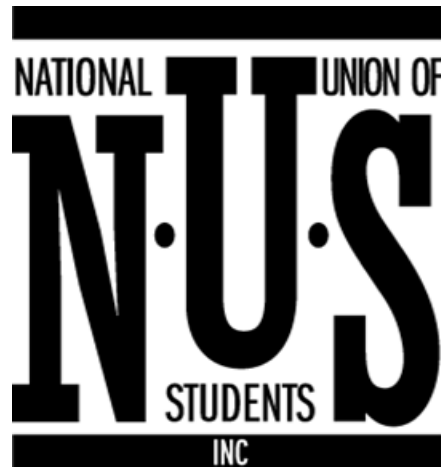


Authorised by Zoe Ranganathan, NUS National President |



## **Submission to Senate Standing Committees on Community Affairs**

regarding the

## **Purpose, intent and adequacy of the Disability Support Pension**

Presented by NUS National President Zoe Ranganathan

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## The National Union of Students

The National Union of Students (NUS) was founded in 1987 to represent all post school students in Australia. We are a peak representative and advocacy body for almost 1 million students. The NUS is established on the principles of student unionism and its primary objectives include amongst many others, working on the interests of students in quality of education, academic freedom, access to education, social security, health and welfare.

## Recommendations

### **Recommendation 1: Raise the rate**

NUS supports a raise in the Disability Support Pension to uplift students with a disability out of poverty. The Coronavirus Supplement helped many people on the DSP to live a more comfortable and supported life. The NUS recommends that the rate of the DSP is increased to the rate provided by the Coronavirus Supplement.

### **Recommendation 2: Lower the Age of Independence**

The NUS recommends that the Age of Independence is lowered to 18, as many young people do not have family support beyond that age. It is unfair to force young people to survive with limited resources, basing the level of government support on their parents' income. For young people with a disability who are living in an abusive household, a letter of independence is inadequate and inaccessible, leaving them open to horrific living situations without the support that they need.

### **Recommendation 3: Make the DSP easier to access**

The NUS believes that a fully funded, easily accessible, wide scale public system of disability care is a fundamental right for all people and will campaign for fair funding and access for such services. Particularly, the rules surrounding who can access the disability support pension are tough and leave many without necessary support. The NUS recommends a full review into the rules for determining eligibility to receive the DSP, with a focus on ensuring that all people who require this pension are able to receive it.

### **Recommendation 4: Allow people on the DSP to work more than 30 hours per week**

The restrictions placed on people who are on the DSP mean that they cannot work for over 30 hours per week. This means that they are reliant on the DSP. The NUS recommends that this cap on working hours is removed, so that people do not have to be reliant on the DSP but will be able to support themselves with both the DSP and money that they earn.

## Young People with Disability

In 2018 the Australian Bureau of Statistics reported that 18% of people in Australia have a disability. The same report also found that 9.3% of young people (15-24 year olds) have a disability<sup>1</sup>. Young people, with or without a disability, face economic hardship across the nation<sup>2</sup>, and this fact, coupled with their disability, further impacts an individual's economic status. People with a disability are often living in poverty, as their ability to work to earn a living is limited, due to inaccessible workplaces and the impact of other health issues<sup>3</sup>. Further, young people with a disability also are less likely to have a tertiary education, due to the barriers to access further education<sup>4</sup>.

## The Current State of the Disability Support Pension

The Disability Support Pension (DSP) provides some support to young people with a disability, however it is falling short. The table below outlines the maximum total pension rate per fortnight for people who require the DSP.

Situation	Maximum Total Pension Rate per Fortnight
Over 21 Single	\$952.70
Over 21 Couple (each)	\$718.10
Below 18, Single, Independent	\$644.40
Below 18, Single, Dependent	\$435.10
Below 21, Single, Independent	\$644.40
Below 21, Single, Dependent	\$486.50
Below 21, Couple	\$644.40

As illustrated above, this money will only cover basic living expenses, and not medical expenses that are often also required by people with a disability<sup>5</sup>.

<sup>1</sup>Australian Bureau of Statistics, *Disability, Ageing and Carers, Australia: Summary of Findings*, (Report, 24 October 2019).

<sup>2</sup> P. Davidson, P Saunders, B. Bradbury, and M Wong, *Poverty in Australia 2020: Part 1, Overview*, (ACOSS/UNSW Poverty and Inequality Partnership Report No. 3, 1 September 2020), 14.

<sup>3</sup> Luke Henriques-Gomes 'Disabled young people living on poverty-level benefits rises 300% in Australia' *The Guardian Australia* 22 February 2021.

<sup>4</sup> Australian Bureau of Statistics, *Disability, Ageing and Carers, Australia: Summary of Findings*, (Report, 24 October 2019).

<sup>5</sup> Services Australia, *Payment Rates* (Web Page, 1 April 2021)

<<https://www.servicesaustralia.gov.au/individuals/services/centrelink/disability-support-pension/how-much-you-can-get/payment-rates>>.

The DSP is notoriously difficult for people to access. An individual has to meet strict criteria, both medical and non-medical rules, to be considered eligible for the pension. Within the medical rules you must meet either the manifest medical rules, or the general medical rules.

Many young people with a disability do not meet the manifest medical rules and instead must wait three years for the general medical rules, particularly the Program of Support criteria, to be fulfilled. This means that these young people with a disability are living in poverty and without the support that they need in order to survive.

Thus, with their disability and the Government's meagre support programs for young people generally, young people with a disability are struggling more than their peers. The Government must do more to ensure that young people with disabilities have the support that they need.

Further, people who have been rejected from the DSP and do not have the capacity to work are stuck on JobSeeker, which also leaves people in hardship and without the financial support they need to live<sup>6</sup>.

Overwhelmingly, the DSP is leaving young people with a disability behind and forcing them to live below the poverty line, especially because they also cannot work more than 30 hours a week, leaving them in a position where they cannot work to support medical costs that are not covered by the DSP.

On the other hand, the 30 hours a week work limit has a further negative impact on young people with a disability, as they would incur more costs than an able bodied person, but they are not able to work to support themselves and receive extra income to cover their medical costs. This creates a cycle of poverty existing for those who rely on the DSP to survive.

## Impact of COVID-19 Pandemic

Previous research indicates that people with a disability are more likely to be living in poverty<sup>7</sup>. Further, young people face some of the most unstable economic circumstances of the Australian population. The Australian Bureau of Statistics notes that only 53.4% of people with a disability in Australia are employed, compared to 84.1% of people without a disability<sup>8</sup>. Exacerbating this, the COVID-19 pandemic has had a large impact on young people, more so

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<sup>6</sup> P. Davidson, P Saunders, B. Bradbury, and M Wong, *Poverty in Australia 2020: Part 1, Overview*, (ACOSS/UNSW Poverty and Inequality Partnership Report No. 3, 1 September 2020), 15.

<sup>7</sup> Australian Federation of Disability Organisations 'Poverty and Disability - Fast Facts' (Web Page, 20 September 2019). <<https://www.afdo.org.au/disability-support-pension/poverty-and-disability-fast-facts/>>.

<sup>8</sup> Australian Bureau of Statistics, *Disability, Ageing and Carers, Australia: Summary of Findings*, (Report, 24 October 2019).

than other age groups, due to a large proportion losing income and job security, which has a flow on effect which doubles the impact on young people with a disability.

A CYDA survey found that young people were overlooked in the pandemic, with many losing income and being forced to go on JobSeeker, or not being able to attend their shifts if they worked in an essential business due to health issues<sup>9</sup>. The issues faced by young people with a disability during the pandemic indicate that more must be done to support them, both in their everyday lives and during periods of disruption as we have seen for the last 16 months.

The addition of the Coronavirus Supplement to the DSP was beneficial to those receiving the pension, with an extra \$550 per fortnight<sup>10</sup>. However, the cessation of the supplement in March has thrown those who were feeling financial relief back under the water. This is heavily impacting young people with a disability, as the DSP at its regular level is not enough to keep them out of poverty. Overwhelmingly, testimonies about the hardship that people with a disability face due to the lack of support from the Government indicate the shortcomings of the current rates of the DSP.

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<sup>9</sup> H Dickinson and S, Yates, *More than isolated: The experience of children and young people with disability and their families during the COVID-19 pandemic* (Report prepared for Children and Young People with Disability Australia, May 2020), 17.

<sup>10</sup> *Social Security Amendment (COVID-19 Supplement) Bill 2020* (Cth), s 2.