



## **Senate Inquiry into the Social Services Legislation Amendment (Transition Mobility Allowance to the National Disability Insurance Scheme) Bill 2016**

NDS welcomes the opportunity to provide this submission on the Government's proposed changes to eligibility for Mobility Allowance. While understanding the Government's rationale for changing the eligibility criteria for future applicants, we are concerned that the changes will restrict the opportunities of some people with disability to gain or maintain employment. We do however welcome the Government's commitment to continuity of support for people currently in receipt of Mobility Allowance.

Among the people most likely to be disadvantaged by the tightening of the eligibility criteria for Mobility Allowance are those accessing the Disability Employment Services (DES) program, which assists people with disability to gain and maintain employment in mainstream workplaces.

The workforce participation rate for Australians with disability is low and static. Inability to use public transport (and the financial burden of financing alternative transport) can be a critical barrier for a person seeking, training for and sustaining employment.

Mobility Allowance is a modest contribution to covering this additional cost. It is more than off-set if the Allowance is effective at helping the recipient to secure work. The two Mobility Allowance rates are \$46.60 and \$65.15 per week. A person working three days a week at the minimum wage would earn \$403.62 and have \$175.81 recovered per week if on Newstart and \$160.81 recovered per week if on Disability Support Pension.

As at August 2016, there were almost 100,000 people receiving support in DES through the Employment Support Service (ESS) stream, which provides assistance to people with permanent disability who need regular, ongoing support to keep a job. Of those ESS participants, 21,925 were receiving Disability Support Pension and 65,098 were receiving Newstart Allowance. While it is difficult to estimate, it is likely that around 13,000 ESS participants will be eligible for an NDIS package of support. Some people for whom access to public transport is an employment barrier may not be eligible for NDIS support.

NDS has consulted DES providers who have cited the following concerns regarding the proposed tightening of eligibility for Mobility Allowance:

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- The changes could adversely affect DES participants who have difficulty using public transport without assistance and who already face multiple barriers to labour force participation
- The changes could hinder the efforts of service providers to place, train or support some DES participants in activities that will prepare them for work
- DES participants residing in rural and regional areas will be the most disadvantaged because of the lack of access to a comprehensive public transport service

In addition to age and residency requirements, current eligibility for Mobility Allowance requires that the person is unable to use public transport without substantial assistance because of disability, illness or injury; that the person provides a medical report confirming that they cannot use public transport; and that they require the Mobility Allowance to travel to and from home for paid work, voluntary work, training or to look for work. NDS's view is that these requirements are reasonable, adequate and defensible.

NDS accepts that there may be a need to ensure that the Mobility Allowance is being used for its intended purpose. If there are cases where the eligibility criteria are being misapplied or the Allowance misspent, then these should be addressed through the administration of the Allowance, not through legislative change. Changing the rules for all would compound the barriers to employment for some people with disability.

At the very least, people should maintain their access to Mobility Allowance if they are registered with a DES provider and can demonstrate eligibility under the current Mobility Allowance guidelines.

The great proportion of people with disability employed by Australian Disability Enterprises (supported employees) will be eligible for the NDIS and so should be unaffected by the changes to Mobility Allowance. Over half of all supported employees receive the Mobility Allowance to assist them to travel to work.

Under current arrangements, supported employees are ineligible for the higher rate of Mobility Allowance because they don't work in open employment. This is inequitable. On the grounds of need, supported employees should qualify for the higher rate. NDS hopes that this inequity will not continue into the NDIS and that NDIS participants will receive the transport assistance they need to seek or engage in work-related activities regardless of the type of employment.

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**National Disability Services** is the peak industry body for non-government disability services. Its purpose is to promote and advance services for people with disability. Its Australia-wide membership includes 1100 non-government organisations, which support people with all forms of disability. Its members collectively provide the full range of disability services - from accommodation support, respite and therapy to community access and employment. NDS provides information and networking opportunities to its members and policy advice to State, Territory and Federal governments.