

Employment And Mental Health

Issues And Opportunities

A Discussion Paper

The Mental Health Commission thanks the many people who contributed to this report. Particular thanks are due to Chris Harris and Bev James.

The Commission welcomes comment and feedback on this paper.

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Foreword

This paper has been prepared as an introduction to some of the key issues affecting employment of people with mental illness.

There is a wealth of research internationally which indicates that employment and mental health are linked, and that employment is an important contributor to recovery from mental illness. People with mental illness want to work, and being in work is a significant factor in reducing their use of mental health services.

Many people affected by serious mental illness are successful in employment without any special assistance being provided to them. But for others the options and opportunities are extremely limited in the absence of tailored policies and supports to meet their needs.

Some people with mental illness are disadvantaged in the employment market place by a range wide of economic and social factors, by the inadequate consideration of their educational and training needs, by limited and inadequate pathways to support them back into work, by discriminatory attitudes and practices. At present, in common with many other countries, New Zealand lacks an integrated policy response to this. However there is increasing interest in addressing this problem.

We hope this paper will provide a useful starting point for further debate and policy development.

Barbara Disley
Chair



Executive Summary

This paper outlines key issues in employment and mental health. It is intended to generate discussion and better understanding of the issues among the mental health sector, the employment and income support sectors, and people with experience of mental illness, with a view to developing better employment responses for people with mental illness.

The Mental Health Commission considers that employment is a critically important contributor to recovery from mental illness. Many people affected by mental illness succeed in employment without any special consideration or support. This paper focuses on those who do need assistance.

Most people with mental illness want a real job, for real wages, in an open environment. Most people with mental illness, including many with high support needs, can participate effectively in the open labour market, as long as they have access to work opportunities and supports, if required.

At present there is very little information about the needs, numbers and trends of people with mental illness seeking and gaining employment. But it seems that the employment capability of the population experiencing mental illness is underestimated.

Some people with mental illness seeking employment face considerable barriers, and labour market trends and policy changes over the last ten years are likely to have exacerbated the difficulties they face. Labour market barriers that people with mental illness experience include limited education, training, and skills; interrupted work history; limited employment networks; and discrimination by employers and work colleagues.

Often the episodic and unpredictable nature of mental illness impacts on a person's employment prospects. For young people, this can be particularly devastating if the onset of mental illness affects their education and delays entry to the labour market. For those in the labour force, periods of illness may cause fluctuating employment and job loss. Mental illness can also sever the networks that link the individual to the labour market.

Barriers due to the nature of mental illness are made even more difficult to overcome by the discriminatory practices of some employers and workers. While there is little systematic research in New Zealand on discrimination experienced by people with mental illness in the labour force, there is nevertheless clear evidence that it occurs.

Employment policy has not effectively addressed these barriers. It has only focused on a limited set of employment solutions. A raft of issues concerning current policies have been identified:

- * Mainstream vocational and employment support services have mostly failed to provide effectively for people with mental illness.
- * Employment solutions have traditionally focused on “sheltered”

programmes that rarely lead to jobs in the open labour market. Such services are appropriate for only a small minority of people with mental illness. Even within this limited range of responses there are significant deficiencies.

- * There is a lack of co-ordination between mental health and employment services. Intersectoral responsibilities are not clear and interface arrangements confused. There appears to be no overarching policy framework and responsibilities are split between a number of Government agencies.
- * There are some risks that recent benefit changes and proposed work capacity assessment will be detrimental to people with mental illness.
- * There is a lack of baseline research on the labour force experiences and needs of people with mental illness and evaluation of different employment initiatives.
- * Critical service gaps are apparent.
- * Better skills among the mental health and employment services workforce are needed.

However, alternative approaches are gradually developing. Work co-operative businesses are one employment option available to some people with mental illness and high support needs in New Zealand. There is also growing interest in Supported Employment (SE). This model is based on the assumption that all people with disabilities can work successfully in the open labour market if they find a suitable job and are given the right supports.

The key policy issues are how to ensure mental health, labour market, employment and income support policies work together. Policies must provide adequate medical, rehabilitative, vocational, social and financial supports, motivation and encouragement to seek work, and access to jobs. At present New Zealand does not have integrated public policy which ensures this.

The Commission has identified various ways that stakeholders can contribute to improving employment opportunities for people with mental illness.

The mental health sector has certain key responsibilities. These include developing positive expectations about what mental health service users can achieve, and assisting them to develop the skills and resources needed to get and keep a job. This will require assessment of employment and training needs and supports as an integral part of considering the full range of an individual's mental health needs, and co-ordination of employment and training needs with clinical and support service planning. The sector is also able to provide work opportunities for consumers.

The employment sector can consider how its services can be applied more effectively for people with mental illness. This will become an increasingly significant issue with the introduction of work capacity assessment for

people with disabilities. There also needs to be better co-ordination of funding and provision of employment services for people with mental illness, as there is considerable confusion over roles and responsibilities.

Employers can ensure that they provide equal employment opportunities and that their workplaces are mentally healthy and safe environments. Employment policies need to recognise that for an employer to be responsive and supportive of employees with a mental illness, there may be additional costs to consider.

Finally, there needs to be a wide range of different kinds of employment support services developed. New models and initiatives are urgently required, together with a more inclusive approach generally, and measures to tackle discrimination.



Employment and Mental Health

1 Purpose

This paper provides an introduction to some key issues in employment and mental health. It is intended to generate discussion and better understanding of the issues among the mental health sector, the employment and income support sectors, and people with experience of mental illness, with a view to improving employment opportunities for people with mental illness.

2 Scope

This paper focuses on employment considerations for those people affected by major mental illness who need assistance to gain and keep a job. Many people affected by major mental illness succeed in employment without any special employment considerations.

To assume all people affected by mental illness need special considerations would be both erroneous and potentially damaging. Such an assumption may reinforce discrimination and stereotyping and reduce normalisation of employment for people with mental illness.

3 Background

The Mental Health Commission's purpose is to ensure the implementation of the National Mental Health Strategy.

The National Mental Health Strategy has two key goals:

To decrease the prevalence of mental illness and mental health problems within the community

To increase the health status of and reduce the impact of mental disorders on consumers, their families and the general community.¹

These goals can only be achieved with a fully developed range of mental health services and in an environment that will actively contribute to people's recovery from mental illness.

In the *Blueprint for Mental Health Services in New Zealand*, the Commission states that recovery happens when mental health services provide for people in the context of their whole lives. This is not just a focus on treating illness, but also on helping people to gain the basics needed for a full life, including employment and income.

Mental health services users generally show a strong desire to be employed. Being employed contributes to their recovery and many service users report that finding satisfactory work is essential to their well-being.²

1 Looking Forward.
Ministry of Health,
1994

2 Curtis, L. New
Directions:
International Overview
of Best Practices in
Recovery and
Rehabilitation
Services for People
with Serious Mental
Illness, Mental
Health Commission,
1997.

Recent changes in drug therapies are likely to lead to increasing demand for employment. In the last five years, new medications have become available for the treatment of psychosis. These are now being increasingly widely prescribed. They have far less damaging side effects than older style anti-psychotics, and generally result in greatly improved quality of life. These new medications are likely to result in many people with mental illness seeking employment who previously would not have been able to manage such a step.

Employment is a major contributor to mental well-being. Improving access to employment for people with mental illness will assist in reducing both the prevalence of mental illness and the impact of mental disorders.

Most people with mental illness, including many with high support needs, can participate effectively in the labour force. Some need additional support to take on employment, but find those supports are missing. Others may need opportunities to regain, attain or consolidate skills. Still others may only need to have their existing skills recognised.

Users of mental health services want real job opportunities and meaningful activity in their lives. These have not always been provided by traditional solutions such as sheltered workshops.

Some Definitions

Employed – people in paid work, either employees or self-employed, working for at least one hour per week.

Unemployed – people not in paid work, but actively seeking and available for work.

Labour force – includes the employed and unemployed.

Not in the labour force – people who are not in paid work or seeking paid work.

Labour market – the arena in which labour is bought and sold. There are a number of different labour markets, based on occupation, industry, or location.

4 The Benefits of Employment and its Place in Recovery

The benefits of employment to recovery from mental illness should not be underestimated.

Employment may aid recovery by providing structure, the opportunity for social connections and a fuller life. It may also reduce frequency and severity of episodes of acute illness. Through regular remuneration, employment can end or reduce dependence on benefits and reduce individual need for mental health services. Families of a person with mental

illness can also benefit. When he or she gets a job, their mental health improves, and independence increases.

Loss of employment through mental illness may jeopardise a person's recovery. Income and standard of living are reduced, resulting in economic dependence and a loss of morale. There is also the loss of personal relationships with fellow workers, social marginalisation and changed relationships with family and friends.

As well as exacerbating mental illness, unemployment can also generate mental distress and illness. Although there is a dearth of New Zealand research on mental health and employment, one study, based on time series data from the 1930s to the 1970s, found a rise in suicide and self harm in times of economic recession.³ This supports the findings of many overseas studies, which show that unemployment is associated with increases in risks of major depression, anxiety disorders, suicide, admission to mental hospital and lowered self-esteem.⁴ Those whose mental health appears to be most at risk are long term unemployed⁵ and jobless youth.⁶ However, the health consequences of unemployment are likely to differ greatly depending on such factors as health, welfare and income support services, individuals' other social and economic supports and cultural norms regarding paid employment.⁷

Although unemployment is associated with greater risk of both physical and mental ill health, this is not to say that employment itself is unproblematic. Both seeking and retaining a job can be stressful. Work pressures and responsibilities can also threaten mental health.

Some studies have argued that it is not so much employment, but the quality of employment itself that is crucial to well-being. Insecure employment, low job satisfaction, low pay, poor working conditions and poor use of an employee's skills are all apt to contribute to stress that can lead to physical and mental problems.⁸ In such situations unemployment may be more conducive to good mental health than a job.

Discrimination against people with mental illness in the workplace can jeopardise recovery. An environment that is hostile to mental illness may prevent people recognising and seeking help for their mental health problems. They may deny to their employer that they have any mental health problems, and reduce or stop their use of mental health services.

5 Mental Health and Employment Support Needs and Responses

5.1 Prevalence of mental illness

Over 30% of people in New Zealand will, at some time in their life, experience mental illness.⁹ For most, who experience mild and moderate disorders, while there may be some short term difficulties, their longer term employment situation and prospects will be unaffected. Some of

3 MacDonald M, Pearce N, Salter D and Smith A Health Consequences of Unemployment – will effects of recent rises in New Zealand unemployment become apparent in national health statistics? pp 36 – 46 in Abbott M (ed) Symposium on Unemployment Mental Health Foundation of New Zealand/ New Zealand Psychological Society 1982 .

4 MacDonald et al 1982; Bethwaite P, Baker M, Pearce N, Kawai I Unemployment and the Public Health, New Zealand Medical Journal 103 1990, pp 48 – 49; Dew M, Bromet E Penkower L Mental Health effects of job loss in women, Psychological Medicine 22, 1992 pp 751 – 764.

5 Claussen B, Bjorndal A, Hjort P Health and re-employment in a two year follow up of long term unemployed, Journal of Epidemiology and Community Health 47, 1993 pp 14 – 18.

6 Banks M and Jackson P Unemployment and risk of minor psychiatric disorder in young people: cross-sectional and longitudinal evidence, Psychological Medicine 12, 1982 pp 789 – 798.

7 Mental Health in New Zealand from a Public Health Perspective, Ministry of Health 1997 pp 53-54.

8 Graetz, B Health consequences of employment and unemployment: longitudinal evidence for young men and women, Social and Science Medicine 36:6, 1993 pp 715 – 724.

9 Wells E et al, Christchurch Psychiatric Epidemiology Study, Part 1. Australian and New Zealand Journal of Psychiatry 1989; 23:315-326.

those who experience major mental illness will also be able to cope without special employment considerations. However, many of those affected by severe and ongoing illness, will find their employment options are sharply diminished.

5.2 Impact of mental illness on employment prospects

First onset of major mental illness tends to occur in late adolescence or early adulthood, at a time when education and training are not yet completed. Training and gaining of qualifications is interrupted, often not to be returned to, and the young people affected are significantly disadvantaged. Their lack of skills and qualifications is a major barrier to future employment.

For those in work, the onset of an acute, severe episode of illness may mean their employment is in jeopardy because of inflexible work arrangements, and/or because the individual is discriminated against by the employer and/or work colleagues. Experience of major mental illness can also result in significant loss of hope and confidence, which may affect an individual's ability to retain employment or seek other work.

For others, periods outside the labour force caused by their mental illness have meant that, despite their adequate functioning potential, re-entry into the labour force is inhibited by three key barriers. Firstly, individuals may be subject to discrimination. Secondly, they may require flexibility around work arrangements that employers are unwilling, or do not know how, to provide. Finally, those who have been outside of the labour force for an extended period are unlikely to have the type of credentials, skills and employment experiences that make them attractive to employers.

5.3 Responses to employment needs of people with mental illness¹⁰

Despite the diverse employment situations of people with mental illness, and their wide range of special employment needs, employment policy for people with mental illness has focused on only a small proportion of their needs, and on a very limited set of employment solutions. Those employment solutions have traditionally involved vocational services for people with mental illness, placement services for people with disabilities, sheltered workshops and pre-vocational services for people with disabilities.

Mental health service consumers, and other mental health sector stakeholders, have advised the Commission that within this limited range of responses there are significant deficiencies. There appears to be a lack of understanding of the needs of people with mental illness by employers and vocational services in general. Mental health vocational services are under-developed, despite a growing demand for them. Placement services for people with disabilities often do not cater specifically for the needs of people with mental illness. Sheltered workshops and pre-vocational services do not provide the range of skills development and job experience needed, and are in most cases unlikely to lead to a job on the open market.

¹⁰ Discussed more fully in section 6.

Mainstream employment services do not cater for people with mental illness, and there is a lack of co-ordination between mental health and employment services. It is not surprising that in a recent Auckland survey of 2521 users of mental health services who have high support needs, access to vocational opportunities and daytime activities were identified as the areas of highest unmet need.¹¹

5.4 Potential for participation in employment

Underpinning the dearth of attention to the employment needs of some people with mental illness, is the view, only gradually being challenged, that employment on the open market for many people with mental illness is simply not viable. What is clear from overseas research, however, is that there is as wide a range of work abilities and capabilities among people with experience of mental illness, as there are for the rest of the population. Moreover, even among people with on-going and significant disabilities arising from mental illness, up to 50% of those with high support needs can enter paid work, as long as there are appropriate employment supports and conditions.¹²

Despite their potential for employment, some people with mental illness have been largely excluded from entry or re-entry into the labour market. One US study estimates that the employment rate for people with severe mental illness is between 10% and 15%.¹³ In New Zealand, people with disabilities, whether arising from mental illness or other causes, are also subject to low levels of labour force participation. Disability surveys carried out in 1996 and 1997 found that 60% of those adults 15 years and over with disabilities were not in the labour force,¹⁴ compared to 25% of the population without disabilities. Of those with disabilities in the labour force, 3% were unemployed.¹⁵

5.5 Lack of New Zealand data on employment participation by people with mental illness

These statistics on disability cannot be applied without qualification to the situation of people with mental illness. One reason is that the data may not capture some people with experience of mental illness who are employed, because the manageable nature of their illness and fear of discrimination may inhibit them from disclosing their illness. Another reason is that the data does not provide detailed information on type of disability and labour force status. Outside the paid workforce, there are thought to be a large number of people doing voluntary work in order to develop their skills as a stepping stone to paid employment, or as an alternative occupation, in the absence of paid employment opportunities.

We simply do not know the labour force status of people with mental illness. But it seems that the employment capability of the population experiencing mental illness is underestimated.

11 Kydd, R Mahoney, J and Turbott S *A Survey of the Needs of Users of Mental Health Services Who Require High Support*, prepared for North Health by the Department of Psychiatric Behavioural Science, School of Medicine and Health Science, University of Auckland, 1997 p81. (This report indicates that clinical staff and community support workers ranked vocational opportunities as an area of high unmet need for people with severe mental illness.)

12 Barron, R *The Impact of Behavioural Managed Care on Employment Programming for Persons with Serious Mental Illness*, Matrix Research Institute, Philadelphia, PA 1998; Bond, G *Principles of the Individual Placement and Support Model: Empirical Support*, Psychiatric Rehabilitation Journal, 22:1, 1998 pp 11 – 23; *Strategies to Secure and Maintain Employment for People with Long Term Mental Illness*, Consensus Statement National Institute on Disability and Research, Washington DC, 1:3 Sept 1992 21 -23.

13 Noble, J *Policy Reform Dilemmas in Promoting Employment of Persons with Severe Mental Illness*, Psychiatric Services 49:6 1998, pp 775 - 781.

14 The official definition of the labour force is those in paid work and those seeking paid work.

15 *Statistics New Zealand 1998 Disability Counts*, Wellington, Statistics New Zealand. (This report contains information from the first major surveys of disability carried out in 1996 and 1997.)

This is reflected in the response to the employment needs of people with mental illness, which has become confined to those with high support needs, and limited to a narrow range of employment solutions.

6 Barriers to Getting and Keeping a Job

Among people whose employment options are affected by mental illness, there are substantial differences in work capability and any support needs. For some, mental illness can contribute to labour market disadvantage by generating major barriers to entry and success in employment. These include:

- * limited education, training, and skills
- * interrupted work history
- * limited employment networks, and
- * discrimination by employers and work colleagues.

6.1 Limited education, training and skills

The episodic and unpredictable nature of some mental illness impacts on ability to work and on current and future earning capacity. For young people, this can be particularly devastating if the onset of mental illness affects their education and delays entry to the labour market. This disruption occurs at a critical time in a young person's life when training and educational qualifications are gained, participation in to the labour market is achieved and on-the-job experience gained. Not only are immediate job prospects affected, but future career opportunities may be put at risk. Skills and experience are also acquired through on-the-job training, which is difficult to obtain if employment is sporadic and work experience limited.

6.2 Interrupted work history

For those who have established a work record, periods of illness may cause fluctuating employment and job loss. This can reduce the chance of re-gaining employment and future job advancement. Even when an individual with experience of mental illness is well, past gaps in labour force participation become part of his or her work history and may count against them with a prospective employer.

6.3 Limited employment networks

Mental illness can sever the networks which link the individual to the labour market. Networks linking to employment are very important, as 'word of mouth' is the most common way of getting a job. People develop and maintain participation in the labour force through employed friends, acquaintances, family members, and involvement in local organisations. Loss of friends and separation from family and community is often a result of illness. Living in supported accommodation can also reinforce detachment from the labour market.

6.4 Discrimination barriers

The barriers due to the nature of mental illness are made even more difficult to overcome by the discriminatory practices of some employers and workers. Many employers are supportive of people with mental illness. They provide support when needed, in ways which are unobtrusive and non-stigmatising. There are many others who do not understand the issues and behave in ways that are discriminatory.

Discrimination can take many forms. It can be expressed by stereotyping and poor treatment. It can result in exclusion from jobs, loss of promotion or poor remuneration. Discrimination can also restrict access to certain occupations, and to training. In some instances, discrimination results in people with mental illness experiencing loss of confidence, hopelessness and reluctance to take on work even when it is available.

While there is little systematic research in New Zealand on discrimination experienced by people with mental illness in the labour force, there is clear evidence that it occurs. People with mental illness and mental health service providers mention discrimination as a barrier to employment more than any other factor.

The Commission has received complaints from people who have encountered overt discrimination when their experience of mental illness was divulged to their employer. For example, a working journalist who had been treated for depression spoke about her experience in an article and was subsequently dismissed. In another case, a personal assistant was offered employment and then found the offer was retracted when the employer found out that they had a short admission to a psychiatric ward in the past. Another person's experience shows how career opportunities can also be affected. A flight attendant, who had worked for 17 years for the same company, was grounded after it was found out that she had received a diagnosis of bipolar disorder five years earlier. Yet she had been working in the air in a senior role for five years after the 2 month period of extended sick leave.

Some employers acknowledge their limited knowledge and understanding of mental health issues and the needs of people with mental illness in the workplace, but many do not. Many employers are likely to believe that people with mental illness are unreliable and unproductive. These employers are concerned about possible extra supervision that may be needed. In addition, employers often have low expectations of people with mental illness and underestimate their skills. This reinforces the stereotype of a low skilled, unproductive worker.

Sometimes, even though there is no overt discrimination, employment can be difficult to sustain because of employers' lack of knowledge of the needs of workers with experience of mental illness.

7 Current Employment Services and Programmes

Employment services and programmes can be divided into three broad categories: mainstream services, services with a focus on people with disabilities of all kinds; and services specifically targeted towards people with mental illness. Services are provided by public and private sector agencies, and there is a menu of possible types of services that can be provided. They include:

- * job search and brokerage
- * vocational advice
- * training and skills development
- * transition into employment and work experience
- * alternative employment
- * subsidised employment
- * employment protection.

7.1 Mainstream services

Some employment services and programmes provided in the mainstream are specifically targeted to groups who have difficulty entering employment or training, such as the long term unemployed, or young people, while others are more generic in focus. Examples of the types of services that are currently provided include:

- * job search and brokerage – Work and Income New Zealand (WINZ) purchases and provides case management, job search assistance and placement, including programmes to develop job-seeking skills, work transition grants, and training (including Training Opportunities Programme)
- * vocational advice - career services, planning and information are provided by the Careers Service (a Crown entity), educational institutions, and a range of private service providers
- * training and skills development - Skill New Zealand (a Crown entity) purchases training programmes for those who are disadvantaged in the labour market. Industry Training Organisations develop and oversee the delivery of training packages for their respective industries
- * transition into employment and work experience - WINZ contracts providers to deliver a number of programmes to help individuals enter or return to paid work
- * alternative employment - WINZ provides programmes and financial assistance for individuals to become self-employed, and for communities to develop employment and enterprise skills
- * employer subsidies - WINZ provides partial subsidies to employers through several programmes
- * employment protection - this is provided by the Employment Tribunal and Employment Court. Discrimination by employers can be dealt

with under both the Human Rights Act 1993 and the Employment Contracts Act 1991. EEO programmes are promoted in private sector workplaces through the Equal Employment Opportunities Fund.

Consumer advice to the Commission is that in New Zealand participation in mainstream employment services by people with serious mental illness is generally low and that services are rarely effective in supporting people with mental illness to achieve employment.

7.2 Specialist services for people with disabilities

Some employment services are provided for people with disabilities, although they may not have a specific focus on the needs of people with mental illness. They include:

- * specialist placement services for people with all types of disabilities - Workbridge and approximately 30 supported employment providers are funded by WINZ to assist job seekers who have disabilities.
- * employment support services for people with disabilities - WINZ purchases a range of supported employment services, sheltered employment, daily activities, vocational education and training.
- * employer subsidies - The State Services Commission administers the “Mainstream” programme which subsidises initial employment of people with disabilities in a number of Government agencies.

Mental health service consumers have commented that some services for people with disabilities have staff with little knowledge of mental illness, and consequently do not cater well for the needs of people with mental illness.

7.3 Services with a specific focus on people with mental illness

Employment services for people with mental illness are poorly developed in New Zealand compared to the United States, United Kingdom, Canada, Australia and many European countries. In the USA and Canada there are many good services, some of which are consumer run businesses. This is assisted by pro-active legislation such as the Americans with Disabilities Act and the Legislative Department for Vocational Disability. Similarly, in the United Kingdom, employment integration measures have been introduced through the “New Deal for Disabled People” and employment support initiatives and ‘social firms’ are increasing.

7.3.1 Traditional services

Segregated environments are still the dominant approaches to facilitating employment for people with mental illness in New Zealand. These include sheltered workshops and pre-vocational services, which provide some limited employment opportunities for people with psychiatric disabilities, mostly in production line work. These and other activities provided in rehabilitation centres and day treatment centres are not usually focused on

achieving employment on the open market. Users of mental health services are often critical of them, as the work is low paid, highly structured and repetitive, and there is no path into open employment. Moreover, the prevalence of these services tends to reinforce prejudice about the ability of people with mental illness to participate in the open labour market. Such services are appropriate for only a small minority of people with mental illness.

7.3.2 Work co-operatives

Another employment option available to some people with mental illness and high support needs in New Zealand is work co-operative businesses. Examples include lawn mowing and maintenance crews, art groups, coffee shops, and cleaning businesses. The approach provides opportunities for flexible working hours and involvement in decision making about the business. A less positive aspect is that the transition to open employment is low.

7.3.3 Supported employment

There is growing interest in Supported Employment (SE). This model is based on the assumption that all people with disabilities can work successfully in the open labour market if they find a suitable job and are given the right support (for as long as necessary) to choose, gain and keep employment. Unlike the older segregated employment assistance models there are no limits placed on the types of jobs people might choose or the types of support that could assist them. Job 'failures' are understood to reflect a failure in the type of job chosen or support given, rather than as an inevitable consequence of disability. The supports given can vary widely. People do not have to meet conventional work readiness criteria in order to access supported employment.¹⁶

Little is known about the outcomes of different employment support interventions in New Zealand for people with mental illness as there have been few outcome evaluations of these services.

7.3.4 Recent developments

Employment support services with a focus on people with mental illness are provided by not-for-profit organisations and health and hospital services (HHS). In the past HHS services were primarily sheltered workshops, but now some include a wider range of employment assistance, although overall HHS activity in this field is declining. There are around 15 major not-for-profit organisations providing various forms of employment support services for people with mental illness. They offer a diverse range of services including supported employment placements, vocational training, pre-vocational and day activity services to a range of clients (not only to people with mental illness), and sometimes a mix of services to individual clients.

16 A New Way of Thinking. The Role of Supported Employment in Achieving Real Outcomes for People with Disability, Association for Supported Employment in New Zealand 1997, p.11.

An increasing number of employment support providers are in a transition from providing sheltered employment, to offering a wider range of services to assist people find and keep work in the open labour market, including career planning, brokerage, workplace support and vocational services. This in part reflects demand for equal opportunities from mental health service consumers. Also, for some consumers, advances in medication now make employment in the open market a viable option. The proposed move to work capacity assessment may also heighten interest in the development of employment support services geared to the open labour market.

Supported employment has been criticised because it often involves vocational providers going into the workplace to offer job coaching or other support. People receiving this support often feel uncomfortable and discriminated against when an outsider comes into an open work setting. An answer to this problem has been the growth of a 'natural supports' approach whereby on-the-job support and training are provided by co-workers, supervisors and trainers within the workplace.

7.4 Issues with current services

In New Zealand, users of mental health services, mental health consumer advocates, and service providers have identified a raft of issues with current services:

- * There is confusion surrounding roles and responsibilities with respect to the policy, purchase and provision of employment services for people with mental illness.
- * There is little evaluation of specific initiatives so it is unclear what are the strengths and weaknesses and outcomes of different approaches.
- * There tends to be a greater focus on specialised employment support services for people with disabilities other than mental illness, although currently in New Zealand 50% of supported employment users are consumers of mental health services.
- * There are critical service gaps, particularly in the areas of:
 - employment sector knowledge of needs of people with mental illness
 - mental health sector knowledge of the employment sector, and lack of focus on employment goals
 - assessment of employment and training needs as an integral part of mental health treatment and support planning
 - assistance to find employment on the open market
 - post placement support.
- * There are major workforce development issues. There is a lack of expertise in delivering employment support services to people with mental illness. Few staff have a knowledge and understanding of mental health issues.

- * Although there has been an increase in the number of providers of employment support services there is, nevertheless, a perception among some providers that there is little encouragement for them to run services, either through funding decisions or strategic priority setting.

8 Mental Health, the Labour Market and Related Policy

People with mental illness who are seeking employment enter a competitive labour market which has undergone significant change in recent years. They compete for jobs with many others. Not all people have an equal chance of getting a job. It is well established that in New Zealand some groups are disadvantaged in the labour market because they:

- * lack required skills and experience
- * do not have the familial or social networks that facilitate job entry
- * live in areas with limited employment opportunities
- * are vulnerable to discrimination.

The groups in New Zealand most disadvantaged on the labour market are:

- * people from low-income families
- * young people
- * low-skilled workers
- * Maori
- * Pacific peoples.

These groups are also over-represented in the population of people with mental illness. Mental illness compounds other disadvantages and means people with mental illness are likely to have greater difficulty accessing employment. Disadvantaged groups are more likely to be affected by fluctuations in economic activity and more likely to become unemployed during periods of economic downturn.

8.1 Labour market change

The difficulties people with mental illness have in getting and keeping a job have been exacerbated by pervasive changes in the labour market in the last 15 years.¹⁷ These are due to a combination of long term labour market trends, international influences, domestic business cycles, and significant policy changes.

Key changes over the last 15 years include:¹⁸

- * A steep rise in unemployment since the late 1970s, which peaked in 1991 at 10.7%. Since then the unemployment rate has declined, with unemployment at the end of March 1999 being 7.2%.
- * An increase in long term unemployed as a percentage of the unemployed and there has also been an increase in the number of

17 Mare D. *Labour market trends, cycles and outlook, 1996* pp 9 – 24 in Morrison P (ed) *Labour Employment and Work in New Zealand*, Proceedings of the Seventh Conference 28 – 29 November 1996, Institute of Geography, Victoria University of Wellington.

18 *Employment The Issues*, Prime Ministerial Task Force on Employment 1994, Wellington; Mare 1996; Easton 1997; Scollay et al 1993.

people who have withdrawn from the labour market altogether, known as “discouraged job seekers”.

- * Particularly heavy job losses in the late 1980s in some industries, including the primary industries (agriculture, fishing, forestry, mining), manufacturing and government sector. This particularly impacted on men’s labour force participation rate, as traditionally male occupations were lost.
- * Growth in unemployment has been partially offset by a recent growth in the labour force, of 8.7% between June 1993 and June 1996.¹⁹
- * Rises in employment among some groups. The female labour force participation rate rose, in part reflecting an increase in part-time employment. There has also been a growth in self-employment.
- * A trend towards greater use of casual workers, with more temporary work and more people working shorter hours. There has been a marked increase in the trend towards more part-time work, up 18% from 1991 - 1996²⁰ and also an increase in the number of people working over 45 hours per week.²¹
- * The types of jobs people do have changed. By 1991, the community and personal services industry group was the largest employer, followed by wholesale and retail trades.

Overall, there is an indication that the labour force may be becoming polarised, with some people working in high paid, full-time, relatively secure jobs, while more people are in part-time or temporary jobs, unemployed, or not in the labour force, although there is some debate about this. Several commentators have observed a ‘dual labour market’ in New Zealand. In the primary labour market, workers are able to command secure jobs, good pay and working conditions, and career and training opportunities. In contrast, the secondary labour market is characterised by low-skilled jobs that are less secure and conditions of work and pay are generally poor. Under-employment and unemployment are typical of the secondary labour market. Usually, movement between the two labour markets is very restricted.²² Some people with mental illness, like some other disadvantaged groups, are vulnerable to being confined to the secondary labour market.

8.2 Policy changes

Employment for people with mental illness is affected by policies in three sectors:

- * mental health services
- * labour and employment
- * income support.

Recent changes and dilemmas in each of these policy areas have resulted in ambivalent and conflicting signals for people with mental illness.

19 New Zealand Official Yearbook 1997, pp 336.

20 New Zealand Official Yearbook 1997, pp 337.

21 *Employment and Unemployment*, Statistics New Zealand, Wellington 1998, pp 15.

22 Easton, B *The Labour Market and Economic Liberalisation*, pp 181 – 205 in A Bollard and R Buckle, *Economic Liberalisation in New Zealand*, Wellington 1987, Allen and Unwin; Scollay, R, St John, S and Horsman, J *Macroeconomics Principles and New Zealand Policy Issues*, Auckland 1993, Longman Paul.

8.2.1 Mental health policy

In recent years mental health services development has been concentrated on services for those with the most acute and severe illnesses, who have the greatest priority for access to scarce mental health resources. Frequently mental health services assist people through an acute illness period to achieve a minimal level of wellness and functioning, but do not support them through to full recovery.

Increasingly the mental health sector is recognising the centrality of work to recovery from mental illness, and signalling that mental health service users can and will work successfully if they have access to job opportunities and employment supports tailored to their needs.

Unfortunately, growing recognition that employment may be a viable option has not been matched yet by similar growth in the range and numbers of mental health services which facilitate participation in employment. This may be due, in part, to lack of clarity about sector responsibilities for provision of vocational training and employment services for people with mental illness.

8.2.2 Labour market policy

Meanwhile labour market policy has become less interventionist. Policy changes directly affecting the labour market include labour market deregulation and active labour market policies. Key changes include:²³

- * Deregulation of the labour market to assist industry and the labour market to be more competitive. The Labour Relations Act 1987 introduced substantial changes to the organisation of trade unions and bargaining. This was followed by the Employment Contracts Act 1991, which set in place a radically new direction with individual employment contracts. This resulted in more flexibility in hours worked, and a greater range of wage rates. Low paid and unskilled workers became more vulnerable to poor working conditions and erosion of their rights.²⁴
- * Demise of 'full employment' as a policy goal, and acceptance among government and industry of an irreducible minimum level of unemployment as a fact of economic life.
- * A decline in the use of active labour market policies, such as job creation and subsidised employment opportunities, to address unemployment, and instead a greater reliance on economic growth to determine the number of jobs in the economy. To this end, Government has focused on policies most likely to lead to general economic growth. Employment policy is now designed to assist people, while they are out of work, to reduce their period of unemployment, by improving their 'work readiness'.

For people with mental illness, a more flexible labour market as intended by many of the recent reforms, can offer greater opportunity in terms of part time and temporary work. But they also carry risks of under-

23 Prime Ministerial Task Force on Employment 1994; Mare 1996; Easton 1997; Scollay et al 1993.

24 Dannin E *Working Free. The Origins and Impact of New Zealand's Employment Contracts Act*, Auckland University Press 1997, Auckland.

employment, greater use of casual workers, and low employer investment in skill development. There does not appear to be any active job creation strategies to support the increased motivation to seek work which is intended by changes in income support policy.

8.2.3 Income support policy

The Government's Welfare to Well-being policy aims to reduce benefit dependency and increase participation in employment.

Key changes to income support in line with this policy have included:

- * Benefit reforms based on the concept of reciprocal obligations. Government expects people of labour force age receiving a benefit to take all reasonable steps to become self-supporting by taking up employment, training or community work. Stronger work incentives are being introduced through work tests,²⁵ and requiring the registered unemployed to undertake work or training in return for the Community Wage.
- * Changes to the Invalid Benefit and Sickness Benefit. In 1998, the criteria for Invalid Benefit changed. Now, to qualify for Invalid Benefit, a person must have a condition which has been judged by a doctor to have an expected duration of over two years, and be incapable of regularly working for 15 hours per week or more in open employment. People with a mental illness who do not meet these criteria now go on to the Community Wage. Sickness Benefit has been abolished, but people who have a condition that is not expected to last two years or more but cannot work 15 hours a week, including people with mental illness, receive exemption from their obligations under the Community Wage.

Changes to the benefit regime and the possible introduction of the Work Capacity Assessment process, may have profound implications for some people with mental illness. In 1998 the criteria for Invalid Benefit were changed to include assessment of ability to take on paid employment. At present this assessment is carried out by designated doctors. WINZ is currently trialling the Work Capacity Assessment process in six areas in New Zealand. This new approach to assessment of capacity to take on paid work adds specialist assessors to the process to try to get more information about the number of hours a person can work and whether any assistance can increase their capacity.

The impacts of these income support policy changes on people with mental illness are considered to be poorly understood. The potential financial impact on individuals is frequently unclear, and may not lead to the incentive effect intended.

Some people with mental illness and some mental health service providers report the following difficulties:

- * Fear of loss of benefit entitlement if a person begins employment and then cannot sustain it.

²⁵ Work testing is only applicable to those on work testable benefits. It does not apply to those on Invalid Benefit, and some on Community Wage who have an exemption from their reciprocal obligations.

- * The abatement regime acts as a disincentive to seek or begin work. Although people on Invalid Benefit can keep the first \$80 per week they earn, without their Invalid Benefit being affected, their entitlements to other benefits such as the Accommodation Supplement and Disability Allowance may be reduced. The current benefit and abatement regime is complex. It is difficult for consumers to obtain reliable information about their entitlements and the implications of taking on paid work. Wide variation in application of discretionary 'rules' is reported.
- * People with mental illness who are currently on the Invalid Benefit are reluctant to take on paid work for more than 15 hours. This could see them transferred to the Community Wage, which is significantly lower than the Invalid Benefit for people in similar circumstances (a \$60 per week differential in some cases). Many perceive a risk, sometimes born out of experience, that the employment situation may break down or disappear and, having demonstrated that they can work for more than 15 hours per week, they will not be eligible to return to the more generous Invalid Benefit. In addition, receipt of the Community Wage entails a more stringent set of expectations in relation to participation in work and training.
- * Reluctance on the part of workers to increase their hours to earn in excess of \$80 per week, at which point their benefit entitlement is reduced by 30 cents in the dollar for those receiving Invalid Benefit and 70 cents in the dollar for those receiving Community Wage. The net financial gain after abatement may be further eroded by the extra costs of participating in the paid workforce (for example, costs of appropriate clothing and transport).

8.3 Policy dilemmas

Employment for most people with mental illness is an achievable and worthwhile goal. The key policy issues are how to ensure mental health, labour market, employment and income support policies work together to ensure progress towards participation in employment by people with mental illness. Policies of the three sectors must provide:

- * adequate medical, rehabilitative, vocational, social and financial supports
- * motivation and encouragement to seek work
- * access to jobs.

At present, New Zealand does not have integrated public policy which ensures this.

- * The mental health sector accepts that, for many, employment is central to recovery, but has few services to assist people into work, and is not certain how much of this is a health sector responsibility.
- * Mainstream vocational and employment support services to date have mostly failed to provide effectively for people with mental illness.

- * Current labour market policies focus on increasing competition, which is likely to result in reduced work opportunities for severely disadvantaged groups, including some people with mental illness.
- * Income support policies give mixed incentives for people with mental illness to seek work.
- * A coherent workforce development strategy to produce staff with requisite knowledge and skills concerning employment and mental health is lacking.

It seems that neither the goals nor the operational approaches of the three sectors are well aligned. This problem is not unique to New Zealand. Most countries provide mental health services and supports, labour market intervention, and incentives for labour market participation through different mechanisms and policies that are often contradictory and unsuccessful. However, integrated approaches are developing overseas to improve the individual's access to mental health, housing, employment, education and training services.

Also in common with most other countries, New Zealand faces a fundamental policy dilemma of how to provide adequate income support for people in need without promoting dependency on benefits and diminishing individual motivation to participate in the labour market. Current confusion about the actual incentive effects of recent benefit changes on people with mental illness demonstrates the inherent difficulty.

9 The Development of Better Employment Solutions for People with Mental Illness

The factors involved in determining successful labour force participation for people with mental illness are a complex mix of individual attributes, labour market trends, income support policies, labour market policies, the types of vocational and employment assistance available to people with mental illness, the decisions of employers, and mental health services policy and provision.

9.1 Integrated public policy responses are required

This complex mix of determinants of employment outcomes indicates the need to ensure policies and strategies of the labour and employment, income support and health sectors are well co-ordinated and work together to achieve good outcomes. As shown in the preceding section, this co-ordination has not occurred to date. Intersectoral responsibilities are not clear and interface arrangements confused. There appears to be no overarching policy framework to guide developments in this area and responsibilities are split between a number of Government agencies. The key agencies are:

- * The Department of Labour which has responsibility for employment related policy advice (including employment support).

- * The Social Policy Agency which has responsibility for policy advice on income support.
- * The Ministry of Health which has responsibility for health policy advice.
- * WINZ which provides employment placement and income support, and funds a range of pre-vocational, training and employment support services.
- * The Health Funding Authority which purchases health and disability support services, some of which have a pre-vocational component where it is part of an individual service package.
- * Education agencies which are responsible for provision of education and training programmes.

These agencies need to work more closely together to ensure their policies and operational practices are aligned to meet the employment needs of people with mental illness effectively.

Recent changes in departmental roles and responsibilities, and the development of Ministerial teams provide new opportunities for this to occur. In particular the transfer (completed 1 July 1999) of responsibilities for funding of vocational services from CYPFA to WINZ should help to remove confusion as to department roles and provide for increasing alignment of operational practices.

The Department of Labour is responsible for monitoring the performance of WINZ. Two aspects of this work are likely to increase its interest in people with mental illness. The first is the evaluation of the effectiveness of the Work Capacity Assessment trials for different disability groups including people with mental illness. The second is a review of sheltered employment services, which has been underway for some time.

9.2 A diverse range of solutions is needed

Employment solutions for people with mental illness need to take into account their diverse individual needs and abilities. Different responses will be needed, depending on whether an individual was previously employed, or has still to enter and remain in the labour market for any sustained period. Furthermore, different responses will be required depending on whether the service needed is job search, training, vocational advice and so on. No single solution can meet all needs. A wide range of options is required, some of which, for some individuals, will be best provided in the health sector, and others which will be provided in the employment sector. All solutions will require co-operation and co-ordination between sectors. Overall, solutions should be consistent with the principles of the National Mental Health Strategy.

National Mental Health Strategy's Guiding Principles

The National Mental Health Strategy principles include the following requirements for service delivery and development:

- Empowerment of individuals
- Full participation in society
- Better specifications for services
- Maori involvement
- Consistent safety standards
- Cultural safety
- Improving access
- Best possible outcomes
- Respecting personal dignity
- Minimising disruption to people's lives
- Sensitivity to changing needs
- Cost-effectiveness
- Integration at all levels
- Individual rights
- Control over mental health
- Supportive social environments
- Working intersectorally

9.3 The role of the mental health sector

While much of the responsibility for the funding and delivery of employment services and the provision of jobs for people with mental illness rests with other sectors, the mental health sector has certain key responsibilities. These include:

- * Developing positive expectations about what service users can achieve.
- * Assisting service users to develop their individual resourcefulness, stability, hope and skills needed to get and keep a job. For some, the best encouragement and support to cope with the stresses of finding and keeping a job will come from family, friends and supportive mental health workers.
- * Assessing employment and training needs and supports as an integral part of considering the full range of an individual's mental health needs; and co-ordinating employment and training needs with clinical and support service planning.
- * Developing better skills among the mental health and employment services workforce. For example, there is a severe shortage of vocational specialists to assist people with mental illness. The Mental Health Commission considers that 337 full time equivalent positions

are required to provide an adequate service, but that these positions should not all be within mental health services. Ideally, most will be developed within mainstream employment services. Currently there are only 15 positions to provide vocational support for people with mental illness funded by the HFA, and a similar number funded through WINZ.

- * Assisting employers to make workplaces more responsive to people with mental illness and to reduce wastage of experienced staff through onset or exacerbation of mental illness while in employment.
- * Assessing and advising on the impacts of policies of other sectors on people with mental illness, such as changes in benefits and the introduction of the Work Capacity Assessment process.

The mental health sector can lead by example and provide work opportunities for consumers. Increasingly, consumers are becoming valued members of the mental health workforce. Mental health services staff with personal experience of mental illness are often those to whom service users relate most easily. Consumers are being employed in mental health services in a variety of roles, but most frequently as peer support workers. The recently developed training programmes for mental health support workers provide a route into this kind of work and an entry level qualification.

9.4 The role of the employment and income sectors

Employment for people with mental health needs, and others who may have reduced opportunities to access work, is receiving increasing attention. This is reflected in greater demands from people affected by mental illness to have their employment needs met and in recent developments in Government policy, including the proposed introduction of the Work Capacity Assessment process.

9.4.1 Supporting further development of employment services

The public sector already provides and funds a range of employment services. How can these be applied more effectively for people with mental illness? This will become an increasingly significant issue with the proposed introduction of work capacity assessment for people with disabilities. If the Welfare to Well-being policy programme is to identify and provide adequately for the needs of people with mental illness, then mainstream programmes will need to be focused more on their requirements, and targeted programmes that provide appropriate and effective support to people with mental illness will need to be developed.

There needs to be better co-ordination among agencies as there is considerable confusion surrounding roles and responsibilities regarding the funding and provision of employment services for people with mental illness.

9.4.2 Implementing Welfare to Well-being

People with mental illness and mental health advocates have raised strong concerns about work capacity assessment. It is seen to have both potential benefits and serious risks. While the assessment process may assist individuals in preparing themselves better for employment, there is considerable concern that individuals who are incapable of work will nevertheless be assessed, and that the assessment process itself may be detrimental to their mental health recovery.

The potential of the assessment to either help people into a job, or trigger a mental health crisis or relapse, is dependent on how it is conducted, and the support and employment and training options that are offered. Those who undertake the work capacity assessment of people with mental illness will need to have a good understanding of mental illness, and appreciation of the interaction between mental illness and employment. For example, poor job retention may be seen as undesirable. But for a person with mental illness, it may be a direct result of an interrupted transition to employment due to episodic illness and difficulty in maintaining participation in the labour market. In other cases, behaviour at work such as poor time keeping and lapses of concentration may be seen as examples of poor work habits, when they may be directly attributable to mental illness and may be managed with appropriate treatment and support. In undertaking work capacity assessment, WINZ staff will need to develop the knowledge and skills necessary to ensure assessment processes do not undermine an individual's potential for recovery.

Further, the work capacity assessment process may identify some people with mental illness as being capable of work and motivate them to seek work, but not result in successful employment outcomes unless there is a direct link to provision of the supports they need to achieve this. Changes in benefits and incentives to seek work need to be accompanied by parallel changes in access to jobs and employment support services if significant increases in employment of people with mental illness are to be achieved.

9.5 Working with employers

The mental health and employment support sectors also need to work with employers. If employers are going to take on more people with mental illness, then their needs and concerns have to be addressed. Mental health and employment support services need to work with employers to ensure employees with mental illness are sufficiently prepared and supported to meet the business and skill requirements of their employer; and to ensure employers understand the needs of their employees and are supported or assisted to meet these needs.

Employers can also improve employment opportunities for people with mental illness by ensuring they provide equal employment opportunities and their workplaces are mentally healthy and safe environments. Both public and private sector organisations can signal their responsiveness to

people with mental illness by ensuring their equal employment policies specifically include provisions for people with mental illness. Employers' groups could be encouraged and supported to provide leadership and guidance in this. For example, in England, the Employers' Forum on Disability has found widespread interest among members in the creation of mentally healthy workplaces and support systems to retain staff who become mentally ill. Employers' groups can become involved in developing codes of practice for organisations employing people with mental illness, in training support workers, and in establishing the competencies required of support workers.²⁶

Employment policies need to recognise that for an employer to be responsive and supportive of employees with a mental illness, there may be additional costs to consider - for example: replacement staff for when an employee is very unwell; limited return to work during recovery; and reduction in work effectiveness during periods of illness. Such costs can be a major issue, particularly for small businesses. Some of these costs may be offset by improved retention of skilled employees and consequent reduction in recruitment and training costs.

A safe working environment where individuals are free from harassment, and discrimination is essential. But further to that, there are many arrangements that can be made to help people with mental illness function effectively in the workplace. Employer responsiveness should start at recruitment. Some people with mental illness have an interrupted work history, or lack formal qualifications. These can restrict their chances of employment. Employers can be encouraged to recognise other experiences and skills an applicant may have acquired, for example through voluntary work or membership of a self-help group, as equally valid credentials.

Employers can be encouraged to offer a range of work arrangements, depending on an individual's needs and circumstances, such as:

- * flexible hours of work and flexibility to work at home
- * the availability of part time or temporary work
- * on-job training and support
- * provision for holding a job open during periods of acute illness, and
- * allowing return to work after illness at a pace which is comfortable.

9.6 Good information required to inform policy development

The development of effective and responsive employment policy for people with mental illness needs to be underpinned by a better understanding of mental health and workforce participation issues. Currently, there is very little information about the labour force status of people with mental illness, or of their experience in the labour market. There also needs to be investigation of the strategies that can be developed to create more responsive workplaces, and the special requirements of certain groups of people with mental illness, such as young people, who find it particularly difficult to continue education and participate in the labour force.

²⁶ Grove, B *Mental Health and Employment: Shaping a New Agenda*, Journal of Mental Health 8:2 1999; pp 131 - 140.

Information and reporting systems are needed also to enable evaluation of approaches. At present, there is no national evaluation of employment outcomes achieved from job placement and vocational services. People with experience of mental illness should be involved in all stages of research on issues concerning mental health and employment, to ensure that information gathered reflects the reality of their experience and aspirations.

The Department of Labour has traditionally provided analysis of trends and barriers to workforce participation in terms of age, ethnicity and gender but has not investigated the difficulties faced by people with mental illness. There appears to have been very little research into the factors which discourage job seekers, and marginalise work force participation for some groups.

10 Conclusion

Successful employment is a critical factor in recovery from mental illness. People affected by mental illness want real jobs for real wages in the open labour market. Some people with mental illness face significant barriers to employment, and inadequate access to services and supports to enable them to overcome such barriers.

Generic services to assist people to gain and maintain employment have not performed well for people affected by mental illness, and vocational services specifically for people with mental illness have mostly been 'sheltered' and not led to open employment.

At present, public policy across the labour market, employment, income support and health sectors is poorly integrated and sometimes conflicting. Departments need to develop a shared information base and common understandings of terms, as they begin to resolve these conflicts. Development of employment solutions for people with mental illness requires an integrated policy approach which is shared by all the key agencies. The key health, employment, income support, and labour policy agencies need to work together to develop this and to clarify their roles and responsibilities. This may be led by the Department of Labour as Government's primary adviser on employment policy.

As well as integrated and complementary public policy, different kinds of employment support services need to be developed. The recurring theme in commentaries on employment opportunities for people with mental illness is that current approaches cater for only a small proportion of people with mental illness who need employment support, and on a very limited range of employment solutions. New models and initiatives and measures to tackle discrimination are urgently required. Some models are presented in Appendix 1 for discussion, however, they are by no means the only possible solutions. New services are required to provide people with access to vocational training and work opportunities to achieve continuous paid employment in the mainstream workforce.

When such services are provided there will be greater recovery from mental illness, and reduced dependency on benefits. People provided with work opportunities show reduced use of mental health services.

Appendix 1

Employment Service Models for People with Mental Illness - Some Examples

In New Zealand, effective employment services targeted to people with mental illness are not well developed and there is very little published evaluative data on local services. This appendix describes some models which have been shown to be effective overseas.²⁷ It should be noted, however, that a number of new approaches have not yet been reported in the literature, and that policy, contracting and service development will need to be an active and continuous process of learning, experimentation, evaluation and adaptation.

Four basic models are described here. Three are health sector based and one (Supported Employment) is based in the employment sector.

In practice, there is enormous variation in how these models are implemented, with many providers drawing on particular features of one or more approaches and tailoring these to local circumstances. Furthermore, while some of the models described below are associated with particular organisations, such as transitional employment and the 'clubhouse', there is no reason why any approach could not be adapted for different settings.

1 Vocationally focused Assertive Community Treatment (ACT)²⁸

Under this model, employment is an explicit treatment goal. Treatment, needs assessment and service co-ordination involve entering and retaining employment. Success is most marked where vocational specialists are employed as members of treatment and support teams. These specialists assist individuals to obtain employment as rapidly as possible and then support the individuals at the worksite. This often involves the vocational specialist directly advocating for adjustments to medication and clinical supports as necessary for the individual to sustain effective work performance.

Under the vocationally focused ACT approach, the mental health consumer:

- * receives specific employment support in conjunction with a complementary comprehensive treatment strategy
- * gains treatment supports that are consistent with job search and job retention
- * receives ongoing comprehensive mental health team support to help them sustain their work performance.

This model may be the most successful for people with very high support needs.

27 It should be noted that in many countries mental health services are provided in the non-government sector and provide for considerable diversity in style.

28 The Mental Health Commission acknowledges that the term Assertive Community Treatment as mentioned in the literature is unacceptable to some mental health consumers, as it suggests a controlling and medically orientated approach rather than a partnership with the mental health consumer. Further development of this model in New Zealand would require adoption of a more appropriate name.

2 Individual Placement and Support (IPS)

An extension of the ACT model, the IPS team consists of clinicians, social workers and vocational specialists who have a specific and collective focus on assisting individuals into employment. Mental health service consumers who receive this service can expect:

- * rapid job search and entry to competitive employment
- * attention to individual preferences
- * continuous and comprehensive assessment
- * time unlimited, vocational, clinical and psychosocial support to ensure career development.

This is the most recently developed and applied employment model in the USA and preliminary cost benefit studies indicate this approach delivers the highest employment placement and retention rates for the money invested.

The one known HHS location (South Auckland) where this service approach is used in New Zealand has achieved good outcomes and warrants careful consideration and evaluation.

3 Transitional Employment (TE)

The Transitional Employment model assumes that the major barrier to people with mental illness obtaining paid employment is the lack of opportunity for a person to experience a wide range of work situations to develop work related knowledge and skills, and ultimately identify work that aligns with their individual skills and abilities. In most sites offering this approach an organisation “owns” a number of jobs with local employers. TE was developed within the Fountain House clubhouse for people with mental illness in New York. Within the clubhouse TE is offered as one of a complementary range of employment supports.

Within the TE model the mental health service consumer:

- * is placed in entry level employment with job components clearly specified and activity prompts carefully prepared and rehearsed, with a support person who is not normally a vocational specialist
- * engages in a number of six to nine month, part-time, paid employment placements until he or she feels ready for longer-term employment
- * undertakes real work for real pay
- * has the security of knowing the employer is guaranteed consistent performance for that job by the organisation in the event of periods of reduced capacity or absence due to fluctuations in wellness.

This is a very effective option for individuals who have had limited opportunity to develop employment skills, often because of the onset of mental illness during adolescence.

While there are two clubhouse organisations currently operating in New Zealand, only one is developing TE, and it is currently in the early stages of implementation.

Given that there are a considerable number of people with mental illness and high support needs who have recently been deinstitutionalised and who lack work related skills and experience, the TE model would seem to have an important place on the continuum of employment supports that should be available in New Zealand.

Developing employment opportunities within the mental health sector may be a part of expanding transitional employment options.

4 Supported Employment (SE)

Supported Employment is often identified as the Choose – Get – Keep Model. At present, in New Zealand, there is a lot of interest among providers in promoting this model. The key features of Supported Employment are that it:

- * requires no pre-vocational training
- * assumes all people are ‘work ready’ and can move directly into employment, provided individual capacities and job requirements are assessed and matched correctly
- * focuses on work in a wide range of open employment settings.

Supported Employment provides services to ensure the consumer:

- * identifies the nature of work sought
- * is supported by trained vocational specialists to locate an employer of choice
- * gains skills at the workplace, through on site training, until competence is achieved
- * receives ongoing, skills, counselling support, to enable job retention.

It is estimated that less than 5% of people in New Zealand with mental illness and high support needs have access to Supported Employment programmes. However, this model clearly has the potential to increase participation by people with mental illness in the open labour market.

A recent exploratory study completed by the Association for Supported Employment in New Zealand (ASENZ) indicates that in April 1997 around 240 people, in all disability groups, were being supported in paid work, by ten providers at a total cost of \$97,000 per month. For each dollar expended on supported employment services the Government recouped 70 cents in taxes and reductions in income support payments.

Appendix 2

Examples of Discrimination in the Workplace

To prevent potential discrimination many people do not disclose their experience of mental illness when applying for jobs, although this is often asked for in standard job application forms. An explanation for this concealment approach is demonstrated by some of the complaints the Commission has received from people who have encountered overt discrimination when their experience of mental illness was divulged to their employer.

For example:

1. A working journalist who had been treated for depression spoke about her experience in an article and was subsequently dismissed and told by the editor that “there was no room in the newsroom for people who can’t cope”.
2. A personal assistant was offered employment and then found the offer was retracted when the employer found out that they had a short admission to a psychiatric ward in the past. The employer said the dishonesty would not be tolerated and that an interview wouldn’t have taken place if disclosure had been made.
3. A flight attendant who had worked for 17 years for the same company and with no complaints against her record was grounded after it was found out that she had received a diagnosis of bipolar disorder five years earlier. She had been working in the air in a senior role for those five years after the 2 month period of extended sick leave.

Some employment support agencies sometimes find placements for their clients without letting the employer know that the employee has a mental illness and is receiving support in order to manage the job. This system works for the employer and employee and clearly demonstrates that it is the label and stereotypes that create the barrier rather than the illness.