

Chapter 2

Key issues

2.1 Submitters to this inquiry expressed concern that the measures proposed in the Bill may create a gap in service provision for people who rely on the mobility allowance to find and maintain employment. The Minister for Social Services (Minister), the Hon Christian Porter MP, stated that there are currently around 60 000 mobility allowance recipients.¹

2.2 The key concerns raised by submitters relate to:

- lack of detail about 'continuity of support arrangements' for current mobility allowance recipients who would be ineligible for the NDIS;
- supports available to those people who will be ineligible for continuity of support arrangements and unable to access the NDIS;
- ensuring equity of support for people who transition to the NDIS;
- limiting the types of qualifying activities;
- changing the continuation period from 12 to 4 weeks; and
- removing the advance allowance.

2.3 The Department of Social Services (department) submitted that the Bill is intended to:

... support the transition of Mobility Allowance funding to the National Disability Insurance Scheme (NDIS) and to ensure that the NDIS is the main program of support for people with a disability who need assistance to enable them to fully engage in the workforce and other economic activities.²

Continuity of support arrangements

2.4 The key concern raised by most submitters was the lack of detail about 'continuity of support arrangements' for current mobility allowance recipients who do not transition to the NDIS once the mobility allowance ceases on 1 July 2020. Submitters expressed concern that while the Minister acknowledged these people would receive 'continuity of support arrangements', there is limited further detail available.³ For example, Inclusion Australia highlighted that the lack of detail on the

1 The Hon Christian Porter, Minister for Social Services, *House of Representatives Hansard*, 13 October 2016, p. 7.

2 Department of Social Services (DSS), *Submission 8*, p. 2.

3 See: National Welfare Rights Network, *Submission 10*, p. 5; Combined Pensioners & Superannuants Association of NSW, *Submission 2*, p. 3; Australian Network on Disability, *Submission 4*, p. 2; Children and Young People with Disability Australia, *Submission 14*, p. 6; Australian Blindness Forum, *Submission 9*, p. 7; People with Disability Australia, *Submission 20*, p. 9.

arrangements is causing concern for people with intellectual disability and their families:

... with the real fear that they will 'fall between the cracks' with the Commonwealth and States each expecting each other to provide the necessary transport support funding.⁴

2.5 A number submitters representing people with vision impairment expressed concern about the lack of detail on continuity of support arrangements for people aged over 65 who would not be eligible for the NDIS, especially the 75 per cent of people over 65 who are blind or have vision impairment.⁵ For example, Blind Citizens Australia submitted that:

The mobility allowance has played a key role in enabling people who have not had the opportunity to be employed to pursue meaningful activities, and to make invaluable contributions to their communities. The removal of the mobility allowance could well prevent people in this situation, (of whom there are many), to cease making such contributions due to the costs involved.⁶

2.6 These submitters recommended that the government provide clarity and detail about how the continuity of support arrangements would operate.⁷

2.7 The department submitted that evidence from the NDIS trial sites suggests that around 30 per cent of current mobility allowance recipients would not be eligible for an NDIS package of support. This includes 4 000 recipients aged over 65 years old, and 14 000 aged under 65 years old.⁸

2.8 The department confirmed that people aged over 65 who are currently receiving Mobility Allowance and who will be ineligible for the NDIS 'will be provided with continuity of support, which will initially be provided through the Mobility Allowance program, pending finalisation of long-term arrangements'.⁹ The department further noted that 'consideration is currently being given' to the continuity of support arrangements that will apply to people ineligible to enter the NDIS.¹⁰

2.9 Representatives from the department told the committee that the decision about long-term continuity of support arrangements would be finalised once more data

4 Inclusion Australia, *Submission 17*, p. 4.

5 See: Spinal Cord Injuries Australia, *Submission 1*, p. 1; Vision Australia, *Submission 6*, p. 5; Australian Blindness Forum, *Submission 9*, p. 1; Royal Society for the Blind, *Submission 11*, p. 1; Blind Citizens WA, *Submission 16*, p. 1; Blind Citizens Australia, *Submission 7*, p. 4; Macular Disease Foundation Australia, *Submission 13*, p. 2; Name withheld, *Submission 19*, p. 2.

6 Blind Citizens Australia, *Submission 7*, p. 4.

7 NCOSS, *Submission 3*, p. 2; Australian Blindness Forum, *Submission 9*, p. 1.

8 DSS, *Submission 8*, p. 5.

9 DSS, *Submission 8*, p. 4.

10 DSS, *Submission 8*, p. 5.

is collected about the needs of people transitioning to the NDIS, consistent with the Australian Government's commitment to provide continuity of support arrangements for people aged over 65 years:

There has been no decision taken yet on what the detail of the long-term arrangements are, so, therefore, we have not consulted or figured out a process to do that yet. That is partly because it is such early days and we want to allow time. Governments have made a decision, firstly, but it will give us a bit more time to look at what the pattern is and actually do better calculations on the number of people across a range of current Commonwealth programs that will require continuity of support ... The data that we have currently—for example, for mobility allowance—are only estimates, so until we see people test their eligibility or seek to apply for the NDIS we will not really know.¹¹

People ineligible for continuity of support arrangements

2.10 Submitters expressed particular concern about the lack of provision for mobility allowance to be made available to people who acquire blindness or vision impairment after 65 years of age and who would not be covered by any continuity of support arrangements available to current mobility allowance recipients.¹² Mr Bruce Maguire from Vision Australia told the committee of the importance of supports, such as the mobility allowance, in assisting people aged over 65 to participate in community activities:

... the acquisition of blindness or vision loss is almost always a very traumatic and distressing event, and for people over 65 who become blind or acquire vision loss the opportunity again to feel that they are getting back into the community—either through paid employment, through training or through volunteering—is a huge part of the rehabilitation and recovery process, and of the reclamation of a sense of dignity and self-worth.¹³

2.11 Submitters also expressed concern that people who are blind or have vision impairment and who may be eligible for the NDIS face barriers to accessing NDIS support, such as lack of information and documentation in accessible formats such as braille, large print and e-text.¹⁴ Vision Australia submitted:

There must therefore be a recognition that not all people who are blind or have low vision are able to participate in the NDIS, even though they are eligible to do so. This non-participation is through no fault of their own, but results from barriers that could and should be removed, and which so far remain largely unaddressed. People should not be disadvantaged if they are unable to participate in the NDIS because of a systemic failure to provide

11 Ms Helen McDevitt, *Committee Hansard*, 21 November 2016, p. 18.

12 See: Vision Australia, *Submission 6*, p. 5; Australian Blindness Forum, *Submission 9*, p. 1; Royal Society for the Blind, *Submission 11*, p. 1; Blind Citizens WA, *Submission 16*, p. 1; Vision 2020, *Submission 21*, pp 1–2.

13 Mr Bruce Maguire, Vision Australia, *Committee Hansard*, 21 November 2016, p. 11.

14 Blind Citizens Australia, *Submission 7*, p. 4.

necessary information and documentation in formats that people who are blind or have low vision require.¹⁵

2.12 These submitters recommended that the mobility allowance remain in place for people who are ineligible for the NDIS, choose not to participate in the NDIS, or who face barriers in accessing the NDIS.¹⁶

2.13 The department noted that individuals who would be ineligible for continuity of support arrangements or the NDIS would have access to a range of other supports, including:

- GST exempt purchase of cars for work use, where the individual has a disability affecting them to the extent they cannot use public transport;
- the Employment Assistance Fund, providing financial assistance for people with disability or their workforce modification equipment or services;
- Employment services, through jobactive, Disability Employment Services and the Community Development Program assisting job seekers (including those with disability) become job ready and find work, including through providing wage subsidies;
- Disabled Australian Apprentice Wage Support Program, providing wage and mentoring support for the employers hiring apprentices and trainees with disability; and
- State and territory transport, vehicle modification and parking subsidies.¹⁷

2.14 Representatives from the department told the committee that in addition to these supports, Commonwealth, state and territory governments have agreed to:

... work in a much more focused way to ensure that universal services and other supports are providing the supports and access, as they are obliged and are meant to do, for people with disability. That includes other Commonwealth services and systems as well as state governments.¹⁸

Equity of funding under the NDIS

2.15 Submitters expressed concern that recipients of the mobility allowance who are eligible for the NDIS may be 'worse off' and receive less transport support when they transition to the NDIS.¹⁹ For example, the NSW Council of Social Service (NCOSS) submitted that the proposed rates of transport support offered under the NDIS are 'manifestly inadequate compared to the transport costs faced by many people with disability'.²⁰

15 Vision Australia, *Submission 6*, p. 3.

16 Inclusion Australia, *Submission 17*, p. 3; Vision Australia, *Submission 6*, p. 3.

17 DSS, *Submission 8*, p. 4.

18 Ms Helen McDevitt, *Committee Hansard*, 21 November 2016, p. 20.

19 NCOSS, *Submission 3*, p. 3; Queensland Advocacy Incorporated, *Submission 12*, p. 5; Inclusion Australia, *Submission 17*, p. 3.

20 NCOSS, *Submission 3*, p. 3.

2.16 Some submitters also expressed concern about the level of funding for transport support under the NDIS, and the way it has been implemented at trial sites.²¹ People with Disability Australia submitted that:

Feedback we have received is that during the planning process, planners are not encouraging participants to include transport assistance or do not adequately calculate the level of transport support needed.²²

2.17 Submitters also highlighted that the current rates of mobility allowance and NDIS transport support do not cover the real cost of transport for people with disability, who rely on additional supplements from state and territory based taxi subsidy schemes. These submitters expressed concern that some state and territory taxi subsidy schemes are changing their eligibility to exclude NDIS participants, which may result in a funding shortfall.²³

2.18 **Table 2.1** outlines the current rates of mobility allowance and relevant eligibility criteria. **Table 2.2** outlines the expected levels of transport support under the NDIS.

Table 2.1 – Current rates of mobility allowance

Rates	Per fortnight	Per year (approx.)	Eligibility
Standard rate	\$93.20	\$2400	<ul style="list-style-type: none"> • Do paid or voluntary work, are self-employed, undertake vocational training or independent living or life skills training, or any combination of these for at least 32 hours every 4 weeks on a continuing basis • Look for work under an agreement with an Employment Services Provider • Participate in a Disability Management Service program with a Disability Employment Services provider, or • Get Newstart Allowance, Youth Allowance or Austudy and meet the Mutual Obligation Requirements

21 VALID, representing people with intellectual disability in Victoria, submitted that evidence from the Barwon NDIS trial site indicates that rates of transport assistance is not appropriate, and that in some case participants 'ran out of their allocated transport budgets within 6 months, pressuring them to either reduce community participation that requires travel or to rely on families and other forms of private transport to meet the gap'. VALID, *Submission 18*, p. 2. See also: People with Disability Australia, *Submission 20*, p. 7; People with Disability WA, *Submission 15*, pp 2–4; Inclusion Australia, *Submission 17*, p. 7; People with Disability Australia, *Submission 20*, p. 7

22 People with Disability Australia, *Submission 20*, p. 10.

23 Children and Young People with Disability Australia, *Submission 14*, p. 7; Inclusion Australia, *Submission 17*, p. 5, VALID, *Submission 18*, p. 3.

Higher rate	\$130.30	\$3400	<ul style="list-style-type: none"> • Get Disability Support Pension, Parenting Payment, Newstart Allowance or Youth Allowance as a job seeker, and • Work for 15 hours or more a week on wages that are at, or above, the relevant minimum wage, or • Work for 15 hours or more a week on productivity based wages under the Supported Wage System, or • Look for work 15 hours or more a week under an agreement with an Employment Services Provider
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Source: Department of Human Services, *Mobility Allowance – Payment rates*, <https://www.humanservices.gov.au/customer/services/centrelink/mobility-allowance> (accessed 15 November 2016).

Table 2.2 – Expected levels of transport support under the NDIS

Level	Per year	Eligibility
Level 1	Up to \$1,750	Participants who are not working, studying or attending day programs but are seeking to enhance their community access.
Level 2	Up to \$2,625	Participants who are currently working or studying part-time (up to 15 hours a week), participating in day programs and for other social, recreational or leisure activities.
Level 3	Up to \$3,456	Participants who are currently working, looking for work, or studying, at least 15 hours a week, and are unable to use public transport because of their disability.
Exceptional circumstances		Participants can receive higher funding if the participant has supports (mainstream, informal or funded) in their plan that enables their participation in employment.

Source: NDIS, *Participant transport funding information*, <https://www.ndis.gov.au/document/participant-transport-funding-informati.html> (accessed 15 November 2016).

2.19 Representatives from the department told the committee that the criteria and levels of transport support under the NDIS are 'broadly aligned' with mobility allowance. The department emphasised that where transport funding is deemed to be 'reasonable and necessary', the eligibility criteria under the NDIS is similar, and in some cases 'more generous' than mobility allowance:

In relation to NDIS and transport funding, like all participants plans, it is based on an individualised funding package and what is reasonable and necessary for that individual. What the NDIS has broadly done as a form of guidance is determine some general levels of types of transport support that it would provide. They are broadly aligned—they are certainly consistent—

with, if not slightly more generous than, current mobility allowance provisions.²⁴

2.20 The department also noted that under the NDIS, participants would have more flexibility to adjust their levels of transport support to suit their needs:

... once a participant's package is approved and it may have a component for transport in that, the participant then has flexibility about how they use the funding in their package. So, if they had a particular need at a particular time, they could actually draw on the funding in their package to pay more for transport or less for transport. So it is quite flexible in that regard.²⁵

Changes to qualifying activities

2.21 Some submitters expressed concern about the proposed removal of volunteering, job search activities and vocational rehabilitation activities from the list of qualifying activities for mobility allowance.²⁶ NCOSS highlighted that, in particular, volunteering and job search activities:

... play an important role in preparing people with disability for economic and workforce participation, particularly given that people with disability are almost twice as likely than the general population to be unemployed.²⁷

2.22 These submitters recommended that the current list of qualifying activities for mobility allowance be maintained.²⁸

2.23 National Disability Services expressed particular concern about the impact on people accessing the Disability Employment Services (DES) program, 'which assists people with disability to gain and maintain employment in mainstream workplaces'.²⁹ Similarly, the Australian Network on Disability noted that it was not clear how the change in eligibility would impact on a person participating in its Positive Action towards Career Engagement (PACE) program which is neither paid employment or vocational training, but 'clearly provide pathways to employment'.³⁰

2.24 The Minister stated when introducing the Bill that under current arrangements:

... Mobility Allowance is a very broad program which is not particularly well targeted. The payment has not led to any significant increase in the workforce participation of recipients. This is partly because, despite its

24 Ms Helen McDevitt, *Committee Hansard*, 21 November 2016, pp 20–21.

25 Ms Helen McDevitt, *Committee Hansard*, 21 November 2016, p. 21.

26 NCOSS, *Submission 3*, p. 1; Australian Network on Disability, *Submission 4*, p. 2; Queensland Advocacy Incorporated, *Submission 12*, p. 4; Inclusion Australia, *Submission 17*, p. 4.

27 NCOSS, *Submission 3*, p. 1.

28 NCOSS, *Submission 3*, p. 2; Children and Young People with Disability Australia, *Submission 14*, pp 6–7; Queensland Advocacy Incorporated, *Submission 12*, p. 4.

29 NDS, *Submission 5*, p. 1.

30 Australian Network on Disability, *Submission 4*, p. 2.

policy objectives, there is no requirement for Mobility Allowance payments to actually be spent on transport needs or in ways that directly assist a recipient's workforce participation.³¹

2.25 The department noted that of current mobility allowance recipients, the majority are engaged in employment: 79 per cent in employment, 7 per cent in job search activities and 11 per cent in volunteering roles.³²

2.26 Representatives from the department told the committee that the proposed change in qualifying activities intends to more closely align mobility allowance with:

... its original purpose, which is to support the person in an activity that will further their chances of getting work around training or actually working.³³

Continuation period

2.27 Under the current arrangements, a person who is qualified for mobility allowance can receive a 12 week 'continuation period', during which they may continue to receive a payment while not participating in a qualifying activity.³⁴

2.28 A number of submitters expressed concern about the reduction of the continuation period from 12 weeks to 4 weeks, and recommended that the 12 week continuation period be maintained.³⁵

2.29 In particular, submitters highlighted that people who are blind or have vision impairment would be adversely affected by the change, as they generally take longer to find work.³⁶ These submitters noted Vision Australia research that indicates that people who are blind or have vision impairment already have high rates of unemployment (around 58 per cent). The Australian Blindness Forum suggested that anecdotally the percentage may be around 70 per cent unemployment and highlights:

... the need to ensure people who are blind or vision impaired and who are in paid employment (or a qualifying activity) are provided as much support as possible to continue in that employment ... To lose the Mobility Allowance after only 4 weeks of not being engaged in a qualifying activity

31 The Hon Christian Porter, Minister for Social Services, *House of Representatives Hansard*, 13 October 2016, p. 7.

32 Ms Cath Halbert, *Committee Hansard*, 21 November 2016, p. 20.

33 Ms Cath Halbert, *Committee Hansard*, 21 November 2016, p. 21.

34 DSS, *Submission 8*, p. 3.

35 NCOSS, *Submission 3*, p. 2; Queensland Advocacy Incorporated, *Submission 12*, p. 7; Australian Blindness Forum, *Submission 9*, p. 1; Royal Society for the Blind, *Submission 11*, p. 2; Inclusion Australia, *Submission 17*, p. 4; People with Disability Australia, *Submission 20*, p. 9.

36 Vision Australia, *Submission 6*, p. 4; Australian Blindness Forum, *Submission 9*, p. 3; Royal Society for the Blind, *Submission 11*, p. 2; Blind Citizens WA, *Submission 16*, p. 3.

will have an enormous impact on an individual's ability to continue to find work.³⁷

2.30 The department submitted that under current arrangements:

The existence of the 12 week continuation period has not led to any appreciable increase in the level of workforce participation of Mobility Allowance recipients.³⁸

2.31 Representatives from the department further noted that:

... the assumption underpinning the change is not that there are going to be fewer people having a grace period; it is just that people will only be paid for fewer weeks. The assumption is that it is not mak[ing] a big difference to whether people reconnect with another activity at the moment, so the numbers will be the same but, instead of getting paid for 12 weeks while not undertaking an activity, they will get paid for only four weeks while not undertaking an activity.³⁹

Mobility allowance advance

2.32 Under current arrangements, recipients of mobility allowance may qualify for the mobility allowance advance if the Secretary of the department is satisfied that the person will continue to be qualified for mobility allowance for at least 26 weeks.⁴⁰ The National Welfare Rights Network (NWRN) supported retaining the 6 month mobility allowance advance.⁴¹ NWRN suggested:

... there is merit in exploring this as an option for the NDIS scheme, if not available. The ability to access funding in advance may help achieve the NDIS' wider goals, including individual choice and control, by giving the individual more ability to bargain with providers to meet their transport needs at the lowest cost.⁴²

2.33 The department submitted that the mobility allowance advance:

... is intended to assist recipients with any large or upfront transport-related costs associated with undertaking qualifying activities. Unlike advances for other income support and family assistance payments, the Mobility Allowance advance is not intended to be used for general costs of living expenses and is not made on the basis of hardship. There is no assessment made of a person's ability to pay back the advance and there is no discretion to change the rate of repayment.⁴³

37 Australian Blindness Forum, *Submission 9*, pp 4–5.

38 DSS, *Submission 8*, p. 2.

39 Ms Cath Halbert, *Committee Hansard*, 21 November 2016, p. 23.

40 DSS, *Submission 8*, p. 3.

41 NWRN, *Submission 10*, p. 6.

42 NWRN, *Submission 10*, p. 6.

43 DSS, *Submission 8*, p. 3.

2.34 The department further noted 'hardship is unlikely to be an issue' as a result of the removal of the allowance, given that:

90 per cent of Mobility Allowance recipients are also receiving another income support payment and will continue to have access to advance payments under their primary payment. The remaining 10 per cent have other means of support which preclude them from receiving a means-tested income support payment ...⁴⁴

Committee view

2.35 The committee acknowledges concerns about the lack of detail on long-term continuity of support arrangements for current mobility allowance recipients. The committee notes that the department is working to develop long-term arrangements, consistent with the Australian Government's commitment to provide continuity of support for people aged over 65 years of age.

2.36 The committee acknowledges the particular concerns about what supports will be available to people aged over 65 who will not be eligible for the NDIS, particularly those people who are blind or have vision impairment, once the mobility allowance ceases on 1 July 2020. The committee is satisfied that there are a number of programs available at the Commonwealth and state level to continue to assist these individuals.

2.37 The committee acknowledges concerns from some submitters about the level of funding available for transport support under the NDIS. The committee notes that the criteria and funding levels between the NDIS and mobility allowance are equivalent, particularly at the higher levels.

2.38 The committee also acknowledges concerns about the proposed changes to the qualifying activities for mobility allowance. The committee agrees that these changes would realign the mobility allowance to its original purpose to support workforce participation. The committee further notes that the majority of current mobility allowance recipients are engaged in some form of employment activity.

2.39 The committee notes the support from some submitters and witnesses for maintaining the continuation period for 12 weeks. The committee acknowledges evidence from the department that there is no evidence to suggest that the current length of the continuation period results in greater workforce participation.

2.40 The committee also notes that few submitters commented on the removal of the mobility allowance advance. The committee acknowledges that this change is unlikely to result in hardship, as 90 per cent of mobility allowance recipients have access to advance payments through their income support payments.

2.41 Overall, the committee agrees that the proposed measures outlined in the Bill would better target the mobility allowance to its original purpose, and support the transition of mobility allowance to the NDIS. The committee agrees that this would help to ensure that the NDIS will be the main program of support for people with a

44 DSS, *Submission 8*, p. 3.

disability who need assistance to enable them to fully engage in the workforce and other economic activities.

Recommendation 1

2.42 The committee recommends that the Bill be passed.

Senator Jonathon Duniam

Chair

