



## **Chronic Illness Alliance**

### **Real flexibility in the workforce Job retention for People with Chronic Illness and Carers**

There are major gaps in the range of labour market programs for those people who are at risk of losing their jobs through changed circumstances caused by life changing illness, caring responsibilities or age-related disability. While workforce participation has been the focus of Government policy in recent years, it has focused on finding 'new' jobs for people who are not working, not on those at risk of falling out of work.

Across the Australian economy employer goodwill is not enough to deliver job retention outcomes. The legal, IR and health dimensions of the employment relationship require external resources to support the employment relationship.

Currently this group people must fall out of the workforce before they are able to receive assistance. A targeted strategy would enable resources to be provided to the employer, the employee where saving the job is the desired outcome. For others where, ceasing work may be unavoidable, other support programs may be required.

In order for Australia to achieve high workforce participation, targeted retention programs for employees who care for someone or who have their own serious health issues are urgently required. While there has been much talk of workplace flexibility more needs to be done to deliver on workplace retention across the economy as a central part of the overall IR framework.

For the person that needs to change their work requirements due to the onset of illness whether their own or to care for someone else, issues such as disclosure, modification of duties and flexible leave arrangements require addressing. A significant number of carers of the aged, disabled or chronically ill are unwilling to disclose their caring responsibilities in the workplace or seek assistance as they perceive this will impact on their job security due to negative connotations (perceived/real) surrounding caring held by their employer and/or colleagues. (Artcraft Research, 2002)

Supporting people with chronic illness and their carers in the workforce is one of the true tests of flexibility at work. This is where flexible work arrangements assist a person to remain employed. The retention of these employees can be a win-win for the employer and the employee, and have additional payoffs for Government through taxation revenue, reduced welfare costs and skills retention. With the ageing of the population and the shortage of skills, it is essential that more is done to retain people in the workforce.

Currently however, people with chronic illness exit the workforce prematurely and their participation rates generally are significantly lower than the general Australian workforce.

Not all of this is due to symptoms but to poor workplace adjustment. In the case of Multiple Sclerosis, research shows that 80% of people will lose their employment within 10 years of diagnosis. It is estimated that the loss of productivity created by informal caring alone is \$4.9 billion, and hundreds of millions of dollars for individuals with chronic illness.

Two major Australian studies conducted by Artcraft Research and The Task Force on Care Costs found that there is a direct relationship between the high cost of care and workforce participation rates of people with caring responsibilities (for children, elders and people (adults/children) with disabilities).

These studies found that those who juggled paid employment with caring responsibilities will either leave employment or reduce their work hours due to the cost and burden of care.

Some large Australian companies are leading the way in flexible practices, however not all employers have the capacity to meet the particular needs of their staff. Small to medium employers need specific assistance to implement the levels of flexibility required to deliver sustained employment outcomes.

Employers need mandated Government policy to support the practical measures for job retention for workers in this group.

**The Chronic Illness Alliance calls on all parties in the Federal Election to deliver targeted support to people with chronic illness and their carers to remain productive as possible in the workforce.**

## **1. Make Job Retention Services available through the Disability Employment Network and the Job Network**

The Disability Employment Network sector (funded by the Department of Employment and Workplace Relations) needs a dedicated policy and funding stream to work alongside chronic illness agencies to provide preventative and pro-active job retention services to people with Chronic Illness (including carers).

## **2. Strengthening Leave provisions for people with chronic illness and carers**

### **2.1 Sick Leave Pooling**

Some major Australian companies have introduced extended leave coverage for people with chronic illness and carers through the corporate pooling of sick leave. This allows companies to offer additional paid leave to staff who because of their health or caring status will exhaust their regular annual entitlement, and need additional leave in order to manage their lives.

This scheme needs to be mandated through the IR legislation to allow this practice to become part of the leave arrangements for the Australian workforce.

### **2.2 Closing the Sickness Benefit Gap**

Where people have no opportunity to extend their paid leave through their employer, need time off **and still have their job to return to**, it is important to ensure there is no income support gap. Over 25% of all primary carers reported to the 2003 survey of Disability, Ageing and Carers, gross household income in the lowest quintile. (Access Economics, 2005)

Currently people are required to qualify for sickness benefits with waiting and income maintenance periods- dependent on sick, annual long service leave status. People who are carers or who have a chronic illness should not be forced to use all their entitlements before being eligible for short term sickness allowance, as they will need these other leave provisions for future use.

The current waiting period for Sickness Benefits should be waived for people with a chronic illness or caring responsibilities who have a permanent and sustainable job, and who:

- meet the impairment requirements for the Disability Support Pension/Carers Allowance
- have no further sick leave available
- need time limited benefits to overcome illness/caring related obligations
- can demonstrate medical and employer endorsement for leave period

### **3. Flexible Workplace Advisers**

The Chronic Illness Alliance calls for the introduction of Australian Flexible Workplace Program. This program would complement the existing disability recruitment coordinators Centrelink, and would target job retention and support through mutually agreed flexible arrangements entered into by the employer and employee.

A key feature of this program is Flexible Workplace Advisers (FWAs) available through Centrelink offices and also as a 1-800 on-call service.

The key gap these advisers will address is getting the right information to the right person. Employers need technical and legal advice about how to accommodate a worker needing additional flexibility; a worker needs that as well as links to specialist support and advice about illness management. Currently no single agency holds all the necessary information for all parties concerned. FWA's can be the reference point for all relevant information and support.

While information exists on diverse websites and within chronic illness organisations, small to medium employers can't be expected to search it out. Such information is often general, and not related to Australian conditions, may be inaccurate or gloss over the hard questions, such as performance management, disclosure and managing co-workers.

FWA's can be available by phone, and can respond to specific requests for assistance from employers and employees on a range of issues including:

- Chronic illness workplace adjustment
- Carer responsibilities
- Older workers
- Maternity leave
- Child care issues

The role of Flexible Workplace Advisers is one that could be filled by people with a disability or a chronic illness that have direct experience of the benefits of workplace adjustment

Government has a key role in job retention through its commitment to maximising Australia's workforce participation, and providing the means for individual workplaces to respond to local needs with the best support possible. The Chronic Illness Alliance suggests that Government sponsorship of a Flexible Workplace Program would go a long way to implementing such a role.

### **4. Awareness raising campaign**

A targeted awareness-raising & community education campaign linked with the communications work being done by State WorkCover Authorities on return to work – linking the adjustment process with carers and people with chronic illness and disabilities with the messages about building a healthy workplace. This campaign will consist of:

- Employer/industry media
- Electronic and print media
- Awards programs
- Joint business/community initiatives

This campaign needs to be sponsored by Government and peak industry and employer bodies, and supported by carer and chronic illness agencies.

### **Job retention has a range of personal, societal, and economic benefits:**

- Retention of skills and relationships in the workplace
- Greater personal economic independence
- Reduced or delayed reliance on Government Income Support
- Improved Government budget outcomes
- Preventing the of loss of income revenue to Government
- Reduction in vacancy & absenteeism rates and improvement in retention rates and staff morale for employers/industry.
- Bottom line benefits to employers/industry and greater flexibility in the delivery of some services.
- Improved understanding of disability by employers and co-workers
- A model for workplace flexibility

### **The Success factors for job retention include:**

- A positive relationship between employee and employer
- Basic employer knowledge and sensitivity to the employee's needs
- Knowledge of employment rights frameworks
- Good workplace modification and job modification and flexibility
- Effective management of symptoms and situations by the individual to best manage time and attention demands

### **The Chronic Illness Alliance**

The Chronic Illness Alliance represents 39 state and national member organisations as well as individuals with chronic illness. The aim of the Alliance is to build a better focus in health policy and health services for all people with chronic illnesses. It does this through education and research projects.

### **For Further Information please contact**

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