

## **It's not working. Why it's time Australia considers a disability employment quota.**

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Ever found yourself doing the same thing for too long even though it wasn't working? Maybe it's staying with the same hairdresser? Renewing your gym membership which is more of a donation? Or staying in a relationship? Policy can suffer from this dynamic too. Despite billions of dollars having been committed to the National Disability Insurance Scheme (NDIS) and discrimination being illegal for decades, people with disability remain underrepresented in the workforce and are among the most discriminated against in Australia. With the recent NDIS review and the release of the Disability Royal Commission's report, now is the time for change. People with disability should have a seat at the table of discussions about reform, and disability employment quotas should be on the agenda.



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### **The hole in Australia's workforce**

There is a 'hole' in the Australian workforce for people with disability. Only 5 out of 10 working age people with disability are working or looking for work (what economists call 'participating' in the workforce) compared with participation by 8 out of 10 working-age people without disability. On top of that, people with disability have twice the rate of unemployment.<sup>1</sup>

Why is there a 'hole' in the workforce?

Part of the reason is that a large proportion of people with disability are unable to work because of their disability. They represent a bit more than half of people with disability not participating in the workforce.<sup>2</sup> But even after taking this group into account, there are still proportionately more people with disability not participating in the workforce. Second, permanent disability does not explain the

higher unemployment rate for people with disability (because people unable to work are excluded from unemployment figures). Something else is at work.

A likely answer is discrimination. Almost half of the complaints received by the Australian Human Rights Commission are about disability discrimination.<sup>3</sup> The most common source of disability discrimination is from employers and work colleagues.<sup>4</sup> If people are discriminated against, it is harder for them to secure work. If people are discriminated against, they are less likely to stay in work or go back to work after leaving a workplace.<sup>5</sup> Discrimination can not only make it harder for people to find employment, it can explain why after finding it they may leave and give up looking again or are unsure about wanting to return.

### **Tackling discrimination**

Tackling discrimination in the workplace is not new. There are fewer women working relative to men and on average they get paid less. In Australia and abroad employers are adopting gender diversity targets to address gender discrimination. Some opposed say that targets give women an unfair advantage over better suited male candidates. This argument fails to recognise the inherent bias in the system, that men are more likely to be considered 'better suited'. It ignores the reality of discrimination, which can take hiring and promotion processes as far off-course as looking for lost balls and inclusivity at a business function on a golf course. Voluntary targets and mandatory targets ('quotas') are a course-correction.

Over 100 countries have adopted disability employment quotas including a majority of the most developed world (G20 countries). They have already started course-correction. Australia is one of few G20 countries without a disability employment quota. Quotas and targets encourage employers, through various carrots and sticks, to hire people with disability. There are more types of employment quotas adopted globally<sup>6</sup> than there are soft cheese varieties at a respectable deli.

The type of quota that Australia may choose to adopt can be customised, to its own specific needs, to its own political vision. An employment quota would not work alone. The Disability Royal Commission's recommendations (including tightening discrimination laws and introducing new legislation to protect the human rights of people with disability), if implemented, would help promote more inclusive attitudes. They would set the cultural stage for and in turn improve the effectiveness of a disability employment quota.

### **Why should we care?**

Course-correcting can provide economic and social benefits. Adding more people to the workforce grows the economy – it makes the pie bigger. Business benefits from a larger pool of skills and a more diverse workforce. We all benefit from more inclusive growth – including through better health and social cohesion.

With almost one in five Australians living with a disability (that's 4.4 million) we cannot afford to not care. Chances are you know someone living with disability, or maybe that's you.

To read more about the case for disability employment quotas, access reports by the International Labor Organisation [here](#).

## References

1 The unemployment rate for people with disability is 10.3% and for people without disability it is 4.6%, according to ABS 2018 Disability, Ageing and Carers, Australia (Table 8.1). See AIHW Table LABF6 for workforce participation.

2 Around 560,000 people are unable to work out of 960,000 people with disability not in the workforce.

3 AIHW Table DISC1.

4 AIHW Table DISC7.

5 AIHW Table DISC37-39.

6 ILO and OECD, Labour market inclusion of people with disabilities, 2018.