



Purpose, intent and adequacy of the Disability Support Pension

Senate Community Affairs References Committee Inquiry

Submission

July 2021

Introduction

It is difficult to think of any more disadvantaged Australians than First Nations people with disability because they often face discrimination based upon disability and their indigeneity. This is often referred to as a double disadvantage. Furthermore, in the experience of FPDN the vast majority of First Nations people with disability live in poverty, particularly those living in regional and remote Australia.

First Nations people with disability need to have an adequate level of income to meet their needs and ensure that they are not living in poverty. This is currently not the case, with the level of Disability Support Pension (DSP) being inadequate to meet regular costs of living, significant barriers to accessing the DSP and employment.

All people with disability face higher costs of living, what is known as the 'disability tax'. A 2017 study found that in addition to people with disability living in poverty, "the evidence suggests that living with a disability may cost an additional several thousand dollars per year, adding up over time to be a significant financial burden on households."¹

At the same time, the latest poverty report from ACOSS finds that:

"the poverty rate for Aboriginal and Torres Strait Islander people is 31%, and that poverty amongst Aboriginal and Torres Strait Islander people is twice as high in very remote communities (54%) as in major cities (24%). However, it must be noted that accurate measurement of poverty in these communities is hampered by non-declaration of income and the complexity of family structures and income-sharing arrangements, all of which likely result in under-estimation of poverty in Aboriginal and Torres Strait Islander communities."²

Poverty is a significant intersectional issue for Aboriginal and Torres Strait Islander people with disability

A recent NATSEM report found that "an estimated 40.8% of Indigenous households with a family member on the DSP reported they had run out of money for basic living expenses in the last 12 months."³ This report also found that "Indigenous Australians are two and a half times more likely to be on the DSP than non-Indigenous Australians, reflecting both a higher prevalence of disability as well as significantly higher rates of unemployment and socio-economic disadvantage".⁴

Over 53,000 Aboriginal and Torres Strait Islander people with disability are in receipt of the DSP, according to the latest Department of Social Services data.⁵

¹ The hidden extra costs of living with a disability, The Conversation, 2017, Sophie Mitra, Daniel Mont, Hoolda Kim, Michael Palmer, Nora Groce, <https://theconversation.com/the-hidden-extra-costs-of-living-with-a-disability-78001>

² povertyandinequality.acoss.org.au/poverty/poverty-rates-among-aboriginal-and-torres-strait-islander-people-by-region-in-2016/

³ Li, J., Brown, L., La. H.N., Miranti, R., and Vidyattama, Y. (2019). Inequalities In Standards of Living: Evidence for Improved Income Support for People with Disability. NATSEM, Institute for Governance and Policy Analysis, University of Canberra. Report commissioned by the Australian Federation of Disability Organisations. September 2019.

⁴ As above

⁵ March 2021 DSS Demographic data - <https://data.gov.au/data/dataset/dss-payment-demographic-data/resource/e9de2352-c21b-4c5f-bb5b-02020227f1eb>

Different income support payments play an important role in the lives of Aboriginal and Torres Strait Islander people with disability, including the DSP and JobSeeker.

In 2014–15, '52% of Indigenous Australians aged 15 and over received a government pension or allowance as their main source of personal income, 44% relied on employee income, and a small group (4%) reported other main sources.'⁶

In addition, Aboriginal and Torres Strait Islander people with disability are more likely to be in receipt of the Disability Support Pension or Carers payment.

'As at 29 June 2018, 61,700 Aboriginal and Torres Strait Islander Australians aged 18–64 received DSP or Carer Payment. This equates to 14% of the Indigenous population aged 18–64 receiving these payments, compared with 5.6% for Other Australians (11% compared with 4.2% for DSP and 3.4% compared with 1.4% for Carer Payment; Figure 2).

After taking into account the differences in the age structures between Indigenous and Other Australians, Indigenous Australians were 3.1 times as likely as Other Australians to receive DSP and 2.7 times as likely to receive Carer Payment.'⁷

At the same time, changes over the last 15 years to the Disability Support Pension have had a disproportionate impact on Aboriginal and Torres Strait Islander people with disability.

Furthermore it is the experience of FPDN based upon close to 20 years of community engagement across Australia that there are in fact a significant number of First Nations people with disability who are in fact eligible for the DSP however do not access it. In practical terms it is physically close to impossible to actually lodge a claim for the DSP in remote parts of the country. Furthermore there is little to no community engagement to promote the DSP in regional and remote Australia. This is evidence itself that there needs to be more accurate information in terms of the number of First Nations people with disability who are eligible.

First Peoples Disability Network believes that there needs to be a wide ranging review of income levels and cost of living for First Nations people with disability, with a focus on reducing the barriers to accessing the DSP, addressing the structural and intersectional contributions to poverty in coordination with the Closing the Gap targets, and the National Disability Employment Strategy.

⁶ Indigenous income and finance, Australian Institute of Health and Welfare, <https://www.aihw.gov.au/reports/australias-welfare/indigenous-income-and-finance>

⁷ Disability Support Pension and Carer Payment Snapshot 2019, Australian Institute of Health and Welfare, <https://www.aihw.gov.au/reports/australias-welfare/disability-support-pension-and-carer-payment>

We have included our submission to the National Disability Employment Strategy with this submission for the Committee's consideration.

Please do not hesitate to contact me if you would like any further information

A handwritten signature in black ink, appearing to read 'D. Griffis'.

Damian Griffis

CEO, First Peoples Disability Network

Recommendations

- That a wide ranging review of income levels and cost of living for Aboriginal and Torres Strait Islander people with disability is conducted.
- That barriers to accessing the DSP are reduced including more information and outreach, support, faster application timeframes, exemptions from JobSeeker requirements while waiting, abolishing the program of support, and current impairment table system.
- That measures to address the structural and intersectional contributions to poverty in coordination with the Closing the Gap targets, and the National Disability Employment Strategy.
- That more investment is made in Aboriginal and Torres Strait Islander controlled and run individual disability advocacy services.

Barriers to accessing the DSP

There have been several significant changes to the requirements to access the Disability Support Pension since 2006, with each successive change making it harder to access. The policy changes that have increased barriers to accessing the DSP include:

- tightening of eligibility criteria, including 2006 changes to total work hours, 2012 changes to impairment tables and the recent introduction of the program of support requirement.
- raising the qualifying age for the Age Pension
- reducing other income support payments, such as Sickness Allowance.

This has reduced the overall numbers of people in receipt of the DSP, and increased the number of people in receipt of Newstart with a partial capacity to work (now 42%).⁸

For people with disability now on the much lower JobSeeker payment (previously known as Newstart), this compounds the rates of poverty, due to their higher cost of living, and causes significant harm.

In their report 'At what cost: Indigenous Australians' experiences of applying for disability income support (Disability Support Pension)' Karen Soldatic and Michelle Fitts found that 'reforms implemented to tighten the eligibility for the DSP and the new process to assess medical information and evidence have had serious implications for Aboriginal and Torres Strait Islander Australians living with disability'.⁹

This report interviewed a range of Aboriginal and Torres Strait Islander people with disability and service providers to gauge the impact of a succession of significant policy changes to the DSP since 2006. Service providers and people with disability reported high rates of rejection, difficulty in obtaining the correct documentation and a lack of communication from Centrelink about the eligibility process. Obtaining the material necessary for an application was particularly difficult for people living in remote areas.

The report also found long waits for assessment of DSP applications, with some people with disability in receipt of JobSeeker (previously Newstart) Allowance for up to a year. Centrelink's policy of rejecting more than one medical certificate exempting people from mutual obligation requirements has a significant impact on this group.

They made the following recommendations:

- Greater community outreach and information dissemination by Centrelink staff about the Disability Support Pension, eligibility criteria and amendments to the application process is required.
- Coordinated support during the application process
- Minimum standards for application processing timeframes
- Comprehensive outcome information and support for applicants following an unsuccessful claim for the DSP outcome

⁸ People with disability in Australia 2020, AIHW, <https://www.aihw.gov.au/reports/disability/people-with-disability-in-australia/contents/income-and-finance/income-support#Changes%20over%20time%20in%20the%20DSP>

⁹ 'At what cost: Indigenous Australians' experiences of applying for disability income support (Disability Support Pension) 2018, Karen Soldatic and Michelle Fitts

- Exempting individuals applying for the DSP from Newstart Allowance reporting and work activities.
- Supporting individuals to undertake a range of activities for the community benefit beyond that of merely labour market related activities.¹⁰

FPDN agrees with these recommendations, and urges significant reform to remove barriers to accessing the DSP for Aboriginal and Torres Strait Islander people with disability.

FPDN advocates report significant barriers to accessing the DSP, particularly for people with disability exiting prison, and those with low literacy. Aboriginal and Torres Strait Islander people with disability who enter prison lose eligibility to the DSP, then have to meet new eligibility criteria when exiting. Advocates also report cases they have worked directly with Aboriginal and Torres Strait Islander people with disability where their range of impairments have had a severe impact on their lives, yet are not recognised as a whole in the eligibility criteria for the DSP due to the current impairment table system.

There is currently little support for Aboriginal and Torres Strait Islander people with disability to work through the complexity of the application process for the DSP, leading to many people missing out on essential support they are entitled to. FPDN advocates are trying to fill this gap, however there is a very significant lack of support and assistance to navigate the multiple systems required to successfully access the DSP.

There is also a lack of First Nations professionals working in health and disability, which can lead to a lack of cultural knowledge and understanding about what Aboriginal and Torres Strait Islander people with disability experience every day.

FPDN advocates say that Aboriginal and Torres Strait Islander people with disability are often:

“unable to obtain the needed medical reports due to extended waiting times, cost of gaining reports, not knowing what reports are required, not having supports to transition through this long and difficult process, not having enough evidence around diagnosis, lack of understanding from medical professionals as to the wording that DSP is looking for, transport infrastructure and cost of obtaining reports, proving permanency of a disability, when it may have started as a health condition that wasn't effectively treated.”¹¹

This advocacy work can be across 6-10 meetings with different professionals, and involve extended travel. None of this work is funded or resourced at anywhere the level of need in the community.

This is particularly acute for Aboriginal and Torres Strait Islander people with disability living in remote areas, with the Commonwealth Ombudsman finding that “the challenges faced by remote Indigenous Australians in navigating the DSP claim process are real and the impact of these challenges can be disproportionately large, given the claimants’ particular vulnerabilities.”¹²

¹⁰ As above

¹¹ FPDN advocate interview, July 2021

¹² Commonwealth Ombudsman, Department of Human Services: Accessibility of Disability Support Pension for remote Indigenous Australians December 2016
https://www.ombudsman.gov.au/__data/assets/pdf_file/0024/42558/Accessibility-of-DSP-for-remote-Indigenous-Australians_Final-report.pdf

The work that FPDN advocates are doing reinforces the urgency of increased investment in individual advocacy for Aboriginal and Torres Strait Islander people with disability that can work directly with people to connect them with services and supports.

As we have said in our submission to the National Disability Employment Strategy (NDES), FPDN has long advocated for this as part of our work to make sure Aboriginal and Torres Strait Islander people with disability have equitable access to the NDIS. However, we also believe that community controlled and led disability services, including individual advocacy, would have significant positive outcomes across multiple services areas, including employment.

The NDES points out that it can be difficult to access support for employment when people with disability are also ‘trying to meet basic needs such as housing, food and health, and/or dealing with issues of violence and abuse.’¹³ We have enclosed our submission to the NDES for the Committee’s consideration.

The 2016 Australian Human Rights Commission Willing to Work inquiry heard that connection to community and cultural competence are highly valued skills which greatly enhance service delivery for Aboriginal and Torres Strait Islander people. This has been demonstrated in relation to employment services delivery.¹⁴

FPDN conducted consultations across a range of communities for the National Disability Strategy in 2019.¹⁵ These were held across Australia and heard from Aboriginal and Torres Strait Islander people with disability about different aspects of their lives.

These consultations heard strong evidence of the intersectional nature of discrimination against Aboriginal and Torres Strait Islander people with disability across the services system, including employment.

It is the experience of the FPDN that often Aboriginal and Torres Strait Islander people with disability require advocacy support for complex matters. What may present initially as a simple matter of supporting an individual to access the Disability Support Pension for instance invariably turns into a matter related to housing, education, employment, access to health services or any number of other more substantive issues.

¹³ National Disability Employment Strategy Consultation Paper, p14
<https://engage.dss.gov.au/national-disability-employment-strategy/national-disability-employment-strategy-consultation-paper/>

¹⁴ Willing to Work inquiry final report, p69,
<https://humanrights.gov.au/our-work/disability-rights/publications/willing-work-national-inquiry-employment-discrimination>

¹⁵ FPDN National Disability Strategy Community Consultations 2019

Role of the DSP in reducing poverty

Evidence shows that “people with disabilities are disproportionately poor. They are more likely to become poor and, when poor, are more likely to stay that way, because of barriers to getting an education, finding decent work and participating in civic life. Taken together, [these barriers](#) significantly and adversely impact their standard of living.”¹⁶

This is compounded for Aboriginal and Torres Strait Islander people with disability. The 2016 Australian Human Rights Commission Willing to Work inquiry found that Aboriginal and Torres Strait Islander people overall have lower labour force participation rates than non-Indigenous people (64.5% compared with 78.6%), and that the gap is wider amongst those with disability (34.8% and 53.6%).

Aboriginal and Torres Strait Islander people with disability are also significantly less likely than non-Indigenous people with disability to be employed (25.6% compared with 48.7%), and the unemployment rate for Aboriginal and Torres Strait Islander people with disability is nearly three times as high as the comparable rate for non-Indigenous people with disability (25.3% compared with 9.0%).¹⁷

FPDN told the Disability Royal Commission last year about our work distributing food and other support, during their inquiry into the response to COVID-19. We said that “our experience throughout the pandemic has shown us that many Aboriginal families could do with care packages all of the time, not just in this pandemic. This is symptomatic of the degree of poverty that many Aboriginal families face. The pandemic has only served to highlight this poverty. We believe there needs to be a coherent programmatic and policy response to addressing poverty amongst Aboriginal people with disability and their families once and for all.”¹⁸

The NATSEM inequalities in cost of living report found that “An estimated 40.8% of Indigenous households with a family member on the DSP reported they had run out of money for basic living expenses in the last 12 months. While nearly one in four Australian households thought their standard of living was worse than 2 years previously, over a third of households with a DSP recipient thought their standard of living had dropped compared to a staggering 55% of those receiving Newstart.”¹⁹

The DSP was intended to recognise these higher costs of living with disability, as well as the barriers many people with disability face in accessing employment. However, it is clear that this is no longer sufficient to keep Aboriginal and Torres Strait Islander people with disability out of poverty. In addition, the barriers to accessing the DSP mean many Aboriginal and Torres Strait Islander people with disability are on the much lower JobSeeker payment, while still facing higher costs.

¹⁶ The hidden extra costs of living with a disability, The Conversation, 2017, Sophie Mitra, Daniel Mont, Hoolda Kim, Michael Palmer, Nora Groce, <https://theconversation.com/the-hidden-extra-costs-of-living-with-a-disability-78001>

¹⁷ Australian Human Rights Commission 2016 Willing to Work inquiry report, p176
<https://humanrights.gov.au/our-work/disability-rights/publications/willing-work-national-inquiry-employment-discrimination>

¹⁸ Evidence of Damian Griffiths to Disability Royal Commission COVID hearing 20 August 2020,
<https://disability.royalcommission.gov.au/publications/exhibit-5341-stat012500020001-supplementary-statement-damian-griffis>

¹⁹ Li, J., Brown, L., La. H.N., Miranti, R., and Vidyattama, Y. (2019). Inequalities In Standards of Living: Evidence for Improved Income Support for People with Disability. NATSEM, Institute for Governance and Policy Analysis, University of Canberra. Report commissioned by the Australian Federation of Disability Organisations. September 2019.