

# YEA Recommendations to the Government on the Disability Support Services Bill

## ABOUT YEA

YEA (Youth Employability Aotearoa) is a systems change organisation in Aotearoa advocating for our youth to be given the skills and support to become work-ready.

We represent over 500 individuals, organisations, businesses, associations, and elected members who are committed to ensuring the future workforce is equipped with the skills needed to create strong communities and a robust economy.

## EXECUTIVE SUMMARY

YEA is concerned that the Disability Support Services Bill, in its current form, risks worsening already significant employment inequities faced by disabled young people.

At a time when disabled youth are disproportionately excluded from the labour market, the Bill fails to recognise employment as a core outcome of the disability support system.

Key features of the Bill, including its emphasis on constrained funding, reliance on family support, and absence of enforceable commitments to employment, risk limiting access to the very supports that enable young people to secure employment and financial independence.

The evidence is clear that early, sustained employment pathways and employment support are critical; however, the Bill does not adequately protect or prioritise these.

Without amendment, the Bill may unintentionally entrench long-term dependency and economic exclusion for a generation of disabled young people.

## EVIDENCE OF EXISTING INEQUALITY

The importance of protecting and strengthening employment pathways and employment support is underscored by the current outcomes for disabled youth in Aotearoa.

Key indicators show a stark and persistent disparity:

- **Employment rate:** Only around 36% of disabled youth are employed, compared to over 62% of non-disabled youth
- **NEET rate:** Approximately 42% of disabled youth are not in employment, education, or training (NEET), significantly higher than the national average
- **Labour force participation:** Just 33% of disabled youth are either working or actively seeking work
- **Unemployment rate:** Among those in the labour force, nearly 40% of disabled youth are unemployed

These figures reflect not individual deficits, but entrenched structural barriers that limit disabled young people's access to education-to-work transitions, workplace opportunities, and ongoing support. They highlight a system that is already failing to deliver equitable employment outcomes, particularly at the critical early stages of labour market entry.

At the same time, a strong body of evidence shows that early access to structured, sustained employment support, such as transition services, job placement, and workplace accommodations, is one of the most significant predictors of long-term workforce participation. Where these supports are reduced, delayed, or made less accessible, the likelihood of long-term disengagement from the labour market increases markedly.

Against this backdrop, any policy settings that reduce access to formal supports, increase reliance on unpaid care, or create uncertainty around service provision risk compounding existing disadvantage. Rather than improving outcomes, such changes may deepen inequities, reinforce dependence, and limit opportunities for disabled young people to achieve economic independence.

The Bill must therefore be strengthened to actively address these disparities, including by prioritising employment as a core outcome of the disability support system and safeguarding access to the supports that enable successful transitions into work.

## SUMMARY OF CONCERNS

YEA's central concern is that the Bill, as currently drafted, may entrench barriers to employment for disabled youth by:

- Shifting responsibility toward unpaid family support rather than formal services
- Framing disability support as a limited “contribution to care”
- Omitting explicit commitments to employment outcomes and economic participation
- Allowing key support settings to be determined through Ministerial programmes with limited scrutiny

Taken together, these elements risk reducing access to the supports that young disabled people need to transition successfully from education into employment.

## KEY ISSUES

### **Increased reliance on family support risks limiting employability**

The Bill emphasises that responsibility for care rests “in the first instance” with family and whānau where appropriate.

While families play a vital role, this framing risks shifting practical responsibility away from publicly funded supports and onto unpaid care. This is particularly problematic for young people, who rely heavily on structured supports, such as job coaching, workplace transition services, and independent living supports, to enter the workforce.

Where these supports are reduced or unavailable, young people are more likely to remain dependent on family systems rather than building pathways into paid employment.

This approach risks reducing access to the specialised supports that enable disabled youth to participate in the workforce and build independence.

## **“Contribution to care” framing risks deprioritising employment supports**

The Bill defines Disability Support Services as operating within a constrained system and as a “contribution” rather than a full entitlement.

This creates a structural risk that immediate care needs will be prioritised at the expense of supports that enable long-term outcomes.

For young people, this is critical. Employment outcomes are heavily shaped by early access to training, job placement, transport, and assistive supports. If these are treated as discretionary, disabled youth are less likely to successfully transition into employment.

Disabled youth who receive multiple supports have better employment outcomes than those who do not. Evidence shows that structured, formal supports, not informal or unpaid care alone, are critical to achieving employment outcomes for disabled youth.

Employment support for disabled young people must be treated as essential to avoid long-term dependency.

## **Lack of explicit employment and participation objectives**

The Bill does not include clear statutory commitments to employment, economic participation, or independence outcomes.

Without this direction, there is a risk that employment supports will become inconsistent, underfunded, or deprioritised over time, particularly as key policy settings are left to secondary instruments. For disabled youth, this absence sends a clear signal: employment is not a core objective of the system.

Research consistently identifies youth with disabilities as a doubly disadvantaged group, with disproportionately high unemployment and exclusion from the labour market.

Employment and economic participation must be explicitly embedded in the purpose of Disability Support Services.

## **Ministerial discretion creates instability for employment pathways**

The Bill enables key operational settings for Disability Support Services to be determined through Ministerial programmes, with substantial detail, such as eligibility, service scope, and funding priorities, set outside primary legislation.

While this approach may provide administrative flexibility, it raises significant concerns about transparency, accountability, and long-term stability. Ministerial programmes can be amended without the same level of parliamentary scrutiny or public engagement as primary legislation, creating the potential for material changes to the system with limited oversight.

For disabled youth, this presents a clear risk. Transition supports from education into work require consistent, long-term investment and planning. Service providers depend on stable policy settings to design and deliver programmes that support young people over multiple years.

If these supports are subject to change through Ministerial discretion, there is a heightened risk of disruption, reprioritisation, or withdrawal over time. This instability disproportionately impacts young people at critical transition points, where continuity of support is essential to achieving employment outcomes.

Greater safeguards are required to ensure that key policy settings, particularly those affecting employment and transition supports, are subject to robust oversight and cannot be materially altered without appropriate scrutiny.

## Long-term economic implications

Failure to support disabled youth into employment has significant long-term consequences. Given the strong evidence that structured supports drive employment outcomes, any policy shift that reduces access to these supports risks entrenching long-term labour market exclusion.

Without intervention, many young people face lifelong exclusion from the labour market, resulting in:

- Increased reliance on income support
- Reduced economic productivity
- Higher long-term fiscal costs to the government

Conversely, early investment in youth employability delivers strong returns through increased workforce participation, reduced dependency, and improved wellbeing.

Strengthening support for employment outcomes is essential to achieving the Bill's objective of sustainability.

## RECOMMENDATIONS

YEA recommends that the Committee:

1. Embed employment outcomes in the purpose of the Bill, including explicit recognition of employment and economic participation
2. Protect and prioritise funding for youth transition and employment supports
3. Align the Bill with the United Nations Convention of the Rights of Persons with Disabilities, rights-based approaches, and Enabling Good Lives principles
4. Introduce safeguards on Ministerial powers to ensure stability and transparency
5. Draft Bill in partnership with disability advocacy organisations, including disabled youth advocacy organisations, in Aotearoa

## CONCLUSION

YEA supports the development of a more consistent and sustainable disability support system. However, sustainability cannot be achieved without enabling disabled people, particularly disabled youth, to participate in the workforce.

In its current form, the Bill risks entrenching the very inequities it seeks to address. Its emphasis on constrained funding, increased reliance on family support, and lack of explicit commitment to employment outcomes together risk reinforcing dependency rather than enabling independence. For disabled youth already facing significant barriers to employment, this represents a material risk of lifelong economic exclusion.

The evidence is clear: early and sustained access to employment support is critical to achieving long-term workforce participation. Yet the Bill does not protect or prioritise this. Without deliberate intervention, the system will continue to limit, rather than expand, opportunities for disabled young people.

YEA urges the Committee to amend the Bill to ensure that employability and economic participation are treated as core outcomes of the disability support system. Without these changes, the Bill risks failing a generation of disabled young people by locking in lower employment outcomes and reduced economic independence.

Yours sincerely



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## SUPPORTING RESEARCH

- Whaikaha / Stats NZ – Labour market statistics for disabled people (June 2025 quarter): <https://www.whaikaha.govt.nz/news/news/labour-market-statistics-for-disabled-people-june-2025-quarter>
- Stats NZ – Disability statistics (Household Disability Survey 2023): <https://www.stats.govt.nz/topics/disability/>
- MBIE – Disabled people labour market statistics snapshot (June 2025): <https://www.mbie.govt.nz/dmsdocument/31056-disabled-peoples-aged-15-to-64-years-labour-market-statistics-snapshot-june-2025-pdf>
- OECD – Disability, Work and Inclusion (2022): [https://www.oecd.org/en/publications/disability-work-and-inclusion\\_1eaa5e9c-en.html](https://www.oecd.org/en/publications/disability-work-and-inclusion_1eaa5e9c-en.html)
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- Institute for Educational Leadership (2023). Youth Transition Report: <https://iel.org/wp-content/uploads/2024/02/2023-Youth-Transition-Report-Final-for-Publication.pdf>
- Workforce Development Councils (NZ). Let's Level Up employment research: <https://impactpr.co.nz/new-study-to-boost-industry-employment-of-disabled-kiwis/>