

Submission

Inquiry into Sustainable Employment for Disadvantaged Job Seekers

Friday 9 August 2019

Orygen, The National Centre of Excellence in Youth Mental Health (Orygen) welcomes the opportunity to provide a submission to the Parliament of Victoria's Legislative Assembly Economy and Infrastructure Committee inquiry into sustainable employment for disadvantaged job seekers.

About Orygen

Orygen, The National Centre of Excellence in Youth Mental Health is the world's leading research and knowledge translation organisation focusing on mental ill-health in young people. At Orygen, our leadership and staff work to deliver cutting-edge research, policy development, innovative clinical services, and evidence-based training and education to ensure that there is continuous improvement in the treatments and care provided to young people experiencing mental ill-health.

Introduction

This submission provides the Committee with information to inform its inquiry into the social and economic benefits of seeking to place disadvantaged jobseekers into sustainable employment. This submission will focus specifically on young people experiencing mental ill-health and outlines current barriers and opportunities that the Victorian Government could investigate in order to better achieve desired employment outcomes.

Issues

In 2018, the Foundation for Young Australians reported that 31.5% of young people, aged 15-24 years, were unemployed or underemployed, and that the average time taken for a young person to transition from education to full-time work is now 4.7 years, compared to just one year in 1986.(1)

Some populations of young people are more likely to face barriers, experience disadvantage, and disengage from both education and employment settings, particularly those experiencing mental ill-health. Disengagement from study and work at this crucial transition period has major, ongoing, negative consequences for economic and social participation throughout adult life. Prolonged periods of unemployment and underemployment also have serious implications for a young person's self-esteem and general mental health and wellbeing.

Impact of mental ill-health on education, training and employment outcomes

The majority of mental health problems develop during adolescence and young adulthood, which coincides with the critical phases for achieving education or employment goals. Around 37.6% of all people experiencing mental ill-health (or 67.3% with severe mental illness) are unemployed or not in the labour force, compared to 22.3% of people without mental health conditions.(2) Evidence shows that the unemployment rates for young people experiencing mental ill-health can be up to three times higher than the standard youth unemployment rate.(3)

Young people with mental ill-health tend to have large gaps in their employment history; interrupted learning resulting in lower literacy and numeracy levels; lack employment references; and lack confidence to apply for jobs or enrol in further study.(3)

Economic impact of disrupted education and employment participation due to mental ill-health

A 2009 study of the economic impact of youth mental health (12-25 year olds) in Australia found that the annual cost was over \$10.6 billion nationally (\$12.52 billion in 2017 prices).(4) Predominately, these costs were not associated with the healthcare system, as evidenced by:

- **Productivity costs (70.5% of total costs), including employment impacts, absenteeism, presenteeism, premature death, and search and hiring costs**
- Other costs (13.4% of total costs), including carer costs, funeral costs and other costs to society due to economic inefficiencies
- Health system expenditure (13.4% of total costs).

This study estimated that these costs are largely borne by individuals (61.6%), with governments (31.1%) and employers (7.2%) accounting for the remainder.(5)

The Parliamentary Budget Office (PBO) report, Disability Support Pension – Historical and projected trends, released in 2018 found new recipients (in particular younger people with psychological and intellectual conditions) were now likely to stay on the DSP payment (of up to \$23,597 p.a.) for over 20 years compared to the average period of payment of 10 years a decade ago. While these are transfer payments, and therefore only a cost to society through the cost of collecting taxes, the Parliamentary Budget Office found that these young people were likely to be the major contributor to growing DSP expenditure over the long term.(6)

A recent Australian report estimated that the cost of lost income due to unemployment among young men experiencing mental ill-health alone is \$167.8 million per annum, while the cost to the government for welfare benefits for this group is \$62.1 million per annum.(5)

Supporting young people back into education, training and employment

Australian research supports the importance of early intervention in supporting young people into education, employment and training, including findings that a person unemployed for one year has more than a 50% chance of becoming long term unemployed (two years or greater) and, after a second year of unemployment, there is a six out of 10 chance of remaining unemployed for an additional year.(7)

Research also suggests that a return to work and/or education is likely to improve, rather than harm, a young person's clinical outcomes. Vocational services can act as a powerful clinical engagement tool for young people experiencing mental ill-health, as most want to return to work or study.(8) In a landmark 7.5 year follow-up study of 209 young people treated for first episode psychosis, returning to work or school within 14-months of treatment commencing was a better indicator of long-term recovery than symptomatic recovery at 14-months.(9) Nearly 60% of young people who had re-engaged with work or education at 14-months went on to attain full functional recovery at 7.5years follow-up.(8)

Young people with mental ill-health self-identify vocational recovery as one of their main treatment goals(9) and if they are not adequately supported to work toward this goal, they may disengage from their clinical management.(10) Even if young people do remain engaged in treatment, delaying or discouraging vocational engagement can have deleterious consequences in terms of increased self-stigma, social isolation, hopelessness, suicidality and chronic disability.(11)

Barriers

For young people with mental ill-health who want to work or study, there are a number of barriers which make this more difficult. Barriers to the completion of studies/school retention for students experiencing mental ill-health, can include:

- Cognitive or attention difficulties associated with illness symptoms and/or effects of medication
- Stigma, discrimination, fear of failure and lowered perception of academic aptitude (particularly when past educational experiences have been negative)
- Disruptions to participation due to periods of exacerbations in the illness
- Other life issues such as financial pressures, housing and relationships which may also be related to experiences of mental ill-health.(12)

Should mental ill-health impact on school completion, the resultant low educational attainment, training or skills are then perceived as barriers to finding work. Additional barriers to employment can include:

- Concern from those close to the person, including family members or carers and clinicians, that there will be a negative impact from engagement in work (increased pressure, stress and potential for discrimination), potentially exacerbating illness.
- Perceived or actual stigma and discrimination in workplaces deterring individuals from disclosing their mental health condition and negotiating appropriate arrangements with their employer to accommodate their needs.(9)

Sub-populations of young people may be particularly disadvantaged, as they experience compounding barriers to access. A study of headspace clients found characteristics most strongly associated with non-participation in education, training and employment included being Aboriginal or Torres Strait Islander, male, homeless, diagnosed with a substance use disorder, or having a neurodevelopmental disorder in young adulthood.(13)

Current service responses

Evidence from across the headspace platform indicates that existing and traditional employment and study support mechanisms are not working for young people experiencing mental ill-health. With ongoing stigma and low mental health literacy among service providers across the vocational support

system, young people report that they do not feel comfortable engaging with the traditional vocational supports available to them.(3) In addition, issues of high staff turnover, poor skill sets and a tendency towards a punitive approach to employment support within these systems has had a detrimental impact on satisfaction, with 73% of respondents dissatisfied with mainstream employment service.(14) Indeed, the providers' role in the benefit compliance system (and risk of loss of payment) was a major source of anxiety.(14)

Existing services respond poorly to the needs of young people experiencing mental ill-health who are not in education, employment or training. During 2017-2018, more than one-quarter (25.8%) of young people presenting to headspace centres were not in education, employment or training, increasing to more than 30% in regional and rural areas, and above 40% for some centres in regional Queensland, Victoria and Tasmania.(3)

Services for this cohort are also fragmented. Employment services are seldom located with or linked to mental health services, resulting in difficulty navigating the service system, and creating barriers to holistic, person-centred care. People with mental ill-health, particularly those with mild-moderate symptoms, are channelled towards employment services targeted at the general community. Generic employment services (such as jobactive) do not offer low enough caseloads and lack the subject matter expertise to support young people with mental ill-health.(9)

Some youth mental health platforms, such as the Australian Government funded headspace, have been specifically developed to create integrated pathways, a holistic focus, and include vocational supports within their services. While headspace centres are expected to provide vocational services, there is no Federally-funded stream that supports such services, with centres expected to draw upon 'in-kind' support from consortium partners. Further, traditional vocational and educational funding streams are not suitable because they are limited in their reach or not suited to the unique needs of young people experiencing mental ill-health (e.g. by having a disability focus).(9)

To attempt to fill this large service gap, a number of innovative programs have been and are being developed, trialled, and evaluated. These include the Individual Placement Support (IPS) trial, the Digital Work and Study Service (DWSS), the Digital Industry Mentoring Service (DIMMS), Youth Online Training and Employment System (YOTES), and incorporating youth vocational peer workers into trials.

Policy context

The Victorian Government has recognised the impact of mental ill-health on education and workforce participation, and implemented a number of measures across education, employment services, mental health service delivery and social services. In 2012 the Social and Family Services Committee of the Victorian Parliament reported on its *Inquiry into Workforce Participation by People with a Mental Illness*. The report made a significant number of recommendations, including trialling the co-location of education and employment officers in area mental health services.

Since then, the Victorian Government, through the Jobs Victoria Employment Network (JVEN) has invested in an employment support program for young people experiencing mental health issues who are engaged in Orygen Youth Health services.

Orygen has tried to fit the evidence-based Individual Placement and Support (IPS) approach – described in detail below - into the JVEN funding model, however there are elements of the funding criteria and reporting requirements that work against some of the key principles of IPS.

For example young people in the JVEN IPS program must be able to work a minimum of 15 hours per week, every week for 26 weeks, for this to be considered a sustained employment outcome (this goes against the fidelity points that all people who want help getting work, regardless how many hours per week, are eligible for IPS). While this works for some in the program, many of the more disadvantaged young people that need a graded entry to work or want to study and work at the same time.

Opportunities

There is a clear need for the Victorian Government to continue its overhaul of existing vocational support services, to better meet the needs of a more complex workforce and employment landscape. Continued commitment to expanding the delivery of evidence-based initiatives and emerging programs (described below) will help to ensure sustainable employment outcomes can be achieved for disadvantaged young people, particularly those experiencing mental ill-health.

Individual Placement Support (IPS)

IPS is an evidence-based vocational intervention demonstrated to be superior to traditional vocational interventions among adults with severe mental ill-health. (9) This model has been successfully adapted for delivery within youth mental health settings. A 2014 report by Orygen presented strong evidence for the IPS employment services model, which was shown to effectively increase workforce participation among young people experiencing mental ill-health, and divert them from the Disability Support Pension.(9)

In 2016, the Australian Government announced more than \$13.6 million funding for a three-year national trial of the IPS model of vocational assistance for young people aged 25 years and under experiencing mental ill-health. An initial 14 IPS trial sites were rolled out in headspace centres, along with a separately funded evaluation and fidelity review process. In January 2019, it was announced that funding for the 14 trial sites would be extended for a further two years and an additional 10 IPS sites would be established.

While the 2018 evaluation of the IPS is not publicly available, nine IPS sites have separately provided Orygen with outcome data. Combined, these data demonstrate: placements of 419 young people into employment, 185 young people into education, and a placement rate into either work or education of 72.2%.

A recent international meta-analysis of randomised controlled trials provides strong evidence for the competitive employment outcomes provided through the IPS. The analysis found that participants in IPS, compared to standard job supports, had better vocational outcome.(15) Another systematic review and meta-analysis in 2016 found that IPS was more than twice as likely to lead to competitive employment when compared with traditional vocational rehabilitation.(16)

Youth Online Training and Employment System (YOTES)

YOTES is a moderated, safe online environment that allows young people to engage in positive social media interactions, and have ongoing contact with career specialists and peer workers. YOTES offers flexible accessibility; content co-designed with young people; safety software; employability skills; and ongoing support once employed.

YOTES combines Facebook-style social networking, evidence-based, high-quality career content and a forum-like feature where users can cooperatively crowd source solutions to problems. Users develop individual profiles and build points using the system to work on core work skills by completing suitable training modules and actions. A team of online career consultants moderates the system to enhance social connections and highlight career options. There are 40 evidence-based steps in YOTES, including 'Career exploration', 'Employer expectations' and 'Entrepreneurship', with completion of steps allowing users to earn points towards their work strengths.

YOTES has been developed on technology used in a range of moderated online social therapy platforms developed and tested by eOrygen over seven years. The current randomised control trial of YOTES has recruited 180 young people (90 in the YOTES trial and 90 in the control group) to date.

Vocational Peer Workers

There is growing demand for increasing the lived-experience workforce to provide services such as peer support and advocacy, and to support consumer and carer engagement in service development and improvement.⁽¹⁷⁾ Peer support can be defined as social, emotional or practical support that is mutually offered and reciprocal. In Victoria, the Department of Health and Human Services has provided program funding for the expansion of post-discharge support by peer workers and is developing a lived-experience workforce strategy for Victoria.

Orygen, in collaboration with Jobs Victoria, is currently trialling a new approach to enhance and expand vocational support available to young people, by embedding youth vocational peer workers into IPS teams. These positions work collaboratively with IPS workers and clinicians to provide emotional and social support to others with whom they share a common experience. In the employment and education context, this can include supports such as talking to participants about disclosing their mental health with employers or developing strategies with young people to manage their mental health when balancing life and work or study. Peer workers can also provide ongoing post-placement support, supplementing the role of the IPS worker.

Benefits of peer work programs include the creation of entry level career opportunities for people experiencing long-term unemployment or for people with limited work experience, and increased uptake and program participation, as peer workers can improve engagement with support services.

Policy options

The following policy options are presented to the Committee, to support the Victorian Government's efforts to improve sustainable employment outcomes by providing meaningful support to disadvantaged people, particularly young people experiencing mental ill-health.

1. The Victorian Government should explore options to increase investment in vocational support programs for young people, particularly those experiencing mental ill-health. This includes investment into the IPS model for young people in youth mental health services and ensure that the reporting and minimum activity requirements are appropriate to meet IPS model fidelity. There is also a need to implement and evaluate enhancements to this model by incorporating peer work and integration with technology into its delivery.
2. Many outcome measures utilised in vocational services young people experiencing mental ill-health are narrow and do not assess the true impact of the program. For example, measuring benefits such as studying, volunteering, or participating in internships is not a reporting requirement for many funders, yet these are important vocational steps for young people. It is recommended that the Victorian Government review outcome measures of vocational support programs it funds for young people experiencing mental ill-health.
3. The Victorian Government has committed to supporting over 400 careers practitioners obtain the Graduate Certificate in Career Education, to ensure that every government secondary school can have at least one qualified careers practitioner. It is recommended that practitioners undergoing training are provided with a distinct youth mental health component, to ensure that they are able to meet the specific needs of young people in educational settings who experience mental ill-health.
4. It is recommended that the Victorian Government fund the development and implementation of professional development activities across the Victorian vocational workforce to build mental health literacy and capacity to provide effective vocational support to young people experiencing additional barriers to vocational engagement due to mental ill-health.

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