

# OpenVoiceNews Australia

Transparent. Unbiased. Yours.

## Maxima Loses Federal Funding for Disability Employment Services

July 25, 2025

— Categories: Human Rights



Maxima, a major disability employment provider supporting over 6,000 Australians, has lost federal funding for its Inclusive Employment Australia (IEA) program outside Western Australia, casting uncertainty over its future operations in most states. This article examines the impact of the funding cut, the Australian Labor Party's role in the decision, and broader implications for vulnerable communities reliant on these services.

On 24 July 2025, Maxima informed staff that it failed to secure a tender to continue delivering IEA services, formerly known as Disability Employment Services (DES), across all

states except Western Australia, effective from 1 November 2025. The organisation emphasized that it is not closing but faces a significant transition, with support offered to help clients find alternative providers. Maxima operates nationally as a not-for-profit organisation with over 400 staff and is headquartered in Adelaide. The announcement coincided with warnings from Bedford, another South Australian disability service provider, about potential voluntary administration, indicating a wider sector challenge.

The Department of Social Services (DSS), part of the ALP government, imposed an embargo on public disclosure of the tender outcome, citing the need to manage the transition without external pressure. Critics argue this limits transparency and reflects mismanagement of disability service delivery. Maxima confirmed that other services, including recruitment, traineeships, and Indigenous employment programs, will continue unaffected. However, the loss of IEA funding threatens jobs and client support.

The DSS stated that recent reforms aim to improve tailored support and accountability for participants. Nonetheless, concerns have been raised about the tender process favouring larger, urban-based providers at the expense of regional accessibility. A 2023 Senate inquiry highlighted the crucial role of DES providers in employment outcomes, especially for rural and regional Australians with disabilities.

The funding cut places at risk the employment support of more than 6,000 Australians who rely on Maxima's services, particularly in rural areas with limited alternatives. The government's handling of the tender process has raised questions about its commitment to disability inclusion and the stability of vital services.