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NGO in Special Consultative Status with the  
Economic and Social Council of the United Nations

## People with Disability Australia (PWDA)

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### Social Services Legislation Amendment (Budget Repair) Bill 2016

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**Submission  
September 2016**

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## **About People with Disability Australia**

**People with Disability Australia (PWDA)** is a leading disability rights, advocacy and representative organisation of and for all people with disability. We are the only national, cross-disability organisation - we represent the interests of people with all kinds of disability. We are a non-profit, non-government organisation.

PWDA's primary membership is made up of people with disability and organisations primarily constituted by people with disability. PWDA also has a large associate membership of other individuals and organisations committed to the disability rights movement.

We have a vision of a socially just, accessible, and inclusive community, in which the human rights, citizenship, contribution, potential and diversity of all people with disability are recognised, respected and celebrated. PWDA was founded in 1981, the International Year of Disabled Persons, to provide people with disability with a voice of our own.

## **Introduction**

PWDA thanks the Community Affairs Legislation Committee (the Committee) for the opportunity to input into this inquiry. Since the introduction of the 2014-15 federal budget, there has been wide spread criticism for the budget savings measures, as contained in this Social Services Legislation Amendment (Budget Repair) Bill 2016 and others, as the legislation places the burden of reducing Australia's debt on the most vulnerable in our community. 45% of people with disability in Australia already live in or near poverty<sup>1</sup>. Measures implemented through these attempts at budget repair will impact disproportionately on those already suffering financial hardship, compounded by the numerous systemic and societal barriers people with disability face every day.

All people with disability have the right to an adequate standard of living for themselves and their families, and for continuous improvement of these living conditions. Article 28 of the UN Convention on the Rights of Persons with Disabilities (CRPD)<sup>2</sup> obliges the Australian Government to safeguard and promote the realisation of these rights. People with disability are entitled to appropriate levels of social protection based on their individual circumstances and which recognises, without discrimination, their barriers to social and economic participation that they experience.

It has been noted in the past that reductions in social security to a level that does not enable individuals to meet their everyday living costs places the Government in a position whereby they violate Article 9 of the International Covenant on Economic Social and Cultural Rights (ICESCR) recognising "the right of everyone to social security including social insurance".<sup>3</sup> In addition, Article 28 of the CRPD specifies

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<sup>1</sup> PWDA 2013 Election Briefing: Get Real on Jobs, found here <http://ymlp.com/zkrsro>

<sup>2</sup> Australia ratified the UN Convention on the Rights of Persons with Disabilities in 2008. The full convention can be found here <http://www.un.org/disabilities/convention/conventionfull.shtml>

<sup>3</sup> In 2012, ACOSS sent a letter to the UN Special Rapporteur on Extreme Poverty and Human Rights on the proposed introduction of the Social Security Legislation Amendment (Fair Incentives to Work) Bill 2012 in Australia. The letter can be

that “state parties recognise the right of persons with disabilities to an adequate standard of living for themselves and their families, including adequate food, clothing and housing, and to the continuous improvement of living conditions, and shall take appropriate steps to safeguard and promote the realisation of this right without discrimination on the basis of disability”.

This submission has been informed by PWDA membership. Since the release of the 2014/15 proposed budget, which contained similar measures to those proposed in this legislation, PWDA has been contacted by members increasingly confused and concerned about the impact of these proposals on themselves and their families. In addition, the associated negative media and derogatory labelling of people with disability has compounded this anxiety and distress.<sup>4</sup> The issues we raise and the recommendations that we have drawn are based on these consultations and on the submissions that we have made to previous inquiries into these measures, when they were contained in different legislation.

This submission contains comments from our members and constituents to illustrate their concerns and highlight their views. They have been collected through social media, online surveys and via one on one feedback. We make the following recommendations to the Committee.

## **Recommendations**

### **Social Services Legislation Amendment (Budget Repair) Bill 2016**

- That the Senate Community Affairs Committee recommend that the Social Services Legislation Amendment (Budget Repair) Bill 2016 not pass the Senate.

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found here

[http://acoss.org.au/uploads/Urgent%20communication%20to%20the%20UN%20Special%20Rapporteur%20on%20Extreme%20Poverty%20and%20Human%20Rights\\_Final\\_051012.pdf](http://acoss.org.au/uploads/Urgent%20communication%20to%20the%20UN%20Special%20Rapporteur%20on%20Extreme%20Poverty%20and%20Human%20Rights_Final_051012.pdf)

<sup>4</sup> Negative media articles have targeted people on the DSP, for example; <http://www.dailytelegraph.com.au/news/nsw/disabling-rorters-planned-disability-pension-scheme-overhaul-could-force-thousands-of-australians-into-workforce/story-fni0cx12-1226969938830>, <http://www.news.com.au/national/nsw-disability-support-pensioners-now-outnumber-australias-total-war-wounded-by-more-than-44000/story-fncynjr2-1226926318057>

## **Restricting right of movement**

**Budget Measure (SCHEDULE 1):** From January 2016 (or a later date), portability requirements for people on DSP, and other payments, to be reduced after 6 continuous weeks of absence from Australia, rather than the current level of 26 weeks.

**Recommendation: Reject Schedule 1. Recommend that portability for people on DSP, and other pensions, are maintained at current levels.**

1. The capacity for people on the DSP to travel overseas without having their payments stopped has considerably diminished over recent years<sup>5</sup>. This Bill now proposes further reduction in the amount of time a person on DSP can travel overseas before their rate of pay is reduced. Whilst extensions, exception or unlimited portability may still apply under special circumstances, such as terminal illness or permanent and severe disability with no future work capacity, the process for application of these exceptions has in the past been confusing.<sup>6</sup> The Government have anticipated a saving of \$168.4 million over the forward estimates, but no estimates have been provided indicating how many people this new measure is expected to affect and what the consequences may be for their lives.
2. The impact of reduced portability measures fall disproportionately upon those people who have family living overseas, particularly migrant and refugee families. The restrictions in this Bill to only six weeks travel out of every year will mean that people with disability have one opportunity to visit their loved ones. This is unreasonably restrictive for those who call Australia home, but want to maintain strong ties with their family and birth country. For most people with disability, travelling overseas is not straight forward. A restriction of six weeks will make travel unnecessarily burdensome for many.

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<sup>5</sup> National Welfare Rights Network detail recent changes to portability for income support recipients in their submission to the Senate Community Affairs Committee inquiry into the *Social Security and Other Legislation Amendment (2012 Budget and Other Measures) Bill 2012*

<sup>6</sup> Ibid

## **Reducing opportunity**

**Budget Repair Measure (Schedule 2 and 3): *Pensioner Education Supplement* and *Education Entry Payment* to be abolished**

**Recommendation: Reject Schedule 2 and 3. Recommend the *Pensioner Education Supplement* and *Education Entry Payment* be maintained.**

### **Support for training and education needs to be increased, not stopped**

*This is a huge blow to pensioners of all types willing to reskill and pursue any measure self- reliance... The PES axing is just one of many issues but it has a far more reaching and significant impact than many realise. For the die hard economists, it should be obvious that allowing DSP and other pensions an opportunity "to contribute" makes good economic sense. In the age of the internet people with many types of disabilities and others, can work from home but ONLY if they have skills and opportunities that enable to do so"*

3. The increase in focus on participation and program of support requirements will lead to more people on the DSP looking to pursue further education and training. Currently the Pensioner Education Supplement (PES) provides support for people on the DSP (and other income support recipients<sup>7</sup>) to cover the costs associated with study.
4. For some people with disability, starting their own business and working from home can provide the opportunity to overcome the structural barriers that the traditional workplace presents, whilst enabling the individual to maximise their skills and interests. About 18,000 people on DSP access the PES, worth up to \$62.40 per fortnight.<sup>8</sup>
5. Plans to cut this supplement are counter-productive to the Government focus on employment. Whilst expectations increase, enabling support payment such as the PES are to be abolished, leaving people on DSP needing to pay for their study costs out of their DSP. The PES provides essential support for people with disability to gain the skills they need to compete in a very tough labour market.<sup>9</sup>

<sup>7</sup> Eligibility information can be found on the Department of Social Services website here <http://www.humanservices.gov.au/customer/enablers/centrelink/pensioner-education-supplement/eligibility>

<sup>8</sup> Department of Social Security briefing attended by PWDA in June 2014

<sup>9</sup> National Welfare Rights Network Media Release 29.5.14 found here <https://www.welfarerights.org.au/news/2014/5/29/media-release-29-may-2014-budget-cuts-hit-carers-people-with-disabilities-and-single>

### **Cuts to support for training and education will make it more difficult for people with disability to find suitable jobs**

*"I am 48 on a DSP (legitimately), I live rurally in the Bega Valley NSW. I have paid taxes at various points, I am not allowed to drive EVER due to my condition; I have work history in telecommunications, ran a medium sized business in the 90s and until 2005 I worked as a chef when I was well; until I could no more. My skills are irrelevant now and together with my health; reskilling to work or run a business (and in my case, maybe possibly with my carer as a partner in it) at home is my only realistic non-pension option. Also, subsisting on a DSP sitting at home with nothing to do does nothing for the mental health of one.*

*Recently I started a degree through Open Universities Australia (OUA) in Professional Writing and Publishing available through Curtin Uni only. I wanted to become financially self-reliant again (as I have numerous times before). By cutting my PES, I have now had to give that degree up. There is no point wasting time to Jan 1 2015, it'll be pointless as I would have many years left (part-time so much longer) and depending on whether I do 1 or 2 subjects a study period (4 SPs a year), I would have to give up between 4-8 weeks of food a year to afford to do it without the PES. (I have found doing 2 subjects per SP is beyond my capacity at this time).*

*This also extends to carers in a more significant fashion than many realise. For many on carers payment, programs like OUA are the only option to pursue study whilst fulfilling their role as carers. Pursuing 1 unit a study period at home (through OUA and like) whilst caring or on DSP, not only improve skills but to participate in something outside of the day to day and feel included in the more "normal society" (a ridiculous concept in my opinion)...PES is the ONLY way they and DSP recipients can afford to do this unless they are self-funded.*

*ALL pensioners of any type that don't have at least \$ 2000 a year put aside to spend on books, etc (even with hecs/fee-help), will now have to choose either to study or eat. This is exacerbated even more in rural regions like the Bega Valley and like. I have had to quit my studies until there is a change of government. Without the PES it is simply impossible".*

## **Entrenching hardship**

**Budget Measure (Schedule 4): The Government will achieve savings of \$449.0 million over five years by pausing indexing of income free areas and means testing rates for the DSP and other payments.**

**Recommendation: Schedule 1, Bill 2 - Reject proposals to pause the indexation of income free areas and means testing rates for pensions and other payments.**

6. The pension rate is by international standards fairly frugal. For people on the DSP who may be long term unemployed, or never have the potential to significantly supplement their livelihood through paid employment, this safety net is critical to avoiding further vulnerability and poverty for them and their families. The proposed measures to pause the indexation of the amount of money that a person on the DSP, or other payment, will restrict the social and economic participation of people with disability, further isolate and stigmatize people, while also punishing those who are able to find work to support their pensions. This is not a sustainable situation as it creates greater poverty and entrenches hardship for the most vulnerable people in society.

## **Conclusion**

All people with disability should be supported to find and keep work, and be compensated appropriately for that work. Where a person is unable to gain paid employment, they are entitled to an adequate level of income support for themselves and their families. This is not only the Governments' moral responsibility, but also a legal requirement as signatory to the CRPD.

Rather than legislative change that will create greater hardship and entrench poverty, the Government needs to ensure that the safety net is there for those people who need it, when they need it, at the same time as implementing a genuine plan to improve employment opportunities for people with disability.

**We thank the Committee for the opportunity to make this submission.**