EXPLANATORY STATEMENT

Disability Services (Eligible Services) Approval (FaHCSIA) 2008

Summary
This instrument is made under section 9 of the Disability Services Act 1986 (the DSA).

The purpose of this instrument is to continue the approval of the targeted support services beyond 12 May 2008 (for the purposes of the definition of eligible services in section 7 of the DSA).

This instrument commences on 12 May 2008.

Background
The Australian Government recognises the valuable service currently provided by existing supported employment services already receiving funding under the DSA. Supported employment services have become essential links to paid work for thousands of people with disabilities around the country. Supported employment services have a dual focus, with many offering their workers not just employment but a range of additional supports, social networks and improved access to community facilities.

Under section 9 of the DSA, the Minister may approve additional classes of services as ‘eligible services’. The effect of that approval is that an organisation that provides relevant services can seek a grant of financial assistance under section 10 of the DSA. This instrument seeks to continue the approval of the targeted support services.

Since 2004 the Australian Government has funded targeted support services as eligible services. Targeted support is a non-vocational transitional service type for people with disability previously employed in disability business services who are unable to demonstrate the levels of productivity required to continue as employees and who would be at risk of losing their employment as services sought to become more viable.

Since 2004 294 individuals have been transferred into targeted support services, either as individuals or in whole service outlets. This process continues with a further 365 people with disabilities expected to be transferred to State responsibility by December 2008.

Pending negotiation of transfer of the final clients to State jurisdictions the Australian Government is committed to ensuring that these individuals continue to receive a service.

This instrument does not seek to continue the approval of the wage phase-in services that were included in the Disability Services (Eligible Services) Approval 2004. The reason it is not necessary to approve the wage phase-in services beyond the expiration of the Disability Services (Eligible Services) Approval 2004 is because all relevant organisations must have wages phased in by 12 May 2008. However, there remains a need to extend the operation of the targeted support services beyond 12 May 2008.
Explanation of the Provisions

Name of instrument

Section 1 states the name of this instrument.

Commencement

Section 2 states that the Approval commences on 12 May 2008.

Definitions

Section 3 defines certain terms used in this instrument.

Targeted support services

Section 4 defines how ‘targeted support services’ operate.

Section 8 of the Guidelines requires that, where the Minister approves an additional class of services, the Minister must set out a definition or description (or both) of the additional class of service. Section 5 of this Approval provides a definition/description of targeted support services.

Targeted support services are those that provide either (or both):

- structured training and support to assist people with disabilities towards social and community participation;
- opportunities to assist in the development of skills or retraining for paid employment.

The Minister must be satisfied that the services should be treated as targeted support services. Where the Minister is satisfied that the services would be more appropriately characterised as another type of eligible service (for example, employment services), the services will not be treated as a targeted support service. The rationale behind this approach is that the Australian Government believes that people, including people with disabilities, should be provided with the opportunity to maximise their potential for economic participation. If a service operates a business and supported clients are in paid employment that service would be more appropriately treated as an employment service.

Delegation

Section 5 of the Approval provides for the Minister to be able to delegate any of the powers or functions created under the Approval.

Approval ceases to have effect

Section 6 provides that the Approval ceases to have effect on 12 May 2012.
Consultation
The Department of Education, Employment and Workplace Relations was consulted in the making of this Instrument because that department also has portfolio responsibility for the administration of the DSA.

Regulatory Impact Analysis
This instrument does not require a Regulatory Impact Statement (RIS) and/or a Business Cost Calculator Figure. This instrument is not regulatory in nature, will not impact on business activity, and will have no, or minimal, compliance costs or competition impact. It is not expected that any compliance costs will be incurred by business (against the nine categories listed) as a result of this instrument.

Changes from previous instrument
The Disability Services (Eligible Services) Approval 2004 (the 2004 Approval) provided approval for two classes of services to be eligible under the DSA, namely the wage phase-in services and the targeted support services. The 2004 Approval ceases to have effect on 12 May 2008. The present instrument seeks to extend the operation of the 2004 Approval for a further four (4) years from 12 May 2008 but only in so far as they relate to targeted support services.

Other changes from the previous instrument are some minor technical and consequential amendments.