

INQUIRY INTO WORKFORCE PARTICIPATION BY PEOPLE WITH MENTAL ILLNESS

SUBMISSION GUIDE

TERMS OF REFERENCE

The Family and Community Development Committee has been asked by the Legislative Assembly to inquire into workforce participation by people with mental illness. The Committee is asked to consider:

- a) evidence of the low rate of workforce participation of people with mental illness, and the social and economic costs involved;
- b) identification of the barriers that people with mental illness experience in gaining and retaining employment;
- c) the respective roles of, and collaboration between, local, state and Commonwealth governments, business and community organisations in supporting the workforce participation of people with mental illness;
- d) the effectiveness of programs that aim to improve the workforce participation of people with mental illness, including best practice models;
- e) opportunities for tailoring education and vocational training for the needs of people with mental illness;
- f) effective measures to support employers to recruit, employ and retain people with mental illness;
- g) the role of mental health services, and general health and community services in improving the workforce participation of people with mental illness.

This Guide is intended to assist organisations and individuals who wish to make a written submission and/or who would like to present evidence before the Committee at a public hearing. The questions in this Guide provide an indication of the issues the Committee will be considering as part of this Inquiry, but they are not intended to be exhaustive and it is not necessary to answer all the questions in comments or submissions.

SCOPE OF INQUIRY

In undertaking its Inquiry, the Committee will focus strongly on the Victorian context relating to workforce participation by people with mental illness.

While focusing specifically on Victoria, the Committee recognises the overlaps in issues across Commonwealth and State Government roles in mental health and workforce participation.

The Committee has considered the Parliament of Australia's current Inquiry into Mental Health and Workforce Participation being undertaken by the House of Representatives Standing Committee on Education and Employment.

To ensure maximum value and to minimise duplication, the two Committees are in communication regarding overlaps across Victorian and Commonwealth issues.

In addition to these discussions, since forming in May 2011, the Committee has been briefed by the Victorian Government on issues relating to mental illness and workforce participation.

Within its terms of reference, the Family & Community Development Committee aims to focus its Inquiry on state-based issues relating to

- opportunities for tailoring education and training programs – including issues relating to early intervention in schools;
- the effectiveness of Victorian programs that aim to assist participation in the workforce;
- the role of business and methods of supporting employers in the Victorian context and government interventions in recruitment and retention – including OHS issues, healthy workplaces and mental health; and
- the role of mental health services in improving workforce participation of people with mental illness.

DEFINING WORKFORCE PARTICIPATION AND MENTAL ILLNESS

The Committee recognises that understanding the nature of workforce participation by people with mental illness can vary depending on interpretations of 'workforce participation' and 'mental illness'.

The Australian Human Rights Commission notes that 'mental illness is more prevalent than many people realise. Around 45% of Australians aged between 16 and 85 will experience a mental illness at some point in their life'.¹

'Mental illness'

- includes a range of emotional, psychological and psychiatric conditions that fall within a spectrum of diagnoses from high prevalence (eg stress, anxiety, depression) to low prevalence (eg schizophrenia, bi-polar) disorders.
- can be episodic and have varying impacts on a person's capacity to function at different times.
- can develop in the workplace – an unhealthy work environment or a workplace incident can cause considerable stress and exacerbate or contribute to, the development of a mental illness.²

'Workforce participation'

- relates to the active involvement of people in the labour market. The participation rate is the proportion of the population aged 15 to 64 years who are working or who are willing and able to look for work (active jobseekers).
- is influenced by complex and interrelated factors in the economy and the community, including taxation, the social security system, superannuation and retirement policies, workplace relations, education and training, availability of childcare, people's health and wellbeing, workplace culture, occupational health and safety, hiring and recruitment policies and procedures, and employer attitudes.
- can be promoted through 'supported employment', which involves group-based assistance provided by business services or social enterprises offering supported work in modified work settings.

Q What are the key features of mental illness that need to be understood in the context of workforce participation?

PARTICIPATION IN THE WORKFORCE BY PEOPLE WITH MENTAL ILLNESS

High rates of workforce participation are socially and economically beneficial for the general population, including people with mental illness.

The Committee recognises, however, that employment rates for people with mental illness are still well below that of people with no mental illness. The OECD has identified internationally that those reporting a mental health condition or disability have the lowest labour market participation of all.

Data relating to the experience of people with mental illness in the workforce is minimal. In 2006, Boston Consulting Group analysed 1998 data and identified non-participation rates for Victorians with mental illness.

- 72% non-participation by people with schizophrenia
- 54% non-participation by people with moderate levels of psychiatric disability.³

According to the Australian Bureau of Statistics (ABS), people with mental illness in Australia experience higher rates of unemployment and lower rates of labour force participation than those with physical disability.

- In 2003, the workforce participation rate for people with mental illness in Australia was 29%. This is low in comparison to the rate for physical disability (49%) and the general community (74%).

Evidence also suggests that in recent years their relative employment prospects have declined.⁴

The Committee recognises that people with mental illness experience employment restrictions. These can include the need for a support person, difficulty changing jobs, and restrictions in the number of hours worked. These restrictions

¹ Australian Human Rights Commission (2010) 2010 Workers with a Mental Illness: A Practical Guide for Managers.

² AHRC 2010 Workers with a Mental Illness: A Practical Guide for Managers,

³ Boston Consulting Group (2006) *Improving mental health outcomes in Victoria*, Report to the Government of Victoria.

⁴ ABS (1993, 1998 and 2003) *Survey of Disability, Ageing and Carers*, Australia (Cat No. 4430.0)

increase for people with severe mental illness or a high prevalence disorder.

Q What are the rates of participation by people with mental illness in the workforce and how do these rates differ for high and low prevalence mental illnesses?

Q What capacity do people with mental illness have to participate in the workforce?

Q To what extent do people with mental illness want to participate in the workforce?

year, of which 80% was due to mental illnesses such as depression and anxiety.

- This equated to about a \$660 million yearly loss to the Victorian economy.
- Preliminary research shows that Australian businesses lose over \$6.5 billion a year by failure to provide early intervention/treatment for employees with mental illness.⁶

Q What are the costs of low workforce participation rates by people with mental illness?

Q What practical strategies can be implemented to work towards minimising these costs?

COSTS OF LOW WORKFORCE PARTICIPATION

The Committee has been asked to consider the costs associated with low workforce participation rates for people with mental illness.

It notes that there are a range of social and economic costs that are experienced at individual, societal and economic levels.

At an individual level, there are a range of negative consequences relating to low participation in the workforce for people with mental illness. These can include:

- Isolation
- Substance use
- Financial difficulty
- Increased risk of hospitalisation and suicide⁵

The social costs are interlinked and can include isolation, homelessness, the diversion of resources in health and community care and the effect of mental illness on families.

The economic costs associated with low participation rates by people with mental illness relate to absenteeism, reduced and disrupted productivity and the costs of welfare and support. For example:

- The 2006 Boston Consulting Group report to the Victorian Government estimated that mental illness led to about 4.7 million absentee days a

BENEFITS OF WORKFORCE PARTICIPATION

The benefits of workforce participation for people with mental illness also occur at individual, societal and economic levels.

Research has identified that:

- At an individual level, work assists with structuring time and routine, social contact, collective effort and purpose, social identity and status, personal achievement, and regular activity and involvement.⁷
- At a social level, people who work are healthier and better connected to others – their work colleagues, their families, their neighbours and the community.
- Economically, increasing workforce participation by people with mental illness assists contributes to the supply of labour to meet the needs of business and industry.

The Mental Illness Fellowship Australia (MIFA) indicated that 60.1% of respondents to its *Australians Talk Mental Illness* survey identified employment and employment support as a key issue for people with mental illness. This was second only to housing and housing support (70.1%).

The Committee recognises that increased workforce participation by people with mental illness has the potential to reduce relapse rates and prevent acute inpatient stays, with benefits

⁵ Perkins R, Famer P, & Litchfield P (2009) *Realising ambitions: Better employment support for people with a mental health condition*, Department for Work and Pensions, London, UK.

⁶ MHCA (c2008) Mental Health Fact Sheet: Mental Health and Employment.

⁷ Waghorn G. & Lloyd C (2005) The employment of people with mental illness, *AeJAMH*, 4: 2, p.13.

for both people with mental illness and for the broader community.

Research has also demonstrated that many adults diagnosed with severe mental illness want to work in the mainstream labour market and that employment is often a key objective in recovery.⁸ Benefits of work in the context of mental health treatment include:

- Work as a restorative psychological process
- Work to improve self-concept
- The protective effect of work
- The social dimension of work.⁹

Q In what ways does workforce participation by people with mental illness provide benefits at an individual, societal and economic level?

BARRIERS TO WORKFORCE PARTICIPATION

The Committee will consider the barriers to workforce participation by people with mental illness in Victoria and will aim to identify the most effective enablers that support workforce participation.

It recognises that there are three broad components to the barriers and enablers that affect workforce participation by people with mental illness.

Individual:

- Challenges can include the impact of mental illness on the person wanting to participate in the workforce.
- Enablers can include effective support and treatment.

External:

- Challenges might include the nature of the labour market and the availability of suitable employment assistance
- Enablers can include the provision of effective support in the workplace.

Systemic:

- Challenges include stigma, discrimination and low expectations of some carers and health professionals.
- Enablers can include education, awareness raising and legislative intervention.

The Committee acknowledges that these represent only some of the challenges and barriers experienced by people with mental illness seeking to participate in the workforce.

Victorians with mental illness are a highly diverse group, with varying backgrounds, capacities, needs and desires.

The Committee is seeking perspectives regarding the most effective enablers to support workforce participation by people with mental illness.

Q What are the barriers experienced by people with mental illness seeking to participate in the workforce?

Q How can workforce participation by people with mental illness be most effectively enabled?

ROLE OF GOVERNMENT IN SUPPORTING WORKFORCE PARTICIPATION BY PEOPLE WITH MENTAL ILLNESS

The Committee's Terms of Reference include the need to consider the role of government in workforce participation by people with mental illness.

Many of the incentives or disincentives to work can be influenced by government, particularly the Commonwealth and States. In some areas, such as education and training and childcare, both governments are key players.

The Australian Government has responsibility for employment programs, income support and other benefits. The Commonwealth Government also controls economic determinants through taxation, superannuation, welfare and labour policy.

- The 2009 *National Mental Health & Disability Employment Strategy* (NMHDES) is a major policy framework informing directions relating to mental health and workforce participation.

⁸ Alverson R, et al (2006) An ethnographic study of job seeking amongst people with severe mental illness, *Psychiatric Rehabilitation Journal*, 30:1, p.15.

⁹ Waghorn G. & Lloyd C (2005) The employment of people with mental illness, *AeJAMH*, 4: 2, p.12.

The Victorian Government has involvement in policy, funding and delivery of health and community services used by Victorians with mental illness. These include PDRSS, area mental health services and some training and workforce programs. It is pursuing the following initiatives:

- The Victorian mental health reform strategy – *Because Mental Health Matters* – has specified a goal ‘to support the participation of people with mental health problems in the workforce’
- *Pathways to Economic Participation* initiative – including a new program to support people with a severe mental illness to access employment and education and training opportunities

Local Governments can provide information and inclusion pathways for Victorians with mental illness.

The Committee will be considering the intersection of Commonwealth, state and local government service provision and government roles in supporting workforce participation by people with mental illness.

Q In what ways do the roles of Commonwealth, State and Local Government intersect in the context of workforce participation by people with mental illness? How effective is cross-government collaboration?

Q Is there a stronger role for local government in promoting the workforce participation of people with mental illness? What would this look like?

Q What whole of government approaches need to be considered in enabling workforce participation by people with mental illness?

ROLE OF EMPLOYERS, INDUSTRY AND UNIONS IN SUPPORTING PEOPLE WITH MENTAL ILLNESS IN THE WORKPLACE

The Committee will consider the role of business in supporting workforce participation by people with mental illness. Employers and business have a key influence on workforce participation, including recruitment, retention and workplace practices.

Unions also have an important role, and influence workplace practices such as health and safety, flexibility and diversity.

The Committee is interested in strategies for achieving healthy workplaces and the practices that contribute to supportive workforce cultures in the context of mental health.

The Australian Human Rights Commission has noted that

It is often presumed that a worker’s mental illness develops outside the workplace. However, an ‘unhealthy’ work environment or a workplace incident can cause considerable stress and exacerbate, or contribute to, the development of mental illness.¹⁰

Q In what ways do workplace practices influence participation in employment by people with mental illness?

Q How can business effectively support people with mental illness in the workplace?

Q What role do unions have in the context of mental illness and workforce participation?

ROLE OF COMMUNITY IN SUPPORTING PEOPLE WITH MENTAL ILLNESS IN THE WORKPLACE

The Committee acknowledges that there are also many ways in which communities are involved in supporting people with mental illness to participate in the workforce.

This support can include people caring for a family member with mental illness and friends or work colleagues supporting the workforce participation of someone with mental illness. Peer support is also a significant way that people with mental illness can be supported in workforce participation.

The Committee is interested to hear about the ways in which these groups can be supported to enable people with mental illness to participate in the workforce.

¹⁰ AHRC, 2010 Workers with a Mental Illness: A Practical Guide for Managers.

Q How can carers, friends and colleagues be assisted in their role in supporting people with mental illness in workforce participation?

Q What role can peer support provide in the workforce participation of people with mental illness?

Q Into the future, what role should specialist mental health services assume in supporting workforce participation by people with mental illness?

Q Do other health and community services have a role in supporting workforce participation by people with mental illness? What should this look like?

ROLE OF HEALTH AND COMMUNITY SERVICES IN SUPPORTING WORKFORCE PARTICIPATION BY PEOPLE WITH MENTAL ILLNESS

The Terms of Reference ask the Committee to consider the role of health and community services in supporting workforce participation by people with mental illness, with a specific emphasis on mental health services.

The role of health and community services in Victoria has primarily been to provide tertiary end intervention for people with mental illness. In recent times, shifts towards prevention and early intervention have seen a broader role for mental health services.

The stronger focus on prevention and early intervention in Victoria aims to intervene early in life, illness and episode. A related objective is to increase mental health literacy across all population groups.

Within this broader context of prevention and early intervention, specialist mental health services have increasingly been involved in areas that reduce the severity of illness and assist in recovery.¹¹

The Committee recognises, therefore, that mental health services have been engaging in the provision of services that assist people with mental illness to participate in the workforce.

The Committee is interested to hear views regarding this changing role of specialist mental health services in supporting workforce participation by people with mental illness.

EFFECTIVENESS OF PROGRAMS SUPPORTING WORKFORCE PARTICIPATION BY PEOPLE WITH MENTAL ILLNESS

The Committee's Terms of Reference ask it to consider the effectiveness of programs that aim to support people with mental illness participate in the workforce. In this context, the Committee is particularly interested in Victorian and state based programs.

Programs have been established that relate to employment specifically and others that focus on education and training. Some programs combine education and employment.

According to Waghorn & Lloyd, employment programs tend to fall within one of the following categories:

- Specialised supported employment (previously known as Individual Placement and Support – IPS – approach) – the integration of employment and health services together through co-location.
- Transitional employment – continuous availability of intensive on-site support developed specifically for people with psychiatric disability.
- Specialised vocational rehabilitation – multi-disciplinary teams that provide a form of coordinated mental health care and vocational services.¹²

The nature of mental illness often means that education is disrupted due to the way an illness emerges or recurs over the life-course. Given the importance of education to career development, workforce participation can be affected by education outcomes.

¹¹ Victorian Government (2009) *Because Mental Health Matters*, Department of Health, Victoria.

¹² Waghorn G. & Lloyd C (2005) The employment of people with mental illness, *AeJAMH*, 4: 2.

The Committee is interested to hear about education programs and early intervention in schools that can assist people with mental illness and improve workforce participation.

It is also seeking views on the value of training in supporting workforce participation – both workplace training and prevocational training.

Q What types of employment programs are most beneficial in supporting workforce participation by people with mental illness?

Q What education and training programs are most effective in the career development of people with mental illness?

Q What role should mental health services assume in employment, education and training programs?

LOOKING TO THE FUTURE

As noted, the Committee has determined that the scope of the Inquiry needs to be specifically focused on how interventions in Victoria can improve opportunities for participation in the workforce by people with mental illness.

To this effect, the Committee is keen to hear of innovative and evidence-based approaches to enabling those Victorians with mental illness seeking opportunities for workforce participation to secure and retain suitable employment.

Q What are the top 3 priorities for achieving improved outcomes for people with mental illness seeking to participate in the workforce?

SUBMISSIONS

The Committee welcomes written submissions addressing one, multiple or all Terms of Reference of the Inquiry.

Submissions close on **11 November 2011**.

Guidance regarding submissions can be found at: www.parliament.vic.gov.au/committees/submissions.html

Submissions can be provided in either hard copy or by email to the Executive Officer.

Email: janine.bush@parliament.vic.gov.au

Hard copy submissions should be sent to:

The Executive Officer
Family and Community Development Committee
Parliament House
Spring Street
EAST MELBOURNE VIC 3002

The Committee draws your attention that **all submissions are public documents unless confidentiality is requested.**

Please contact the Committee if confidentiality is sought, as this has bearing on how evidence can be used in the report to Parliament.