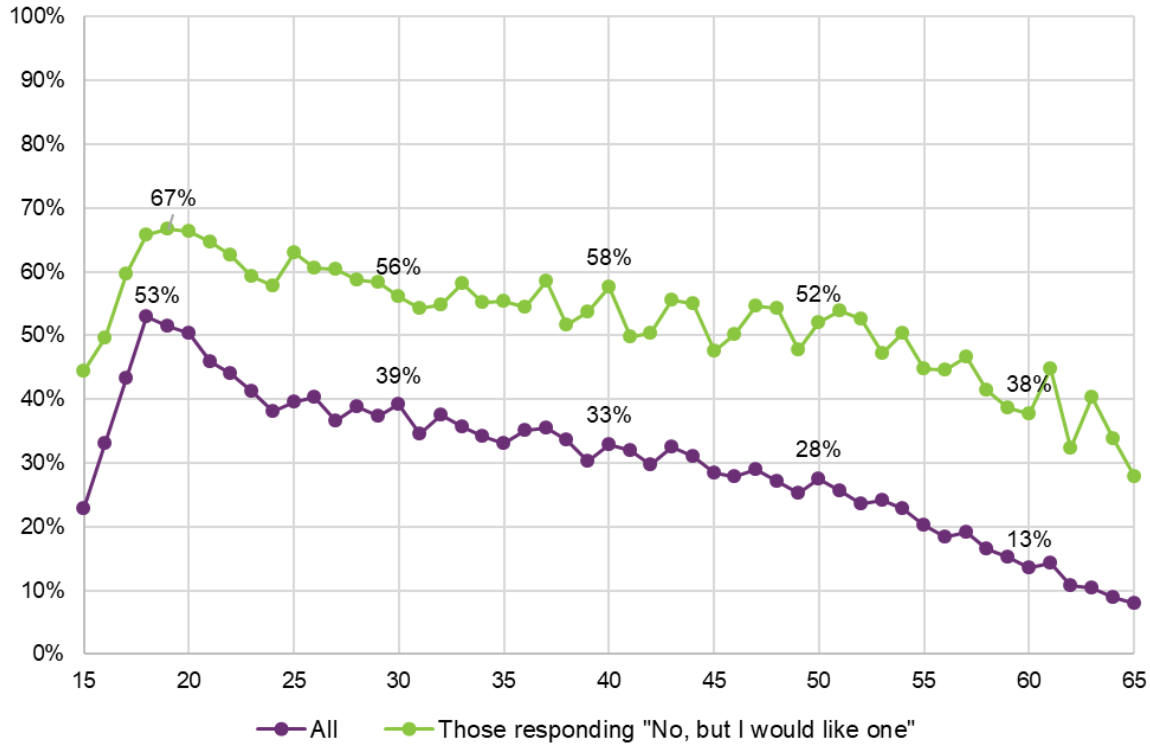
Figure 13.11 Percentage of plans with a work goal by response to SF question “Are you currently working in a paid job?”



From Figure 13.11, the percentages with a work goal are slightly higher for those who say they don’t have a job but would like one (62% and 52% for younger and older adults, respectively), compared to those who say they have a job (59% and 51%). For those who say they don’t have a job and don’t want one, the percentages are considerable lower, but not zero. For example, 13% of participants aged 15 to 24 who say they don’t have a job and don’t want one still have a work goal in their plan. The lower percentages with work goals for older adults compared to younger adults are also of note.

Figure 13.12 shows the percentage of active plans at 30 June 2018 with a work-related goal, by age. Results are shown separately for all participants, and for the subset of participants who say they don’t have a job but would like one.

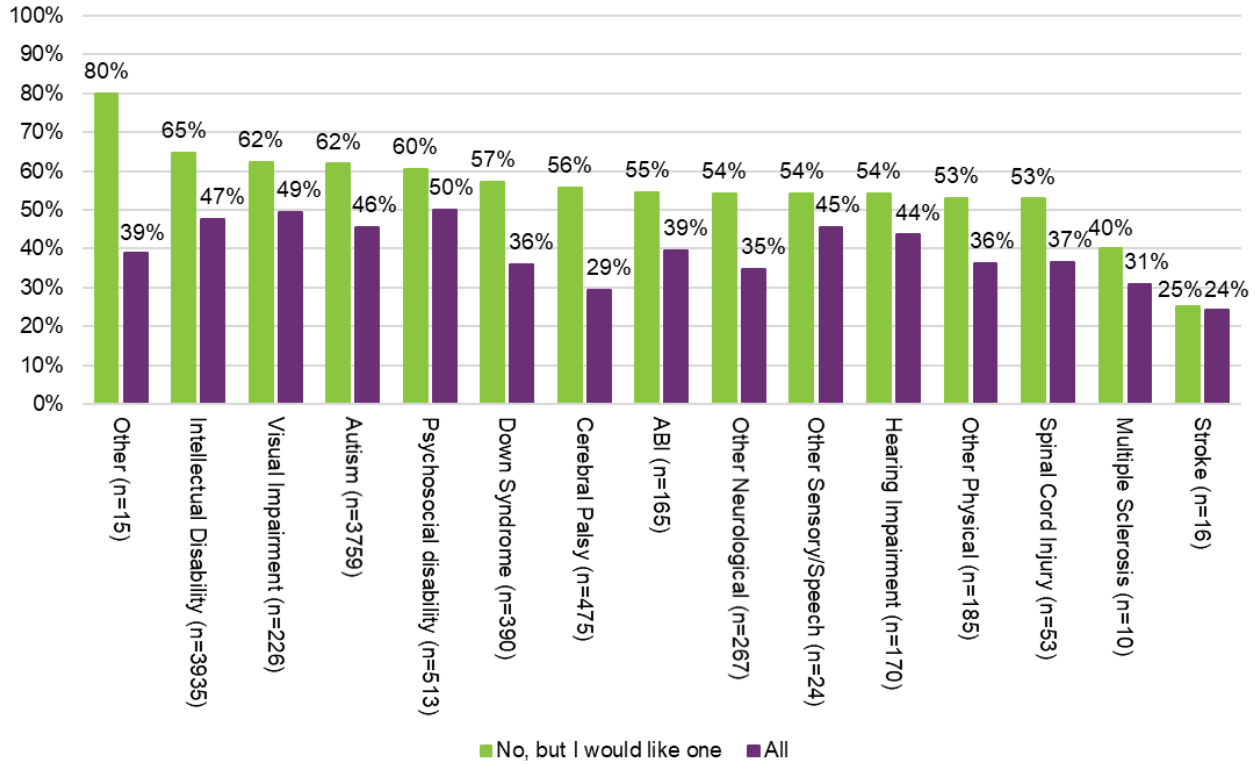
Figure 13.12 Percentage with a work goal by age, overall and for those who say they don't have a job but would like one



Unsurprisingly, the peak in both series occurs at age 18-19, being 53% at age 18 for all participants and 67% at age 19 for those who want to get a job. Also as expected, the overall percentage declines rapidly at the oldest ages, as participants approach retirement, being only 13% for participants aged 60. However this decline is observed even for participants who still say they would like a paid job – for these participants, the percentage with a work goal at age 60 has declined to 38%. Also slightly unexpected is the immediate and rapid decline at young ages from the peaks at age 18-19. This decline is observed for both the overall group, which might be partly due to participants gaining employment, and the group who say they would like to get a job. The observed trend may be influenced by the School Leaver Employment Support (SLES) program available to the youngest participants.

Figure 13.13 shows percentages with a work goal by disability, for participants aged 15 to 24. Results are shown separately for the subset of participants who say they don't have a job but would like one (ordered by decreasing percentage for this group) and overall. The numbers shown on the graph are for the subset of participants who say they don't have a job (the overall numbers will be higher).

Figure 13.13 Percentage of plans with a work goal by disability[68], participants aged 15 to 24

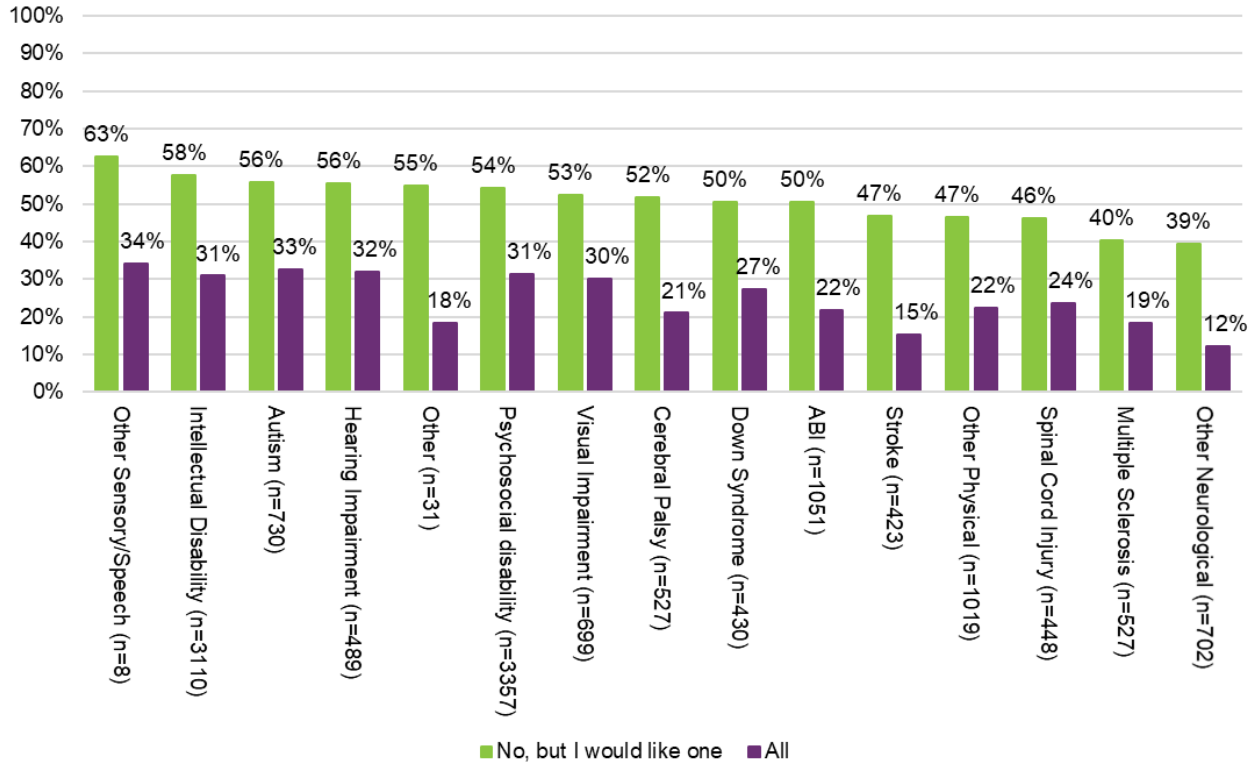


Looking at percentages for those who would like to get a job, apart from the small groups for stroke, multiple sclerosis and “other”, percentages with a work goal range from 53% for those with a spinal cord injury to 65% for those with an intellectual disability. After intellectual disability, the next highest percentages are for visual impairment and autism (62%, the same as the overall average), followed by psychosocial disability (60%). As well as spinal cord injury, lower percentages are also observed for other physical disabilities (53%) and hearing impairment (54%).

Figure 13.14 shows the corresponding graph for participants aged 25 and over.

[68] Since the graphs by disability do not control for participant age, they are potentially subject to age-related confounding.

Figure 13.14 Percentage of plans with a work goal by disability[68], participants aged 25 and over



Looking at percentages for those who would like to get a job, apart from the very small "Other Sensory/Speech" group, the percentage with a work goal is highest for those with an intellectual disability (58%), followed by autism and hearing impairment (both 56%). On the other hand, those with another neurological disability (39%) or multiple sclerosis (40%) are the least likely to have a work goal in their plan.

13.7 Employment experience of NDIS participants: trend

The last two years have been characterised by a strengthening Australian labour market. The employed to population ratio for 15 to 64 year olds has increased from 72.5% in April 2016 to 73.6% in March 2018. Similarly for young persons aged 15 to 24, the employed to population ratio increased from 58.4% in July 2016 to 59.2% in March 2018[69]. This section of the report examines whether similar trends are being observed in the NDIS working-age population.

[69] Australian Bureau of Statistics. 2018. 6202.0 Labour force, Australia, Mar 2018

In the Work domain of the SF questionnaire, participants aged 15 and over are asked the question 'Are you currently working in a paid job?'[70] The overall change in the percentage of participants who report that they are in paid work between baseline and review is[71]:

- A slight improvement of **+3%** for 15-24 year olds (from 15% to 18%)
- A small decrease of **-1%** for participants aged 25 and over (from 25% to 24%)
- Overall, remained broadly the same for working age participants at **22%**

The reasons for the difference in employment outcomes by age group may include:

- Participants aged 15 to 24 who are school leavers may have access to the School Leaver Employment Support (SLES) program, which is an early intervention approach to support their transition from school to employment.
- Participants aged 25 and over who have been in the disability support system for some time may have less success finding paid work, as they have often had poor experiences with education and faced a culture that was not supportive of disability employment in the past. Some participants may also have fewer skills and lower levels of confidence due to long breaks from paid employment[72].
- There are more participants aged 25 and over who have reported in the SF questionnaire at baseline that they do not want a paid job (54%) compared to participants aged 15 to 24 (35%).

For participants who are already in a paid job at their baseline plan, the 25 and older cohort are more likely to remain in paid work at review compared to participants aged 15 to 24. This is likely due to a higher proportion of older participants being employed in an Australian Disability Enterprise. The detailed transition rates between employment status at baseline and review are given in Table 13.1 and Table 13.2 below.

Table 13.1 Employment status transition rates – participants aged 15 to 24*

Baseline Employment Status	Review Employment Status		
	In paid work (n=1034)	Not in paid work, but would like to be (n=2763)	Not in paid work, and don't want to be (n=1681)
In paid work (n=830)	**80%** (n=670)	**17%** (n=139)	**3%** (n=21)
Not in paid work, but would like to be (n=2762)	**12%** (n=320)	**83%** (n=2290)	**5%** (n=152)
Not in paid work, and don't want to be (n=1886)	**2%** (n=44)	**18%** (n=334)	**80%** (n=1508)

* Excludes participants where employment status is unknown at baseline or review

[70] If this question is not answered, the answer to 'What type of employment activities do you currently attend/participate in?' from the participant information section of the SF questionnaire is used instead
[71] Slight differences in these results compared to the COAG Disability Reform Council June Quarterly Report reflect different dates of data extract.
[72] Productivity Commission Inquiry Report. 2011. Disability Care and Support p. 960

Table 13.2 Employment status transition rates – participants aged 25 and over*

Baseline Employment Status	Review Employment Status		
	In paid work (n=3393)	Not in paid work, but would like to be (n=2808)	Not in paid work, and don't want to be (n=7536)
In paid work (n=3473)	**90%** (n=3145)	**5%** (n=177)	**4%** (n=151)
Not in paid work, but would like to be (n=2931)	**7%** (n=193)	**78%** (n=2295)	**15%** (n=443)
Not in paid work, and don't want to be (n=7333)	**1%** (n=55)	**5%** (n=336)	**95%** (n=6942)

* Excludes participants where employment status is unknown at baseline or review

13.8 Key drivers of employment outcomes

The key drivers of employment success for NDIS participants have been identified in this report based on multiple logistic regression analysis, where the binary response (dependent) variable is one if the participant has a paid job at review and zero otherwise. A stepwise regression approach is used to determine the statistically significant predictors of employment success from a number of different variables expected to influence the ability of a participant to find or maintain a job. The results of this analysis are given below for two different cohorts of working age participants:[73]

- Participants aged 15 to 24 looking for work
- Participants aged 25 and over looking for work.

13.8.1 Participants looking for paid work

This cohort is comprised of participants who, at baseline, answered that they *did not have a paid job but would like one*. A successful employment outcome occurs at the review stage if the participant answers that they *are working in a paid job*. Participants who answer that they *do not have a paid job and do not want one* are excluded from the analysis.

Overall results

Overall the employment success rates[74] for this group are

- **11.6%** for participants aged 15 to 24 who are looking for paid work
- **6.6%** for participants aged 25 and over who are looking for paid work
- **9.0%** for all working age participants looking for paid work

Figure 13.15 breaks down the employment success rates by participants who have reported in the SF questionnaire that they found work in open employment, and those who found

[73] Factors associated with maintaining employment have also been investigated for the two cohorts: participants working in mainstream employment at baseline, and participants working in an ADE at baseline (results not presented in this report).
[74] Specifically, Employment success rate = Number of participants not in paid work at baseline plan, but would like to be, who have found paid employment at review plan / Number of participants not in paid work at baseline plan, but would like to be.

work in an Australian Disability Enterprise (ADE)[75]. An ADE is a generally not-for-profit organisation that provides supported employment opportunities to people with moderate to severe disabilities.

Figure 13.15 Employment success rates for participants looking for work by type of employment

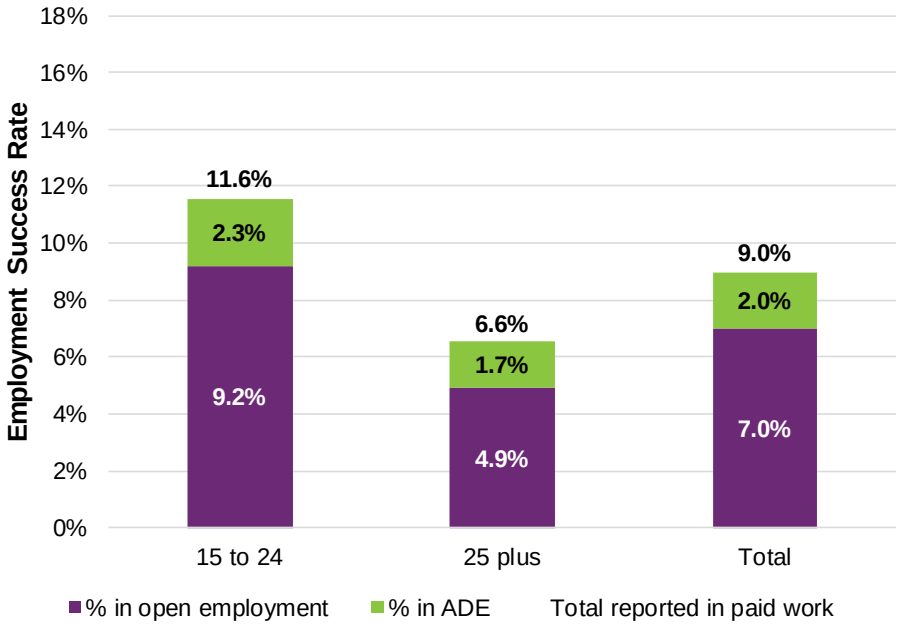


Table 13.3 outlines the key drivers of employment success for participants looking for paid work by age group. The key drivers are presented in three categories: 1) baseline participant characteristics, 2) baseline NDIS plan characteristics, and 3) change in key indicators. Baseline participant characteristics are those measures related to the participant which are generally outside of the control of the NDIS and its providers. Baseline NDIS plan characteristics relate to the structure of a participant's baseline plan, including funding and goals, and may be in the ability of the NDIS to influence but not providers. The change in key indicator variables measure the change in the participant's response to key questions in the SF questionnaire between baseline and review, and may reflect the actions of the NDIS and service providers in supporting participants to achieve employment outcomes over the plan period. The direction of the relationship between each key driver and employment success, whether positive or negative, is also shown.

[75] For those who report that they are in paid work, they are then asked in the SF questionnaire 'What type of employment is it?' The options for response are: open employment at full award wage, open employment at less than minimum wage, Australian Disability Enterprise, Australian Apprenticeship, self-employed or other. Participants are assumed to be in open employment if they respond with any option other than Australian Disability Enterprise.

Table 13.3 Key drivers of employment success for participants looking for paid work

Variable type	Participants 15 to 24		Participants 25 and over	
	Variable	Relationship	Variable	Relationship
Baseline participant characteristics	Number of daily living activities where the participant requires support (at baseline)	↓ with increasing no. activities	Number of daily living activities where the participant requires support (at baseline)	↓ with increasing no. activities
	Highest education level	↑ with higher qualifications	Level of function	↓ with increasing score
	Streaming type is intensive or super intensive	↓	Has university qualification	↑
	High unemployment rate in participant's LGA (8% or higher)	↓	Left study during plan period	↑
	Lives in QLD	↑	Cultural and linguistically diverse background (CALD)	↓
			Has intellectual disability	↑
			Entry age is between 55 and 59	↓
			Lives with partner and children	↑
			Lives in VIC	↑
Baseline NDIS plan characteristics			Participant has work goal in their plan	↑
			Participant has NDIS employment funding in their plan	↑
Change in key indicators at review	No. daily living activities where the participant requires support improves by 2 or more	↑	Participant's self-assessment of their health has improved	↑
	No. daily living activities where the participant requires support deteriorates by 2 or more	↓	Started or left an unpaid job	↑
	Started, left or continued to be involved in a general community group	↑	Participant doesn't know people in the community at baseline and review	↓
	No longer in an unpaid job	↑		

Variable type	Participants 15 to 24		Participants 25 and over	
	Variable	Relationship	Variable	Relationship
	In unpaid job at start and end of plan period, or started volunteering[76]	↓		
	Participant's ability to choose what they do each day improves	↑		
	Participant has got to know people in the community	↑		

Participants aged 15 to 24 looking for paid work

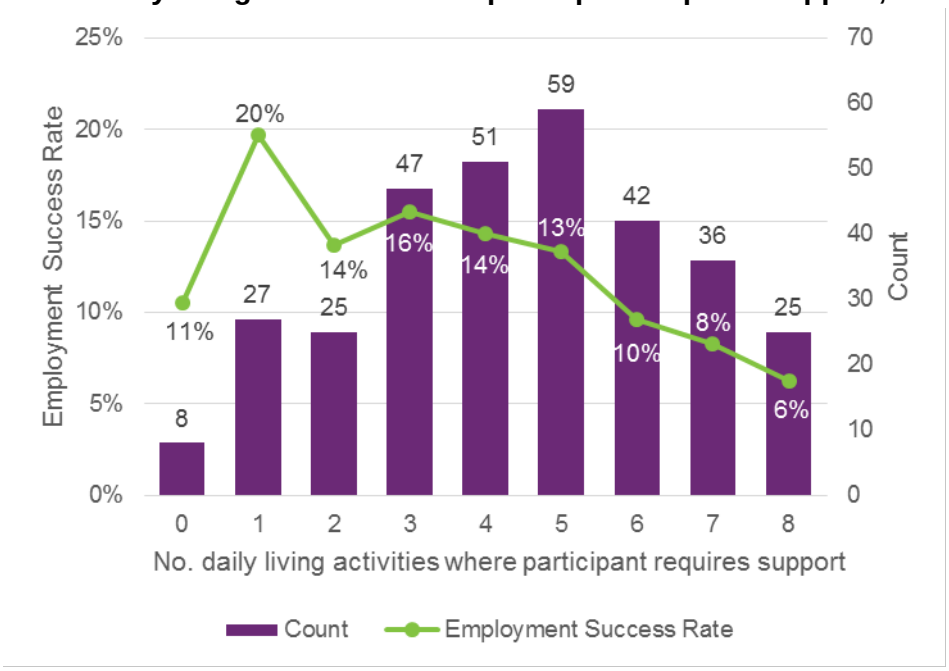
This section highlights some of the key drivers of employment outcomes for participants aged 15 to 24 who are looking for paid work as identified in the multiple logistic regression analysis. All supporting figures show the impact of the key drivers on employment success on a one-way basis (i.e. not allowing for the other explanatory factors).

Number of daily living activities where the participant requires support

Figure 13.16 shows the employment success rate by the number of daily living activities where a participant requires support at baseline, as reported in the 'Daily living' domain of the SF questionnaire. Activities of daily living include domestic tasks, personal care, travel and transport, communication, getting out of the house, dealing with finances/money, reading and writing, and using technology.

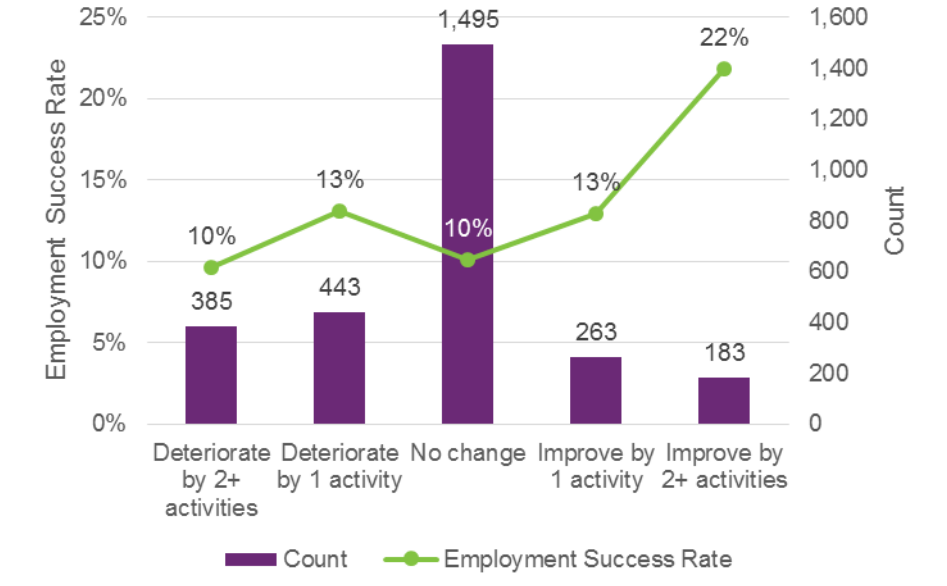
[76] These participants are expected to be doing mainly work experience or volunteering. The lower employment success rates may reflect that they are still in the capacity building stages of a SLES program to prepare for work in the future, or have accepted unpaid or volunteer work as a viable alternative to paid work.

Figure 13.16 Participants aged 15 to 24 looking for work – employment success rates by number of daily living activities where participant requires support, at baseline



The employment success rate broadly decreases as the number of areas where support is required increases. This may reflect two underlying factors captured by this measure: 1) participants with lower levels of functional capacity find it more difficult to gain paid employment, and 2) participants who experience less independence also find it more difficult to find work. The likelihood of participants aged 15 to 24 finding paid work at review is also influenced by the change in the number of supports required when the participant reaches their review plan, as illustrated in Figure 13.17 below.

Figure 13.17 Participants aged 15 to 24 looking for work – employment success rates by change in number of daily living activities where participant requires support at review



The employment success rate is significantly higher when the participant is able to increase their level of capacity and independence through their involvement with the NDIS. These results illustrate the important role the NDIS plays in providing reasonable and necessary supports to young participants that will assist them to build capacity, develop independent living skills and maximize their opportunities for independence and employment. For school leavers in particular, the School Leaver Employment Support (SLES) program was developed according to these principles with supports that aim to build capacity, deliver vocational skills and contribute to the participant achieving an employment outcome.

Involvement in a general community group

Figure 13.18 below shows the employment success rate by the participant's involvement in a general community group between baseline and review. A general community group does not include community groups that are specifically for people with disabilities.

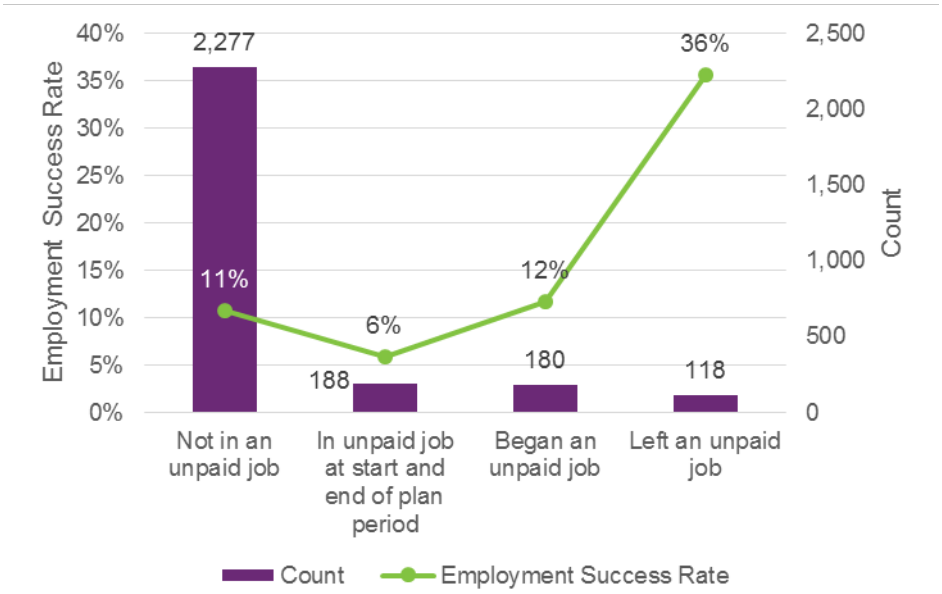
Figure 13.18 Participants aged 15 to 24 looking for work – employment success rates by participant involvement in a general community group

The opportunity to participate in the general community and interact with peers without disabilities is an important tool to build core skills in engagement and communication for young people prior to a vocational pathway. As such, participants who are involved with a general community group at any point during their plan period have significantly better employment outcomes than those who are not involved in the general community. The high employment success rate for participants who leave a general community group during the plan period may reflect that after finding paid work, participants have less time available for social participation.

Involvement in unpaid work

Figure 13.19 shows the employment success rate by the change in a participant's involvement in unpaid work between baseline and review. This may also reflect participant's involvement in volunteering, as 58% of participants who reported that they have an unpaid job in the SF questionnaire also said they worked as a volunteer.

Figure 13.19 Participants aged 15 to 24 looking for work – employment success rates by participant involvement in unpaid work



Participants who leave an unpaid job between baseline and review will generally experience greater employment success as they are likely to have replaced their positions with paid work. This finding reflects the important role of unpaid work experience in helping younger participants to find paid employment, either by placement with the work experience employer or due to increased levels of confidence in the workplace.

However, participants who remain in an unpaid job during the whole plan period have significantly lower rates of paid employment at review. This may reflect that some participants view unpaid work as an alternative option to finding paid work, and as such may stop actively searching for paid employment.

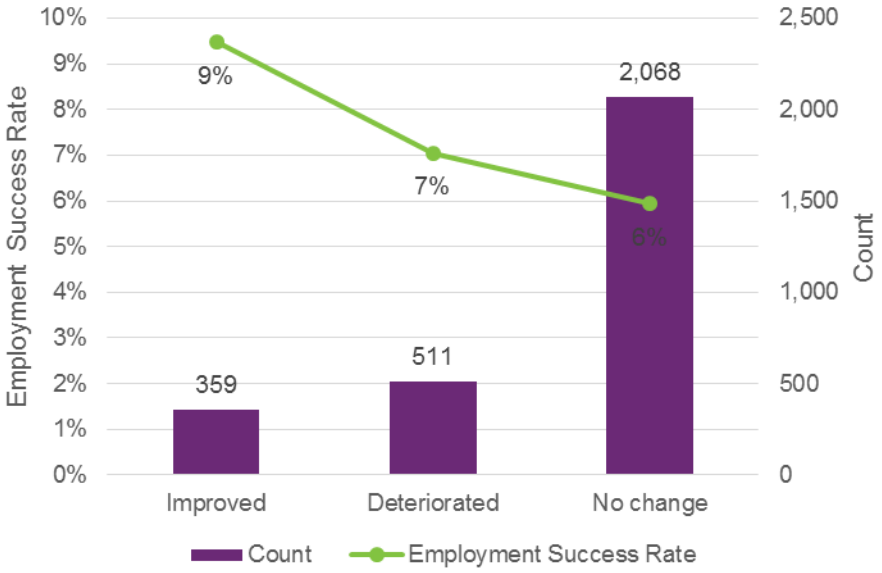
Participants aged 25 and over

This section highlights some of the key drivers of employment outcomes for participants aged 25 and over who are looking for paid work as identified in the multiple logistic regression analysis. All supporting figures show the impact of the key drivers on employment success on a one-way basis.

Change in participant's self-assessed health

In the SF questionnaire, participants are asked to rate their overall health on a 5-point scale between Excellent and Poor. Figure 13.20 shows the employment success rates by the change in the participant's response between baseline and review.

Figure 13.20 Participants aged 25 and over looking for work – employment success rates by change in participant's self-assessment of their health at review

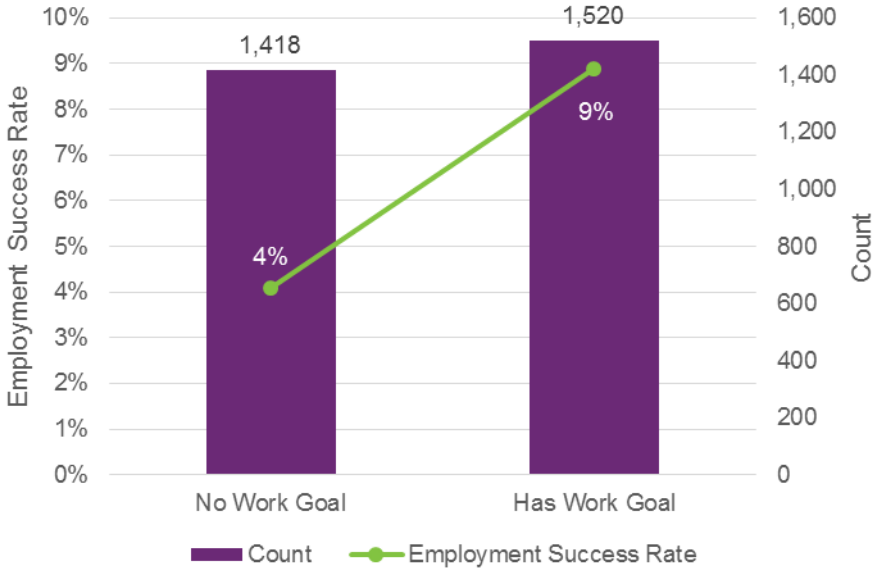


An improvement in a participant's health status over the plan period is found to have a positive impact on employment success. A change in health status may be related to the participant's disability or an unrelated health issue, and can reflect both mental and physical health. The median health status at baseline for this group is only Fair (second lowest health rating), and as a participant's health improves they will have more energy and capacity to look for paid work.

Participant has a work goal in their plan

Employment success rates are shown in Figure 13.21 below by whether the participant has recorded a work goal in any of the approved plans made prior to their review plan i.e. goals recorded by the participant at baseline or following an unscheduled review.

Figure 13.21 Participants aged 25 and over looking for work – employment success rates by whether participant has a work goal in their plan



Participants aged 25 and over who have a work goal recorded in their plans have a higher likelihood of finding paid employment at review than those who do not. Two possible drivers of this relationship are:

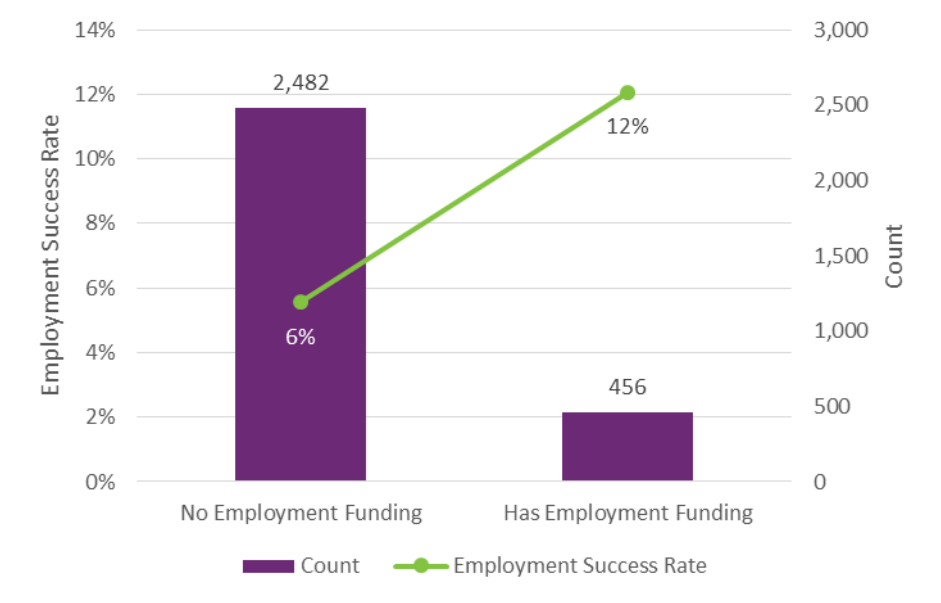
1. A participant who records a work goal has a vision for success and something to measure their progress against. By keeping their goals top of mind, they may have a higher likelihood of finding paid work.
2. Some of the participants who have indicated that they would like to have paid work in the SF questionnaire may not actually have a high level of motivation to look for work, and thus do not have it recorded as a goal.

Younger participants have access to targeted employment support programs such as SLES and will generally be expected to look for paid work as they transition out of school. These same expectations and supports may not be in place for participants aged 25 and over, particularly if the participant has been out of work for some time. As a result, the importance of recording a specific work goal gains significance for this cohort. Improvements to the planning process to better capture employment goals for participants could have a positive impact on employment outcomes.

Participant has NDIS employment funding in their plan

Figure 13.22 shows the employment success rate by whether a participant has NDIS employment funding in any of their approved plans prior to review, excluding funding for employment in an ADE[77].

Figure 13.22 Participants aged 25 and over looking for work – employment success rates by whether participant has NDIS employment funding in their plan



[77] Participants who are not in paid work at baseline may receive ADE funding following an unscheduled plan review if they find employment in an ADE during the plan period

Participants aged 25 and over who receive NDIS employment funding have greater rates of employment success, as they can use these funds to support their search for paid work under the following categories:

- Employment related assessment and counselling
- Individual employment support
- Employment preparation and support in a group.

For participants who do not receive NDIS employment funding, it is currently unknown whether or not they are receiving mainstream or community employment supports. The NDIA is currently working with the Department of Social Services (DSS) to identify NDIS participants who are receiving Disability Employment Services (DES) supports, after which further analysis will be conducted to understand whether similar positive outcomes are observed for participants receiving mainstream employment supports.

Comparison of participants looking for paid work by age group

A comparison of the drivers of employment success outlined in the sections above may suggest that the NDIS and its providers should support participants who are looking for paid work based on their age:

- For participants aged 15 to 24, supports should be focused on increasing independence and building capacity to seek employment.
- For participants aged 25 and older, capacity building and independence appears to be less important. Rather, the NDIS can support participants to find employment by encouraging them to include work goals in their plans, and providing employment funding to those who do not have access to mainstream or community supports. Providers who support participants to improve their health may also see better employment outcomes for the participants they assist.
- Involvement in unpaid work and the community are associated with better employment outcomes for both age groups

However, these results should be interpreted with care as it may simply be the absence of a defined employment support program like SLES for participants aged 25 and older that is driving the difference in outcomes between the two groups. Given the significantly lower employment success rate for participants aged 25 and over who are looking for paid work, it may be beneficial to consider introducing an employment support program similar to SLES to this group in the future.

13.9 Provider analysis by employment outcomes

The performance of NDIS providers is examined in this section based on the employment outcomes they achieve for the participants they assist. By assessing provider performance, the NDIA aims to improve the employment outcomes for participants over time and meet corporate plan targets. This will be achieved by making more information available to participants to choose the best providers for employment services, and providing greater insight into the drivers of employment outcomes.

The providers included in the performance analysis are those that delivered services to participants included in the analysis in Section 13.8, that is, participants in the short form trend analysis who are looking for paid work or are working in paid employment. The analysis is also restricted to participants who have supports that are agency-managed. To attribute participant outcomes to individual providers, an exposure weighting method is used based on the relative size of the payments made to each provider over a participant's plan period. Providers with a participant exposure less than 20 have been excluded from the analysis to allow for a meaningful level of exposure per provider.

13.9.1 Measuring provider performance

In order to assess provider performance on an equitable basis, the actual employment outcomes achieved by a provider are compared to a reasonably expected outcome based on the characteristics of the participants they are assisting. For example, a participant with a university qualification is expected to have a higher likelihood of finding and maintaining paid work than a participant with a high school education. The expected outcomes are determined using a multiple regression that takes account of the key employment drivers listed in Section 13.8, *but only those that are assumed to be outside the providers' ability to influence during the plan period* i.e. the baseline participant and plan characteristics, including answers to key indicator questions at baseline but not review.

Separate regressions are run for each of the four participant cohorts[78] and then summed together to determine the expected number of participants that will be in paid employment at review for each provider. Providers are ranked in descending order according to the ratio of their actual employment successes to the expected number of successes.

A limitation to this approach is that all employment outcomes are given the same weighting when ranking provider performance. However, it may be argued that a provider finding a job for a young participant is a better outcome than keeping a participant in ADE employment. This could be addressed in the future by using an outcome weighting approach that captures the value of each of the employment outcomes to both participants and the wider economy.

[78] Participants 15 to 24 looking for work, participants 25 and over looking for work, participants in open employment at baseline, and participants working in an ADE at baseline.

13.9.2 Top five providers for employment outcomes

Based on the measure of provider performance outlined in Section 13.9.1, the top five providers for employment outcomes were identified. For the purposes of this report, we will refer to these providers as Provider A (top ranked), Provider B, Provider C, Provider D, and Provider E (fifth ranked).

Table 13.4 and Table 13.5 summarise the employment performance and provision of services by the top five providers over the period for analysis.

Table 13.4 Top five providers – employment performance summary

Provider	Participants looking for paid work at baseline		Participants in paid work at baseline		Performance (actual over expected for all cohorts)
	Participant Exposure	Expected & Actual participants in paid work at review	Participant Exposure	Expected & Actual participants in paid work at review	
A	47	6 Expected 18 Actual	7	5 Expected 5 Actual	205%
B	14	1 Expected 3 Actual	8	7 Expected 8 Actual	131%
C	27	4 Expected 5 Actual	2	2 Expected 2 Actual	130%
D	1	0 Expected 1 Actual	23	21 Expected 22 Actual	113%
E	12	1 Expected 2 Actual	23	21 Expected 22 Actual	112%

* All figures are rounded to whole numbers for presentation purposes

Table 13.5 Top five providers – service provision summary

Provider	Services Provided (as % total payments)				
	SLES	ADE	Employment Other*	Social, Community & Civic	Assist with Daily Living Activities
A	99%		0.4%	0.5%	
B				29%	67%
C	22%		22%	54%	2%
D		99%	1%		
E		14%	0.1%	8%	76%

* Includes employment related assessment and counselling, individual employment support, and employment preparation and support in a group.

Provider A receives the top ranking due to its exceptional results in helping young participants aged 15 to 24 to find paid work. Provider A is a dedicated employment service provider that specialises in placing people with a moderate intellectual disability into open employment. They operate a SLES and DES program, with the majority of their participant exposure being young participants receiving SLES supports. The strong results for Provider A highlights the benefits of the SLES program in helping participants to find paid work, as

well as the potential benefits that may arise for participants who engage with specialist employment service providers.

Provider B is the second highest ranking provider, with better than expected outcomes for participants looking for work (all ages) and those working in mainstream employment. Provider B is a specialist service provider for people experiencing a mental illness or who have an intellectual disability. They are also a Personal Helpers and Mentors (PHaMs) employment service provider, which is a mainstream employment service for people with a mental illness funded through DSS[79]. Although they are also registered as an NDIS employment provider, the majority of NDIS funded services provided by Provider B to participants in this analysis is for assistance with daily living activities[80] (see Table 13.5). On their website, Provider B's focus on supporting a participant's health and wellbeing may be one of the drivers of their successful employment outcomes, particularly for older participants and those in mainstream employment.

Like Provider A, Provider C has a strong result for participants aged 15 to 24 looking for work. Provider C is an employment service provider that helps people with a range of disabilities to find open employment through supports that are designed to increase independence, including DES and SLES programs. For the participants in this analysis, over half of the value of the services that Provider C provided was for social, community and civic participation. This ranking highlights that providers who support participants to be more involved in the community may experience better employment outcomes.

Provider D offers a range of services for people with intellectual disabilities including employment in a supported ADE workplace. Provider D has ADE locations throughout Queensland, Western Sydney and Victoria operating a range of services such as packaging, recycling, and sewing. The high ranking of Provider D reflects that a higher number of participants working in these ADEs were able to maintain paid employment at review than expected. However, if the methodology is extended in the future to capture quality of outcomes, providers who support participants to maintain open employment may rank higher than Provider D.

The final provider in the top five is Provider E, who offer a wide range of services for people with disabilities, including supported ADE employment. The employment success rates for Provider E are higher than expected for participants who are in ADE employment and participants aged 25 and over who are looking for work. Provider E also has the highest percentage of participants aged 25 and over who successfully find paid employment in the open market: 92%, which is higher than would generally be expected given that they are an ADE provider.

[79] It is not currently possible to identify whether the NDIS participants assisted by Provider B were also receiving mainstream PHaMs employment support from Provider B.
[80] Approx. 30% of the participants that Provider B supported had employment funding in their plans. Of this 30%, about half of the participants used their funding with a different employment provider, and the other half didn't use their funding at all.