

## 1.0 EXECUTIVE SUMMARY

The Australian participation rate of people with a mental illness in the workplace is extremely low, both in comparison to other countries and other disabilities.

The Mental Health Council of Australia (MHCA) conducted two one-day national forums aimed at engaging the business community in examining ways to promote the employment of people with mental illness through the promotion of best practice programs, and to develop a greater understanding of mental health problems.

The forums examined mental illness as a major cause of disability, current treatments, evidence based workplace programs, and examples of workplace practices which attract and retain employees with a mental illness.

The forums provided an opportunity for the Australian Government to articulate the need for employers to play a critical role in meeting the challenge of skill shortages through the creation of workplace practices and programs that enable people with mental illnesses to take up and remain in employment.

Examples of programs and workplace practices currently being utilised in large and small workplaces (ie Telstra, Australian Tax Office, Toll Holdings and Subway) formed a key feature of the forums.

Participants were provided with information aimed to:

- 1 increase awareness among employers and Job Network and Disability Open Employment Service (DOES) providers on mental health issues; current treatment practices and efficacy, the barriers faced by consumers in obtaining and maintaining work; managing mental illness in the workplace, and the services available for people with mental illness;
- 2 assist in improving workplace practices for dealing with the episodic nature of mental health problems; and
- 3 assist in improving linkages between the mental health services, Job Network and DOES providers and employers.

Through the formal presentations, case studies and examples of employer and service provider best practices, and the workgroup discussions, a number of ideas were identified. This report stresses that these ideas represent only a first step in the development of a comprehensive employment strategy for people with mental illness. Further research and evaluation is required, with input from consumers, service providers and from multiple service sectors (health, employment, disability), peak groups and all levels of government.

Evaluations from participants indicated high levels of satisfaction with the forums and progress among those in attendance in achieving the stated objectives. However it is also evident in the discussions and feedback that the task ahead is a difficult one. The low levels of awareness of mental health issues generally in the community, and particularly the perceived and real barriers to greater workforce participation, will require a concerted and coordinated multi-strategy approach if Australia is to attain the levels of employment for people with a mental illness seen in comparable OECD countries.

## **2.0 BACKGROUND**

### **2.1 Reforms to Disability Support Pension: 'Welfare to Work' Package**

The Australian Government is introducing reform of the welfare system as part of the 2005/2006 Federal Budget. The 'Welfare to Work' package has three key objectives. These are to:

- (a) increase workforce participation rates;
- (b) increase employment rates, and
- (c) reduce welfare dependency.

The reforms are targeted to 4 key groups: people with disabilities, parents, mature-aged people and the long-term unemployed.

People receiving a number of different types of payments (not only Disability Support Pension) are likely to experience mental illness. Various community groups have expressed concern regarding how the reforms will affect people with mental disabilities and the Government is keen to work with a variety of stakeholders to support and promote the employment of these people.

### **2.2 Government Strategies**

The Government, through the Department of Employment and Workplace Relations, has a number of processes (including the Disability Advisory Group and Employer Roundtable) to provide information and advice about strategies to improve the labour force participation of, and employment opportunities for people with disabilities, and to develop an appropriate action plan.

### **2.3 Mental Health – the Role of the MHCA and the Employer Forums**

To take into account the particular employment needs of people with mental illness, DEWR engaged the MHCA to conduct two employer forums. The aims of these forums were to identify strategies to increase employer demand for these staff and canvas issues of relevance to employers, employees and other stakeholders.

This report provides an overview of the forums, including discussion of research findings, personal experiences and employer/service provider best practice. The report also outlines the themes identified by small workgroups convened to identify ways to support and promote the employment of people with mental illness and create employer demand.

It is important to recognise the significant limitations of the current report. Only a small cross-section of employers participated in the forums, and this report cannot be certain whether the participants' views are representative of employers more generally. The topics raised by the participants do not necessarily reflect best-practice and/or evidence-based approaches, and the range of employer and government responses that were identified are not necessarily exhaustive.

Nonetheless, this report is a useful starting point for discussion of strategies to promote the employment of people with mental illness. There is a need to implement, test and evaluate these and other suggestions. This should include consultation with consumers, employers and service providers. There is a need to review appropriate literature and research, and systematically build a corpus of relevant knowledge.

It is important to develop strategies that represents the role of multiple stakeholders and also links into broader government processes and policies such as the National Mental Health Strategy and considerations around the provision of mental health services (eg Commonwealth/State responsibilities and the distinction between vocational and non-vocational services).

### **3.0 STATEMENT OF THE PROBLEM**

#### **3.1 The Problem**

Mental health is relevant to the employment and welfare reform context for a number of reasons:

- the participation rate of people with mental illness in the workforce is extremely low (both absolutely, in comparison with other disabilities, and compared with participation rates of people with mental illness in other OECD countries);
- untreated mental illness in the workplace is a significant financial impost on employers (depression alone is estimated to cost employers \$3.5 billion per year through absenteeism and reduced productivity);
- mental illness is more prevalent amongst income support recipients than in the general population and unless addressed can present a barrier to employment and the achievement of the Government's objectives of increasing participation of welfare recipients.

In light of this, the forums were designed to generate ideas and discussion of the issues relevant to creating employer demand.

### **4.0 KEY ISSUES SURROUNDING THE PROBLEM**

The issues discussed here are largely derived from discussion at the forum.

#### **4.1 Mental Illness as a Disability**

Mental illness poses unique challenges in terms of disability and employment.

- *The scale of mental illness is enormous*

Mental health is a national health priority and substantial social and economic issue. Almost 1 in 5 people experience a clinical mental health disorder in any 12-month period (anxiety, affective and substance abuse disorders). Mental illness is by far the leading cause of disability in Australia (causing the greatest overall impact on peoples' ability to undertake everyday activities such as participating in employment).

- *Age profile of mental illness causes greater disability*

Unlike other disorders or conditions which predominately influence older adults, the onset and impact of mental illness occurs at a young age (often during late adolescence and early adulthood). As well as the direct impairment due to the illness, the age profile of mental disorders is likely to limit educational attainment, the development of job skills and

experience, and the development of social and family supports. These compound the disadvantage faced by people with a mental illness in the workforce.

- *Issues associated with co-morbidity*

Mental illness can often occur in association with other illnesses. This co-morbidity further exacerbates limitations on social and economic participation.

## **4.2 Society, the Workplace and Mental Illness**

The impact and relevance of mental illness to employment is also a function of community characteristics and recent changes within society more generally.

- *Labour market changes*

Productivity growth in Australia surged during the 1990s, exceeding the OECD average for the first time. During the 1990's productivity growth increased to approximately 1.8% a year, compared with 0.7% a year during the 1980s.

Concurrently, there has been considerable change in the nature of employment in Australia: skilled jobs and employment in the service sector has increased, while there has been decline in more traditional sectors such as manufacturing. There has also been a dramatic increase in part-time and casual employment. Mental health problems are more prevalent amongst those who have not benefitted from the increased labour-force flexibility and have been excluded. Therefore, addressing mental illness is a challenge for the government's participation agenda and businesses need to address skill and labour-force shortages. Uncertainty was expressed at the forums about the consequences for the employment of people with mental illness of the proposed industrial relations changes.

- *Stigma and Issues of Disclosure*

There is a great deal of misunderstanding of mental illness within the community. This is reflected in the preparedness of employers to hire and accommodate the needs of potential employees with mental health problems and the willingness of individuals to disclose that they experience a mental illness and seek assistance. This limits labour market success.

- *Job Design*

While work brings many benefits to the individual, including those with mental illness, some aspects of work can have adverse consequences (e.g. jobs with high stress and low levels of control). Good job design can support the wellbeing of current and future employees, including those with pre-existing health needs be they physical or mental.

## **4.3 Specific Barriers to Employment**

Within the broader context defined by the issues noted above, the forum participants identified the following specific barriers. These may be genuine blockages to the process of employing people with mental illness or the perceptions of forum participants (which nonetheless need to be understood). They are related to employers, people with mental illness, employment service providers and more systemic issues.

## Barriers to employment from the perspective of employers

### ▪ *Perceived Risk*

A key theme to emerge in the forums was employers' perception of the risks associated with employing a person with a mental illness. Employers are concerned that hiring a person with a mental illness will be a liability for their organisation.

### ▪ *Lack of understanding about mental illness*

As stated, the misunderstanding of mental illness in the general community is reflected in the workplace and in the attitudes of employers. Employers do not feel they have the capacity to hire a person with a mental illness because they lack the knowledge to appropriately accommodate and support potential employees. For example:

- Employers perceive mental illness to be “unpredictable” meaning they could not rely on an employee with a mental illness;
- Employers consider mental illness “untreatable”;
- Employers misunderstand the need/benefit of supporting employees in the ongoing management of the illness including during periods of recovery;
- Employers lump all mental illnesses together and fail to recognise that different disorders affect the ability to work in different ways; and
- Employers often focus on the illness rather than the individual's circumstances, abilities and skills.

### ▪ *Lack of support/access to information*

Employers do not know where to find information or how to obtain support to employ people with mental illness and are not confident about their ability to access treatment and support services that potential employees may require.

### ▪ *Potential costs*

Employers expressed concern about higher costs (workers' compensation, OH&S, insurance, etc) associated with the employment of people with mental illness, unfair dismissal liabilities or action under the Disabilities Discrimination Act and potentially expensive workplace adjustments.

### ▪ *Effect on workplace culture, acceptance of co-workers*

Employer concern that co-workers would react negatively to accommodations made for people with a mental illness in the workplace was another barrier. Further, co-worker lack of knowledge and understanding could isolate an employee with a mental illness.

### ▪ *Lack of job relevant skills and experience*

People with a mental illness (for a number of reasons) may be less likely to possess the type of job relevant skills and experience sought by employers. While the onus is not necessarily on employers to address this problem, it was seen as a real barrier faced by employers.

### Barriers to employment from the perspective of people with mental illness

Forum participants also identified the following barriers to employment from the perspective of potential employees with a mental illness. Issues arising were as follows:

- Low self-esteem. Many people with mental illness have been either long-term unemployed or in receipt of disability support benefits. They are among the most marginalised groups in our community and hence suffer low self-esteem and low confidence in relation to employment;
- Feelings of inadequacy in putting together a resume and engaging in the process of applying for a job;
- May have long gaps between employment and/or short employment histories;
- Fear of loss of entitlements. This extends beyond the proposed changes to Disability Support Pension and the Newstart Allowance to include health care concession cards, transport/mobility concessions, and other secondary benefits such as supported accommodation;
- Issue of disclosure and reluctance to disclose. People with mental illness continue to report to bodies like the MHCA and the Human Rights and Equal Opportunity Commission (HREOC) adverse consequences when they disclose the nature of their illness to employers and providers of services such as insurance, superannuation and even health services;
- Lack of part-time jobs or jobs that can provide flexibility for the chronic, episodic nature of some mental illness;
- The symptoms/nature of/experience of the mental illness itself;
- Effects of medication; and
- The perception that the stresses of employment will exacerbate the illness. This is particularly the case where loss of employment or past negative employment experiences has resulted from a period of illness.

### Systemic Barriers

A fundamental barrier is presented by the divide between government services and programs (eg. distinction between health, vocational, prevocational and non-vocational services; Federal -vs- State responsibility). These service silos create barriers between what should be complementary and coordinated services.

Many *employment* service providers develop informal linkages at the local level. But, in the absence of formal protocols, success depends on individual factors (eg personal connections).

A co-ordinated approach is necessary to understand the interactions between systems. There is a need for broader consideration of the implications of policy changes in one “system” (ie State mental health changes) on other “systems” and different interactions across domains due to different State legislation/policies.

There were concerns about how people with mental illness would fare under new work capacity assessment arrangements. These included:

- the experience, skills and capacity of the organisations conducting such assessments in the area of mental health;
- the potential use and goals of the assessment process (eg. identification of need, eligibility, development of intervention plans, etc) and possible duplication with other Commonwealth and State assessment processes prompting calls for increased co-ordination in assessment; and
- concern about the applicability of one-off assessment processes for people with mental illness, given the potential chronic and episodic nature of their illness.

For all stakeholders in these forums, employers, service providers and employees/consumers, the complexity of the “system” represents a substantial barrier. There was universal concern about a lack of knowledge of available assistance and a resulting lack of ability and confidence to navigate through complex webs of services.

With employment services for many people with mental health problems delivered through Job Network and non-specialist providers, there is a need to support the development of skills and expertise within these organisations, including staff mental health literacy and the implementation of adequate quality assurance processes.

Employment outcomes for people with mental illness could be compromised by the current financial payment structures and the types of milestones recognised.

It was suggested that other incentives to enable the provision of workplace support were needed.

Greater co-ordination between disability open employment providers and Job Network members was also necessary.

While few representatives attending these forums had a detailed knowledge of the proposed legislative and policy changes to be introduced on 1 July 2006, it is reasonable to assume that these concerns will continue and grow. Therefore the need for ongoing communication and information to all stakeholders over the next 12-18 months would seem paramount to achieving the Government’s objectives.

## **5.0 SUGGESTIONS FOR INCREASING EMPLOYER DEMAND**

Through the formal presentations, case studies and examples of employer and service provider best practices, and the workgroup discussions, the following ideas were identified. Again, this report stresses that the ideas below represent only a first step in the development of a comprehensive employment strategy for people with mental illness. Further research and evaluation is required, with input from consumers, service providers and from multiple service sectors (health, employment, disability), peak groups and all levels of government.

### **5.1 Leadership**

The importance of recognising and promoting “best practice” organisations.

- Businesses employing people with mental illness provide an example to the business community generally about the connection between good values and good business.
- Being identified as a “champion” also rewards organisations through positive publicity provides an incentive for action.
- The experience of effective pioneering organisations can provide a resource for other businesses (particularly small and medium businesses), sharing expertise and resources.
- The experiences of champion organisations will be relevant in several critical respects:
  - the promulgation of demonstrated workplace education programs;
  - efforts to increase mental health literacy;
  - dissemination of effective recruitment policies;
  - promulgation of strategies to support and accommodate the needs of employees with mental illness;
  - understanding implications for human resource management policies and procedures; and
  - development of strategies to implement mental health employment policies at senior management and whole-of-organisation levels.
- Governments have a critical role as a champion employer in setting an example of best practice.

## **5.2 Marketing and Promoting Change**

Increasing mental health literacy in the community generally and among employers in particular, promoting the benefits of employing people with mental illness and publicising the support available for employees/employers is essential in creating a supportive environment. A sound social marketing program is required to:

- Demonstrate the cost effectiveness of screening and providing treatment for mental illness within the workplace. Given the prevalence of mental illness, it is already an issue for almost every workplace.
- Demonstrate that people with mental illness can succeed in the workplace and that this has benefits for everyone.
- Target knowledge and attitudes at multiple sites: peak business groups, employer forums, and advisory groups like The Employer Roundtable, and micro (service providers, consumers/employees) levels. There was support for the use of employer forums, breakfast meetings, and other modalities suitable for the business community as strategies to raise awareness.

## **5.3 Educational Strategies**

### Community Education

- Implement educational, promotional and training programs to improve mental health literacy and awareness of employment issues in the community (breakdown stereotypes and stigma). Success at the wider community level will feed into success



in workplaces. As one participant remarked, “employees do not drop off their beliefs and attitudes when they get to work – they reflect the attitudes of their community”.

- Influence how the media presents mental health issues. Some efforts have been made in this regard such as the ‘Response Ability’ Media Kit and SANE Australia’s Stigma-Watch Program. However, daily reporting by the media of mental health issues continue to misrepresent and inappropriately portray the issue to the general community. This in turn fuels stigma and daily experiences of discrimination for people with mental illness.
- Use existing media/promotional events. Focus on employment issues during Mental Health Week, or key professional groups such as The Australian Human Resource Institute and Human Resources Week.

### Workplace Education

Sound marketing programs can raise awareness, promote interest in action-taking and create a more supportive environment. Wider implementation of educational programs targeting workplace mental health literacy (eg *beyondblue*’s depression in the workplace program, Mental Health First Aid, Telstra’s wellbeing/mental health program).

Workplace education programs should target:

- How to recognise signs and symptoms.
- Challenging misconceptions surrounding mental illness (eg make people aware of the differences between mental illnesses like depression, bipolar and schizophrenia).
- Mental health does not necessarily equate to mental incompetence or low skill.
- Making information available about treatment within the organisation.
- Stimulation of discussion and making the most of potential peer support networks.

### **5.4 An Integrated Network Providing Information and Support for Employing People with Mental Illness**

More details regarding the Job Accommodation Network are provided in Appendix 1.

**Key features of such an integrated network are that it would:**

- Provide a clearinghouse for information on workplace accommodation and employment strategies for people with mental illness (ie a central point for collecting, classifying and distributing information or assistance);
- Provide information about issues relevant to employers; legislation and legal requirements, workers’ compensation, premiums, OH&S legislation, EEO legislation, and other relevant employment legislation;
- Ensure information is accurate and practical, easily accessible and that the website is easy to navigate and search;
- Provide information relevant to employers about local services and opportunities in their local area; and
- Ensure the website was accompanied by other modes of information/advice delivery (person-to-person). This could be via a national telephone hotline, an advisory call centre, or funding of local positions and/or shopfronts to provide one-stop-shop for

information and advice in the local area. It was also stressed that these services should tap into existing networks and infrastructure, such as that provided by NGOs with considerable relevant experience in this area.

## **5.5 Financial Incentives and Assistance**

- There were calls for greater financial support to employers for the provision of workplace modifications for people with mental illness. This includes financial support to enable more flexibility in terms of hours worked, timing of work and workload and the provision of mental health services for those employees requiring ongoing assistance in the workplace. The current workplace modification schemes were virtually unknown and seen as overly narrow in scope.
- Fund work experience programs for people with mental illness (providing case management, wage subsidies, job matching, etc).
- More generally, introduce increased flexibility and less bureaucracy in government-funded traineeships suitable for people with mental illness.
- Similarly, provide tax or other incentives to support more flexible employment options for people with mental illness, for example, to recognise costs of hiring, training and supervising multiple people for a single job.

## **5.6 Legislation**

- There is a need to investigate the likely consequences (positive or negative) for people with mental illness of the Government's proposed changes to industrial relations and unfair dismissal laws. For example, it was not clear how the proposed changes to unfair dismissal laws would interact with the Disability Discrimination Act and whether this may increase barriers to employment.

## **5.7 Structural Reforms**

There were several suggestions made for structural reform:

- *Employment as an avenue for mental health service delivery:* It may be possible to develop other service delivery mechanisms including the provision of mental health care through the workplace.
- Improved linkages between mental health services, employment service providers and employers: A desire was expressed for communication between these areas both "on the ground" and during policy and program development. Physical co-location of services (employment and mental health) would enhance communication and promote co-ordination.
- For the Australian Government to develop a whole-of-government approach to the employment of people with mental illness. For example through inclusion of outcome measures in the Portfolio Budget Statement of several Departments and Agencies (eg DEWR, DEST, DHA, FACS, DoHA and Centrelink) a consistent and collaborative policy and program delivery approach can be generated.

In relation to the cross-jurisdictional issues, it is clear that collaboration with State and Territory Governments is essential to realising the Australian Government's objectives in relation to welfare and workforce participation. Many people with mental illness receive

services from state/territory mental health, disability, housing, education and training programs. It is equally clear that state/territory laws in areas like employment, mental health, OH&S and discrimination, need to be reviewed and realigned with the Australian Government's agenda. While this issue received little attention in the forums, the MHCA believes that through the Australia Heads of Government (COAG) Forum, agreements to enable program and service integration are essential. The agreements for co-ordinated service delivery in Indigenous Communities provide a useful example.

A further example of positive change in this area is the new mandatory disability employment framework arrangements put in place in the Australian Capital Territory's Public Service. This framework ensures that applicants with a disability are assessed at the commencement of every recruitment action undertaken, though it should be said that the focus of this framework appears to be physical disability rather than mental illness.

A more comprehensive discussion of both the evidence to support a whole-of-government response and an outline of (some of) the required structural changes are presented in *Investing in Australia's Future: the personal, social and economic benefits of good mental health* (MHCA, Dec 2004).

## **6.0 RECOMMENDATIONS**

- That a national scheme be developed to reward and recognise excellence among employers creating supportive workplaces for people with mental illness. This may be part of a broader scheme to recognise excellence in disability employment.
- That case studies demonstrating effective workplace education programs and human resource management policies and practices be disseminated through multiple channels to employers and peak business and professional groups including the Australian Institute of Management, Australian Chamber of Commerce and Industry and Australian Institute for Human Resources.
- That the Australian Government through the Australian Public Service Commission develop targets, goals and programs to create greater employment opportunities for people with mental illness.
- That a national mental health promotion program based on sound social marketing principles and evidence be developed and conducted over a four year period to increase literacy and understanding of mental health by employers.
- That funding of \$0.5m to support a national program of forums, similar to the two forums conducted as part of this project, be undertaken as a matter of urgency to support the introduction of the welfare to work reforms in July 2006.
- That additional support be provided to promote existing workplace programs, such as *beyondblue's* depression in the workplace and the Mental Health First Aid program.
- That funding of \$0.5m be provided to develop additional workplace programs addressing lower prevalence disorders (e.g. bi-polar and schizophrenia) and co-morbidity (alcohol and substance abuse in particular).
- That the proposed Australian JAN website be developed based on clearly defined end-user requirements.

- That the JAN website be supported through a complimentary suite of services including a telephone information service and a face-to-face advisory service.
- That further analysis and evaluation of the ideas generated from these forums be undertaken as a matter of urgency to ensure policy and program interventions are properly planned and targeted. The MHCA recommends the development of a mental health employment strategy with key stakeholders be undertaken in the later half of 2005. This is estimated at a total cost of \$0.15m.